



VIA ELECTRONIC FILING

California Air Resources Board
1001 I Street
Sacramento, CA 95814

RE: Preliminary Staff Report Proposed Low Carbon Fuel Standard (“LCFS”) Amendments

We are pleased to provide comments on proposed changes to biogas-based electricity crediting in response to the Preliminary Staff Report Proposed Low Carbon Fuel Standard (“LCFS”) Amendments.

We commend ARB for recognizing the important role that dairy manure biogas-to-electricity fuel pathways play in decarbonizing California’s transportation sector. We believe that there are several changes that ARB could make to reduce barriers for small biogas to electricity generators to participate in the program; and to adjust restrictions related to book-and-claim of renewable natural gas into an offsite generator and create a temporary pathway for all dairy biogas-to-electricity projects.

Adjust Requirements for Small Biogas-to-Electricity Facilities

As they are currently designed, annual verification requirements for dairy biogas to electricity fuel pathways are cost prohibitive to small electricity generators and effectively shut out a large portion of the state’s small and medium dairy operations from participating in a program that could provide meaningful support to decarbonization efforts.

For facilities with a total nameplate capacity of less than 150 kW, we encourage ARB to consider the following changes to the LCFS program:

- **Simplified Lookup Table Pathway for dairy biogas-based electricity**
For small facilities looking for a simple way to participate in the LCFS, CARB could offer a Lookup Table Pathway option, with a CI score set at the lower of the score of the highest currently approved dairy manure to electricity fuel pathway in the program or 0. After ensuring that facilities meet a minimum eligibility criteria, projects would then be able to be approved for immediate participation into the program.
- **Remove the Third-Party Verification Requirements**
The requirement to have a third-party verifier review the AFP report is an excessive burden for small facilities and can often exceed the credit revenue available from the program, a problem exacerbated by the recent low level of LCFS prices. While low LCFS prices strain the economics for dairy biogas-to-electricity generators of all sizes, that dynamic combined with the cost burden of annual verification particularly disadvantages smaller farms.
- **Simplify the Annual Fuel Pathway Report**
The data requirements of the Annual Fuel Pathway Report can be onerous for a small

operation. Specifically, the data requirements for raw biogas flow, methane content, and sub metered electricity usage are difficult to obtain and can be costly relative to the size and production of smaller facilities. WREGIS already certifies RECs based on exported electricity consumption. In combination with the recommendations above, more reasonable data requirements for small dairies for AFP reporting would go a long way to making the LCFS more viable for smaller dairy biogas-to-electricity facilities.

Allow for Book & Claim of RNG to Off-Site Electric Generators

ARB currently recognizes that “Low-CI electricity used as a transportation fuel can be indirectly supplied” through book-and-claim accounting, typically by pairing a renewable energy credit (“REC”) with electric vehicle charging. ARB separately currently recognizes book-and-claim accounting for renewable natural gas (“RNG”) injected into a commercial distribution pipeline and paired with compressed natural gas (“CNG”) fueling in California.

Yet to generate RECs from low-CI electricity derived from dairy biogas, ARB requires that the generator of the electricity in California that consumes the biogas is co-located with the digester from which it is produced.

We re-iterate our proposal submitted in prior comments in June 2023, in response to ARB’s May 2023 LCFS Workshop, encouraging ARB to enable book-and-claim accounting of RNG to be eligible for electricity generation. This approach not only aligns with CARB’s existing book-and-claim accounting framework but is also consistent with ARB’s objectives of supporting the transition to zero emission transportation.

Establish a Temporary CI Pathway for Dairy Biogas-to-Electricity and a Credit True-Up Mechanism

In contrast to other low carbon transportation fuels in the LCFS program, no Temporary CI Pathway exists for dairy biogas-to-electricity projects. Despite the fact that dairy biogas-to-electricity pathways fully reduce methane in the same manner as dairy biogas-to-RNG pathways, ARB treats them differently in this respect.

The lack of a Temporary CI Pathway prevents beneficial projects from receiving revenue until the Provisional CI is achieved, a process that can last from many months to a year or more. The extensive timeline for projects to receive even a Provisional CI means ARB in parallel should revise the true-up language to apply to Temporary CI scores.

We thank you again for the opportunity to provide these comments, and we look forward to continued engagement with ARB staff.

Sincerely,
Bridge To Renewables, Inc.