



June 30, 2023

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

Re: Comments on the SB 596 Cement Sector Strategy Second Workshop

Dear Mr. Botill:

On behalf of Amp Americas (“Amp”), we appreciate the opportunity to provide feedback on the May 31, 2023, Cement Sector Net-Zero Emissions Strategy Workshop: Identifying Barriers. Amp strongly supports California’s climate goals, including SB 596 and related strategies to decarbonize industrial operations and California’s economy as a whole. Specifically, we applaud the focus on fuel switching as a strategy in SB 596 and the California Air Resources Board’s (“CARB”) initiatives to promote the use of biomethane in hard to electrify sectors, which is in line with the 2022 Scoping Plan.

We urge you to leverage the SB 596 framework and related rulemakings, including forthcoming amendments to the Cap-and-Trade Program, to develop effective mechanisms to facilitate the expanded development and use of biomethane in challenging sectors like cement. These efforts will have the added benefit of supporting accelerated reductions of methane emissions - which is a potent short-lived climate pollutant (“SLCP”) and one of the most urgent actions needed to address climate change.

About Amp Americas

Founded in 2011, Amp develops and operates renewable natural gas (“RNG”) facilities that convert dairy waste into carbon-negative renewable energy. Over our history, Amp’s projects have prevented over 1.5 million metric tons of carbon equivalent emissions. In 2022 alone, our projects abated approximately 480,000 metric tons of carbon equivalent emissions and we plan to rapidly expand our impact over the next several years.

As a pioneer in the dairy RNG industry, Amp registered the first 5 dairy RNG-to-CNG pathways in California’s Low Carbon Fuel Standard (“LCFS”), and was the RNG supplier for the first 11 dairy RNG-to-hydrogen pathways. Our experience developing, operating, and reporting on these and other assets gives us a unique perspective on the impact CARB policy has on development of projects to reduce greenhouse gas emissions. Our projects and resulting methane and carbon dioxide reductions have been made possible by CARB’s leadership in decarbonizing transportation, and we encourage CARB to continue to support the policy decisions that have made it so successful and build from them to reach new sectors, like cement.



Recommendations to Support Fuel Switching in the Cement Sector

Among other evaluations, SB 596 directs CARB to evaluate measures to support fuel switching in the cement sector and help achieve net-zero greenhouse gas emissions. Cement plants cannot be easily electrified, and therefore, this sector may need to rely on other renewable resources, such as biomethane, in order to meet the targets identified in SB 596. Incorporating biomethane into cement production will lead to meaningful greenhouse gas emission reductions not just for cement operations, but also by supporting methane-mitigating projects from dairies, food waste diversion, wastewater treatment plants, and the objectives of SB 1383 and CARB's SLCP reduction goals.

In order to support fuel switching to biomethane or other renewable fuels in the cement sector, we suggest that CARB begin from the LCFS pathways process and utilize existing lifecycle accounting pathways and tools to account for site-specific emissions factors for various biomethane and other fuel pathways. This consistent accounting with the LCFS will minimize the implementation burden for new programs and help support the transition of RNG from the transportation sector to hard-to-electrify sectors using a consistent set of rules and procedures.

Cement plants transitioning to biomethane should be able to reduce their greenhouse gas intensity based on the avoided emissions associated with the fuels they use, just like the transportation sector can today under the LCFS. This will incentivize the development of methane-mitigating projects and may be necessary to balance any remaining emissions associated with cement production to achieve net zero greenhouse gas intensity.

Finally, CARB should amend the Cap-and-Trade program to remove restrictions to utilizing biomethane in the industrial sector and develop incentives supporting the transition to biomethane or other renewable fuels at cement and other industrial sector operations. We look forward to providing further comments on these topics in a separate letter related to the recent workshop on the Cap-and-Trade program.

Conclusion

Thank you again for the opportunity to comment on the SB 596 workshop. We support CARB in creating a strong and successful net-zero cement strategy, which enables fuel switching and supports the shift of RNG from the transportation sector to stationary sources. We look forward to continuing to work with you through this process and those related to amending the LCFS and Cap-and-Trade programs to enable these outcomes.

Sincerely,

Cassandra Farrant

Cassandra Farrant
Head of Environmental Credit Compliance
Amp Americas