Liane M. Randolph, Chair Dr. Steven S. Cliff, Executive Officer California Air Resources Board 1001 I. Street Sacramento, CA 95814

RE: Comment on Petition for Rulemaking to Regulate Methane and Other Air Pollutants from California Livestock

Dear Chair Randolph and Executive Officer Cliff,

The undersigned Commenters respectfully write in support of the request by Climate Action California to immediately initiate rulemaking to develop and adopt regulations of livestock manure methane emissions as required by SB 1383 (2016, Lara). As explained in the Petition for Rulemaking to Regulate Methane and Other Air Pollutants from California Livestock (the "Petition"), voluntary and incentive-based approaches have fallen short of the 40% reduction required by 2030. Equally concerning is that the California Air Resources Board's ("CARB") one-sided reliance on incentive programs has created a counterproductive and perverse situation where livestock operations are encouraged to produce *more* methane pollution to generate sellable credits. Regulations are needed to rein in these upside-down incentives and put California on track to achieve SB 1383's reduction targets. CARB's adoption of 1383 regulations is therefore a legal obligation and a practical necessity.

Commenters fully support the Petition's call for CARB to initiate an SB 1383 rulemaking as soon as possible, which we request should happen immediately. Promptly initiating this rulemaking is especially important in light of CARB's proposed amendments to the Low Carbon Fuel Standard ("LCFS").² SB 1383 regulations and the LCFS interact in important ways. CARB cannot prioritize incentive-based pollution trading today via the LCFS to the detriment of more effective reductions achievable through SB 1383 regulation tomorrow. The LCFS's treatment of transportation fuels derived from livestock manure methane pollution operates as a poorly run offset mechanism which oil companies use to maintain higher emissions from their fuels. The methane reductions claimed by the LCFS thus cannot also count towards SB 1383 compliance when no net reductions occur as a result of the LCFS offset scheme.

Commenters do not take a position here on any suggestions made in the Petition regarding the substance of SB 1383 regulations or which tools for methane reduction would be appropriate under such regulations. As the Petition notes, it "does not propose specific regulatory language." Commenters look forward to a robust rulemaking process resulting in regulations focused on securing long-term solutions that bring co-benefits to Californians living near large dairy operations. Reducing methane emissions is a pressing need, but equally important is ensuring that short-term objectives do not lock in long-term problems.

¹ Petition at 8.

² https://ww2.arb.ca.gov/rulemaking/2024/lcfs2024.

³ Petition at 10.

That regulations are coming cannot be a surprise to California's dairy industry. As a leading dairy industry representative told the Legislature in 2016 during consideration of SB 1383,

The regulations are going to get adopted long before 2024. They will be adopted for sure. There will be regulations adopted. It's an implementation piece.... It's the question of whether or not they have to take the step of actually implementing them.... If the industry is making progress toward their 40% and are going to achieve it, you don't have to implement those regulations.⁴

Yet here we are in 2024 with no regulations adopted by CARB. And the dairy industry has *not* made the necessary progress toward the 40% reduction goal, meaning that those unadopted regulations are now overdue for *implementation*. From the dairy industry's own perspective when it secured especially favorable treatment under SB 1383, CARB is far behind schedule.

Commenters thank CARB for the opportunity to comment on the Petition and this critical issue of SB 1383 regulation. We ask that CARB immediately initiate SB 1383 rulemaking so that California has a chance of achieving a 40% reduction of livestock manure methane emissions by 2030.

Respectfully,

Phoebe Seaton
Leadership Counsel for Justice and Accountability

Christine Ball-Blakely Animal Legal Defense Fund Tyler Lobdell Food & Water Watch

Brent Newell Law Office of Brent J. Newell

⁴ Statements of Michael Boccadoro, Executive Director of Dairy Cares at 1:50:45, https://calchannel.granicus.com/player/clip/4009?view_id=23&redirect=true&h=478a16cab459a6c988544e148cdcd 031.