



VIA ELECTRONIC FILING

August 27, 2024

Matthew Botill
California Air Resources Board
1001 I Street
Sacramento, California 95814

Re: DVO, Inc. Comments on Low Carbon Fuel Standard 15-Day Amendments

Dear Mr. Botill:

WTE, LLC is a U.S.-based developer and owner of anaerobic digesters to RNG projects. We have one operational project and a second soon to be capturing biogas and converting it for injection of RNG into the national pipeline grid. RNG from these projects will qualify as renewable fuel under the Low Carbon Fuel Standard and be used as vehicle fuel in California. We have made significant investment of financial and personal time and resources to bring these important projects forward.

WTE has other projects under development consideration that have been in part put into suspension due in large part to the recent dips and uncertainties of the LCFS program. Investor sentiments have served to hold the development of these projects back until direction of the LCFS program becomes clearer. We look forward to CARB instituting improvements in the 2024 Rulemaking that we hope will result in increased program certainty.

We thank CARB and CARB staff for the opportunity to provide the following comments on the LCFS 15-day amendments:

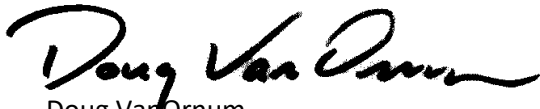
- **Near Term CI Ambition:** We support an increased near-term ambition from the proposed 9% to something greater, such as 11% proposed by other stakeholders. This course-correction should help boil off the current credit bank surplus and the resulting economic consequences.
- **Credit True Up:** WTE supports the proposed language to include a full credit true-up including the temporary period once verification is complete.
- **Step Down in Avoided Methane Crediting from Three Periods to Two:** We do not support the proposed step down in the total number of crediting periods for avoided methane emissions for some subset of projects breaking ground before January 1, 2030, from three to two. This would be an extremely problematic change as it would reduce project lifetimes and create significant headwinds for investment decisions. In addition, lacking further economic incentive support, at the end of only a second avoided methane crediting period, projects we have developed and

potential future projects run the risk of abandonment as it may no longer be cost-effective to continue operations. We believe the avoided methane crediting periods should be at least three.

- **Deliverability Language:** We find very troubling the proposed language limiting delivery of out-of-state RNG to pipelines with >50% directional flow into California. The direction of pipeline flows are not controlled or controllable by RNG project owners. Pipeline operators make their own decisions about directionality of products they carry. The current book and claim approach has helped incentivize RNG projects in the U.S. We strongly believe the proposed directional deliverability language by CARB in the 15-day proposed language will further disincentivize investment in these critical RNG projects.
- **Accessibility to Non-Colocated Renewable Power:** To help further incentivize development in the renewable power industry, we urge CARB to remove the co-located power generation requirement and allow greater and more diverse sources of green power to help produce RNG.

We appreciate CARB's consideration of our views and concerns and look forward to a more robust and reliable LCFS program to support the interests of all stakeholders

Sincerely,

A handwritten signature in black ink that reads "Doug VanOrnum". The signature is fluid and cursive, with the first name "Doug" being the most prominent.

Doug VanOrnum

Member

WTE, LLC

www.wte.llc