

September 2, 2021

Richard Corey Executive Officer California Air Resources Board P.O. Box 2815 Sacramento, CA 95812

RE: 2022 Scoping Plan- Scenario Concepts Technical Workshop: Recognizing Soil Carbon Sequestration

(Comments submitted electronically)

Dear Mr. Corey,

On behalf of Gevo, I am writing to recommend that the California Air Resources Board ("CARB") recognize soil carbon sequestration ("SCS") that results from enhanced farming practices into the scenario modeling that CARB develops for the 2022 Scoping Plan. Specifically, I am recommending that CARB review the degree to which SCS is effectively integrated within the existing modeling framework. From the workshop materials and particularly slides 29 and 30 of the CARB presentation that are titled, "Industry (Manufacturing, Construction, and Agriculture)", it does not appear that the models utilized are capable of recognizing the GHG benefits of SCS. Instead, it appears that agriculture is being modeled in the same manner as manufacturing and construction with a focus on the degree of electrification and combustion in the sector. As further discussed in this comment, such an approach would fundamentally overlook the sequestration potential that exists within agriculture.

To the extent that CARB determines that SCS is insufficiently integrated into the modeling framework, I would recommend that CARB identify and adopt a suitable model that can adequately address this critical carbon sequestration tool. By integrating SCS analysis into its modeling framwork, CARB would take a crucial first leading role in incentivizing carbon smart farming practices in agriculture, build knowledge regarding the effectiveness of various SCS strategies, and speed fulfillment of California's aggressive decarbonization goals. According to the Intergovernmental Panel on Climate Change, soil carbon sequestration provides 89% of the global technical GHG emission mitigation potential from agriculture.¹ This topic therefore warrants integration into CARB's scenarios modeling.

¹ Smith, P., D. Martino, Z. Cai, D. Gwary, H. Janzen, P. Kumar, B. McCarl, S. Ogle, F. O'Mara, C. Rice, B. Scholes, O. Sirotenko, 2007: Agriculture. In Climate Change 2007: Mitigation. Contribution of Working Group III to the Fourth Assessment Report of the



Gevo's Leading Role in the Advanced Bioeconomy

Gevo is a leading renewable chemicals and advanced biofuels company dedicated to delivering low carbon, advanced, sustainable fuels and chemicals. Gevo is committed to replacing the non-sustainable, greenhouse gas generating fossil carbon-based chemicals and fuels that dominate the world today with advanced, renewable carbon alternatives. Gevo's production technologies and fuels address multiple transportation sectors and are carbohydrate based. Gevo is a world leader in developing facilities and producing isobutanol, renewable gasoline, renewable jet fuel, and other biochemicals.

Gevo is also pioneering and supporting farming practices to enhance soil health and sequester carbon in order to enable regenerative farming practices. In connection with Gevo's sales of advanced biofuels to Europe, Gevo is already rewarding farmers for innovating, developing solutions to the dynamic global farming system, and implementing better farming practices.

California Policy Requires Decarbonization of the Transportation Sector

Pursuant to SB 32 and AB 197, California must reduce its GHG emissions 40% below 1990 levels by 2030 necessitating dramatic GHG reductions compared to current policies. Transportation emissions are the dominant GHG emissions source, constituting 41% of California's total GHG emissions of 424.1 MMTCO₂e.² Transportation GHG emissions have clearly emerged as the most difficult sector to decarbonize with transportation's rising from 35% of California's GHG emissions in 2015 to 41% in 2017.³

Pursuant to Governor Brown's Executive Order B-55-18, California has a statewide goal to achieve carbon neutrality as soon as possible, and no later than 2045, and to achieve and maintain net negative emissions thereafter in addition to statewide targets of reducing GHG emissions including SB 32 and AB 197.⁴ In addition, the Executive Order provides that, "The California Air Resources Board shall work with relevant state agencies to

Intergovernmental Panel on Climate Change [B. Metz, O.R. Davidson, P.R. Bosch, R. Dave, L.A. Meyer (eds)], Cambridge University Press, Cambridge, United Kingdom and New York, NY, USA, at p. 499 (emphasis in original), available at <u>https://www.ipcc.ch/site/assets/uploads/2018/02/ar4-wg3-chapter8-1.pdf</u> (last viewed July 16, 2020) (hereafter, 2018 IPCC Agriculture Chapter).

² Air Resources Board, Public Workshop on the Transportation Sector to Inform Development of the 2030 Target Scoping Plan Update, September 14, 2016, <u>https://www.arb.ca.gov/cc/scopingplan/meetings/091316/FINAL%20Scoping%20Plan%</u>

²⁰Transport%20Workshop.pdf (last viewed September 19, 2016), at slide 11 and 14. ³ Presentation of Executive Officer Richard Corey, slide entitled "Transportation Remains a Key Focus," presented at Argus Biofuels & Carbon Markets Summit, October

Remains a Key Focus," presented at Argus Biofuels & Carbon Markets Summit, October 22, 2019, at slide 11.

⁴ Executive Order B-55-18, available at <u>https://www.ca.gov/archive/gov39/wp-</u> content/uploads/2018/09/9.10.18-Executive-Order.pdf



ensure future Scoping Plans identify and recommend measures to achieve the carbon neutrality goal."

