



CALIFORNIA DEPARTMENT OF
FOOD & AGRICULTURE

Karen Ross, Secretary

September 12, 2018

Mary D. Nichols, Chair
California Air Resources Board
1001 I Street
Sacramento, CA 95814

RE: Aliso Canyon Mitigation Agreement

Dear Chair Nichols:

California leads the nation in agriculture food production. Milk and associated dairy products are a highly nutritious and key food staple for children and adults. California also leads the nation in milk production and milk is the State's leading commodity. California's dairy producers and their families work hard to ensure that we have safe, nutritious, and affordable dairy products. Many of the state's dairy farms are located in the Central Valley but they are also distributed along the North Coast and Southern California. In addition to milk production, dairy farms provide numerous other benefits including jobs that expand into the transportation sector and contribute to sustaining rural California communities.

In 2014, the California Department of Food and Agriculture (CDFA) established a program to incentivize the development of digesters on dairy operations in California. The Dairy Digester Research and Development Program (DDRDP) was established with California Climate Investment funding because digesters offered numerous climate change mitigation and adaptation opportunities as well as some environmental benefits. Digesters capture potent methane greenhouse gas from manure lagoons that would otherwise be released into the atmosphere. The collected methane gas is used to generate renewable energy through electricity generation or as biomethane gas that is injected into new or existing natural gas pipelines. All projects must conform to the strictest environmental requirements for preventing nitrogen from leaching out of the dairy manure storage lagoons and using Best Available Control Technologies to reduce and eliminate criteria air pollutant emissions that are a serious health concern in the Central Valley. These climate change mitigation benefits support the Governor's efforts to address climate change and are memorialized in supporting documents, such as the AB32 Scoping Plans and the Short-Lived Climate Pollutant Reduction Strategy, developed by the California Air Resources Board.

The DDRDP has invested approximately \$116 million for 64 dairy digester projects to mitigate methane emissions since 2015. Over 10 years, these projects are estimated to lead to almost 13 million MTCO₂e reductions; making it one of the most efficient programs to reduced greenhouse gases per dollar spent. Several of the DDRDP funded projects list



the Southern California Gas settlement (or the Aliso Canyon Mitigation Agreement) as providing matching funds. Matching funds are required by the DDRDP given the large cost associated with the construction of these projects. The projects associated with the Aliso Canyon Mitigation Agreement are located in Kern, Tulare and Kings counties and work together as “clusters” to collect methane gas and use a centralized point to further clean and inject the gas into the State’s natural gas pipeline for domestic and commercial use. Since these are pipeline injection projects, there are minimal to no criteria pollutant emissions and mitigation activities needed to ensure their environmental and community benefits are minor and may not be required. In addition, these projects will provide co-benefits by reducing diesel fuel use. Any project not able to secure matching funds as proposed will be subject to failure and will impact the DDRDP and CDFA’s efforts to reduce methane emissions.

The DDRDP-funded projects are a key element of ensuring the Department’s commitment to climate change mitigation, are a key adaptation tool for dairy operations, and are necessary for the long-term dairy agricultural sustainability and food production in California. We hope you will support existing efforts to ensure methane reductions from California dairy operations and the timely adoption of the Aliso Canyon Mitigation Agreement so that DDRDP funded projects can move forward without any delays.

Yours truly,



Karen Ross
Secretary

cc: Ryan McCarthy, Science and Technology Policy Advisor
California Air Resources Board