



ENVIRONMENTAL DEFENSE FUND

finding the ways that work

August 11, 2008

Mary D. Nichols, Chairman
California Air Resources Board
1001 I Street
Sacramento, CA 95812
(916) 445-5025 (Fax)

RE: Draft Scoping Plan Comments – Agriculture

Dear Chairman Nichols,

Environmental Defense Fund (EDF) applauds the California Air Resources Board (CARB) on the release of the *Climate Change Draft Scoping Plan: A Framework for Change*. The draft Scoping Plan represents an important milestone in California's implementation of the landmark Global Warming Solutions Act of 2006 (AB 32), the first state-level cap on the greenhouse gas pollution that causes global warming.

EDF respectfully submits the following comments in response to the draft Scoping Plan, and looks forward to collaborating with CARB and other stakeholders in the coming months as further materials, including the evaluation supplements, are made available.

Sincerely,

Derek Walker
Director, California Climate Initiative
Environmental Defense Fund

Agriculture Sector

New methods of agricultural production, land management, energy efficiency, and waste processing could be key drivers of California's low-carbon economy. The agriculture sector has great potential to sequester carbon, and preserving these lands can indirectly reduce emissions from other sectors. Agricultural land can sequester 6 MMTCO₂E of carbon through soil and farmscape sequestration¹ and creates a natural barrier to urban sprawl which helps to lower vehicle miles traveled (VMT) and associated GHG emissions. This approach also offers substantial co-benefits associated with the increase in soil health, wildlife habitat, and air and water quality. The final Scoping Plan should develop the potential of this important sector through offset opportunities and targeted incentive programs.

The agriculture sector recommendation contains only one emissions reduction policy: encouraging the use of methane digesters at large dairies. This measure will initially be voluntary, incentivized through marketable emissions reduction credits, favorable utility contracts, or renewable energy incentives, and may become mandatory at the five-year update of the scoping plan. We support creating incentives to use methane digesters and recommend that CARB provide guidance to local agencies and project developers to ensure that projects maintain air and water quality.

The final Scoping Plan should address a number of additional key agriculture sector technologies. For example, the draft Scoping Plan notes that efficiency, including water efficiency, was recommended by the ETAAC. The Scoping Plan Appendices recognize that agriculture accounts for 80% of California's total water use and simply state that while individual farmers can reduce water consumption, further research is needed to determine how widespread GHG reductions can be achieved. CARB fails to provide a plan for that research or a recommendation on incentives that will encourage individual farmers to reduce water use. Reductions from individual use can be gained now and will still be applicable if the larger system is made more efficient. CARB should clearly articulate how agricultural energy efficiency, including water efficiency, will be encouraged upon implementation of the scoping plan while additional research is undertaken to determine how the larger system can become more efficient. For more information, please see Environmental Defense Fund's comments on Water Sector provisions of the draft Scoping Plan.

Additionally, CARB does not provide clear direction on the use of biomass/biogas sources other than methane. As recognized in the Scoping Plan Appendices, the use of these sources for energy production would reduce open burning, improving air quality and disposal of these materials in landfills. The only mention of developing these sources for energy production in the draft Scoping Plan is that they will be tracked and accounted for in the energy sector, and they are only briefly mentioned in conjunction with the Renewable Portfolio Standard. Though they are described as opportunities in the Scoping Plan Appendices, there are no additional details about incentives to encourage development of these projects. CARB should provide clear

¹ ETAAC Final Report, page 6-1

incentives for sustainable biomass/biogas sources to be developed as it has done for methane digesters, while also clarifying their path to implementation in the energy sector.

Finally, we recommend that CARB develop a clear roadmap for unlocking the offset potential associated with carbon sequestration and direct emission reductions in the agriculture sector. The draft Scoping Plan alludes to this potential but defers it to an unspecified later date pending the development of accurate measurement protocols. EDF is working actively to develop measurement protocols and test protocols through demonstration projects. In California, we have developed cooperative partnerships with academic institutions, trade associations, and NGOs to explore reduction opportunities associated with rice cultivation, rangeland management, and riparian restoration. In the near future, we will be developing additional project types and associated measurement protocols. In each case, we are confident that high quality measurement protocols will be developed in time to play a strong role in any offset system that might emerge as a part of California's AB 32 cap-and-trade program.

Progress in developing measurement protocols could be greatly enhanced with additional funding for protocol development that fully incorporates sound science, proven demonstration projects, and robust stakeholder input. We recommend that CARB identify resources to expedite this process and ensure that high-quality agricultural offsets play a strong role in generating emissions reductions required by AB 32.