September 12, 2018



## **RE: ALISO CANYON MITIGATION AGREEMENT**

Dear Members of the California Air Resources Board,

The Coalition for Renewable Natural Gas (RNG Coalition) writes in **SUPPORT** of the Aliso Canyon Mitigation Agreement (Mitigation Agreement), the terms of which are outlined in Appendix A to the Consent Decree approved by the California Air Resources Board (CARB), the California Attorney General's Office, the City of Los Angeles, and the County of Los Angeles and lodged with the Los Angeles County Superior Court on August 8, 2018. We agree that this Mitigation Agreement fulfills the requirements specified in Governor Brown's January 6, 2016 Emergency Proclamation for SoCalGas to pay for a mitigation program developed by CARB that results in full mitigation of 109,000 metric tons of methane, that is limited to projects in California, and that prioritizes projects that reduce short-lived climate pollutants.

The RNG Coalition is a non-profit organization based in California that represents and provides public policy advocacy on behalf of the renewable natural gas (RNG, biomethane, upgraded biogas) industry in North America. Our membership is comprised of leading companies operating in each sector of the industry, including but not limited to producers of greater than 90% of all the RNG produced in the United States and Canada.

The Mitigation Agreement stipulates that SoCalGas will pay \$26.5 million to an account to be directed as loans to California Bioenergy to build 12 dairy digester projects and the necessary interconnection infrastructure. These projects will reduce at least 109,000 metric tons of methane emissions within a ten-year period and produce 6,617,492 MMBTu of biomethane to displace 47 million gallons of diesel fuel in California by 2031. The repaid \$26.5 million plus interest will be reinvested to support additional emissions reductions and other local projects to the benefit of residents of Porter Ranch and residents of the South Coast Air Basin. This local reinvestment will be in addition to \$45.4 million for local projects designated elsewhere in the \$119.5 million overall settlement. We believe that this represents an appropriate balance between the need to rapidly mitigate methane emissions in order to meet state short-lived climate pollutant goals and the need to invest in the local community. Thank you for your hard work and due diligence on this Mitigation Agreement, which we are pleased to support.

Sincerely,

Nina Kapoor Director of State Government Affairs Coalition for Renewable Natural Gas (916)550-3192