



Air Resources Regulatory Experts



Cap-and-Trade Auction Proceeds Triennial Investment Plan

Jointly, CleanFleets.net & the California Compost Coalition (CCC) advise hundreds of heavy duty diesel truck fleet owners in the transportation and processing of organic materials (includes greenwaste, food waste, wood chips and municipal solid waste). We are disappointed that natural gas vehicles have been excluded from consideration in the GGRF clean truck funding plans given that the new CNG engines are extremely low and NOx and the RNG fuel has the lowest CIs. We have shared the following concerns with the CARB Board and staff since December 2014 and have asked for financial incentives in a systems approach that converts a fleet from diesel to CNG by converting food waste to RNG fuel for that fleet:

1. The recently released Short-Lived Climate Pollutant Reduction Strategy (SLCP) Concept Paper contains multiple references to enhanced organics management and natural gas transportation as key strategies of interest to ARB. CleanFleets and CCC share this interest toward 100 new or enhanced facilities (pp. 13, 20). Getting food waste and methane out of the landfill, and taking that biomethane and producing RNG is the systems approach that creates a community-based off-take agreement from the organic waste that is diverted. The fleet conversion from diesel to CNG needs to be funded where RNG has a market.
2. As recognized by the SLCP and Fuels and Sustainable Freight Strategy/Technology Assessment process, there are significant environmental benefits associated with the short-term widespread adoption of natural gas trucks (especially those operated on biogas (aka "renewable natural gas", or RNG) produced from organic waste
3. RNG fuel is the only fuel currently that can support "Carbon Negative" fleet operations
4. SB1204 (Lara) provides guidance that GGRF funds should be directed to existing technologies, for heavy duty trucks, that can positively impact environmental justice communities. RNG is the only fuel type that can do that in the near term.
5. The 2015-2016 Budget provides \$200 million for low carbon transportation. The Governor's Budget May Revision includes an additional \$150 million for low carbon transportation and this new opportunity for funding influences our larger coalition of Biogas/Calif NGV Coalition/Clean Energy to request additional discussion.
6. Our coalition convened a call on May 1, 2015 with MSCD Chief Erik White, ARB grants staff and the Calif Energy Commission (CEC) staff relating to RNG vehicle incentives from the GGRF. We were informed that battery electric and fuel cells are the priority
7. While we appreciate that CEC has a program, it does not stimulate the widespread near-term heavy duty RNG truck goals that our user group has. That's why GGRF funds are needed from CARB.