To identify negative emissions pathways that physically remove CO₂ from the atmosphere and strategies that can enable California to meet its goal of achieving carbon neutrality by 2045, the Lawrence Livermore National Laboratory developed a recently published report entited, <u>Getting to Neutral</u>, <u>Options for Negative Carbon Emissions in</u> <u>California</u> ("Getting to Neutral Report").⁵ The Getting to Neutral Report analyzed California's carbon neutrality goal and determined that it is necessary for the State to remove 125 million metric tons ("MMT") of carbon from the atmosphere each year by 2045 in order to achieve carbon neutrality. The Report then determined the lowest cost and most productive pathways to create a negative emissions strategy and identified the three central pillars of the strategy:

- 1. Capture and store as much carbon as possible through better management of natural and working lands.
- 2. Convert waste biomass to fuels and store the CO_2 .
- 3. *Remove CO2 directly from the air using purpose-built machines and store the CO*₂.⁶

The Importance of Natural Solutions Including Soil Carbon

The natural solutions encompassed by the Report include farming practices that increase the amount of carbon stored in soils. The Report found that, "These approaches are among the least expensive we examined, averaging \$11 per ton of CO₂ removed from the atmosphere." The Report also recognized that these strategies have important co-benefits including improved soil health.⁷ The Report went on to state:

Natural systems are always the first option for negative emissions, both due to their concomitant advantages (soil health, ecosystem services) and to their generally lower cost... Natural systems have the advantage that their system

⁵ Sarah E. Baker, Joshuah K. Stolaroff, George Peridas, Simon H. Pang, Hannah M. Goldstein, Felicia R. Lucci, Wenqin Li, Eric W. Slessarev, Jennifer Pett-Ridge, Frederick J. Ryerson, Jeff L. Wagoner, Whitney Kirkendall, Roger D. Aines, Daniel L. Sanchez, Bodie Cabiyo, Joffre Baker, Sean McCoy, Sam Uden, Ron Runnebaum, Jennifer Wilcox, Peter C. Psarras, Hélène Pilorgé, Noah McQueen, Daniel Maynard, Colin McCormick, <u>Getting to Neutral: Options for Negative Carbon Emissions in California</u>, January, 2020, Lawrence Livermore National Laboratory, LLNL-TR-796100, at p. 29, available at <u>https://www-gs.llnl.gov/content/assets/docs/energy/Getting_to_Neutral.pdf</u> (hereafter "Getting to Neutral Report," footnotes omitted).

⁶ Getting to Neutral Report at p. 3.

⁷ Id. at p. 4.



issues are perhaps the most simple, with the source of the CO₂ being the atmosphere and the ultimate sink being the natural system itself.⁸

The Getting to Neutral Report specifically referenced the following Soil Carbon strategies: cover cropping, mulching, no-till farming, reduced-till farming, and compost application. Regarding scale of the opportunity, the Report found that:

Soils have lost approximately 130 billion metric tons of organic carbon (477 billion metric tons of CO_2 equivalent) to the atmosphere globally since the advent of modern agriculture. Reversing soil organic carbon losses by altering land management would sequester atmospheric CO_2 while also potentially delivering gains in soil fertility. Estimates of the near-term carbon storage potential of agricultural soils are in the range of approximately 0.08-1.85 metric tons of carbon per hectare per year, or 0.3-6.8 tons of CO_2 equivalent per hectare per year. In theory, increasing soil carbon (3.7-14.7 billion tons of CO_2) per year, with the potential to offset global temperature increase.⁹

The Value of Regenerative Agriculture as a Natural Solution

Consistent with the Getting to Neutral Report, regenerative agriculture has tremendous momentum, is actionable today, and has great atmospheric carbon reduction potential. According to the IPCC 2018 report, the global technical GHG emission mitigation potential from all agriculture exceeds 5 gigatons of CO2e per year. Per the Agriculture chapter's Executive Summary, "Soil carbon sequestration (enhanced sinks) is the mechanism responsible for most of the mitigation potential (*high agreement, much evidence*), with an estimated 89% contribution to the technical potential."¹⁰

In order to achieve these substantial reductions, market signals must be provided to farmers that there are economic rewards for better practices. In order to accurately access the level of SCS that individual farms are achieving, CARB must establish a robust, individualized methodology to determine and provide an economic incentive for the actual SCS achieved on individual farms for specific crops.

Conclusion

The Getting to Neutral Report emphasizes that the first two necessary actions for California to take in order to achieve carbon neutrality by 2045 are:

1. Scale up and accelerate implementation of natural solutions.

⁸ Id. at p. 15.

⁹ Id. at 22 (footnotes omitted).

¹⁰ 2018 IPCC Agriculture Chapter (full cite at footnote 1), at p. 499.



*2. Ensure eligibility and economic viability of negative emission pathways under the State's climate programs.*¹¹

The Getting to Neutral Report represents the most comprehensive and credible strategy document developed to date that charts a viable course for California to achieve carbon neutrality. Consistent with the Reports' recommendations, it is essential that CARB integrate the analysis and recognition of soil carbon sequestration into the state's Scoping Plan for 2022.

Thank you for your consideration of our input. We would welcome the opportunity to provide any further information that would be value to ARB on this subject.

Respectfully,

Lindsay Fitzgerald Vice President, Government Relations lfitzgerald@gevo.com Gevo, Inc.

¹¹ Getting to Neutral Report, at p. 7.