

August 27, 2024

VIA ELECTRONIC FILING

Matthew Botill Branch Chief, Industrial Strategies Division California Air Resources Board 1001 I Street Sacramento, California 95814

RE: Comments on the August 12, 2024 Proposed 2024 Low Carbon Fuel Standard Amendments (15 day comments)

Dear Mr. Botill

Monarch Bioenergy LLC (Monarch) operates and develops Renewable Natural Gas (RNG) facilities throughout the country and has participated in CARB's Low Carbon Fuel Standard (LCFS) program since its inception. Monarch respectfully submits these comments to the LCFS Proposed Amendments posted on August 12, 2024.

Monarch applauds CARB for increasing the overall program ambition and short term 2025 targets that are critical for continued methane reductions and expanded demand in all low carbon fuels. We believe even stronger ambition is achievable and can be achieved cost-effectively as stated by the numerous analysis submitted by the Coalition for Renewable Natural Gas (RNGC).

Monarch also appreciates the work CARB outlined in the August 22, 2024, Dairy Workshop where CARB supported analysis showed California's statewide dairy manure cow populations may be declining more quickly than previously understood. Livestock projects in California and across the country are a vital methane emission mitigation tool that should continue to be supported under the LCFS program. In particular, it is important to stakeholders that CARB recognized there is no evidence of farm sizes increasing due to LCFS credits to RNG projects.

Monarch has several suggested improvements to the August 12th draft. First, the proposed Deliverability Language remains problematic. The current draft suggests a RNG deliverability map will be developed with the assumption future regulations could be based on this map. Any restrictions based on mapping gas flows could arbitrarily penalize existing and in-development out-of-state projects. Past experiences with California's Renewable Portfolio Standard (RPS) have shown that vaguely written regulatory guidance on deliverability have created a barrier to imports, hindered facility development, and were ultimately, unsuccessful in creating a well-functioning California-only electric grid. We encourage CARB to learn from the RPS example when developing the proposed map.

Monarch is also concerned with the new language in the August 12th draft that reduces the avoided methane crediting from three to two crediting periods. The arbitrary phase-out of avoided methane

crediting without a detailed plan for developing a supporting replacement policy creates significant project uncertainty and increases the potential for stranded assets. We request CARB allow 3 crediting periods for avoided methane projects.

Monarch Bioenergy LLC is grateful for the opportunity to contribute to the ongoing dialogue on these crucial topics.

Sincerely,

<u>s/Sean Lock</u> Sean Lock President Monarch Bioenergy LLC