



May 1, 2024

Liane Randolph
Chair, California Air Resources Board
1001 I Street
Sacramento, CA 95814

Re: Petition for direct regulation of the dairy and livestock sector

Dear Chair Randolph:

The undersigned dairy sector organizations urge you to reject the petition of Climate Action California, which calls for CARB to directly regulate methane emissions from California livestock. The petition is premature, unnecessary, and based on flawed premises, science, and facts. The petition is counterproductive and will greatly limit and harm California’s ambitious climate goals. Each of these issues is discussed below.

The petition is inconsistent with Senate Bill 1383, premature, and unnecessary. SB 1383 sought to create a carrot and then stick (if necessary) policy approach to reducing methane in the dairy and other livestock sectors. Contrary to the false premise in the petition, the incentive-based programs are working as designed, and the 40% reduction is expected to be fully achieved. A recent (December 2022) UC Davis analysis found:

“Our analysis shows that continued implementation and commitment to the incentive-based climate-smart solutions that are currently driving voluntary dairy methane reductions in California should by 2030 achieve the full 40% reduction in dairy methane sought by state regulators without the need for direct regulation.”

Equally important, any informed analysis of the reductions achieved to date shows the state’s dairy sector is well on its way to achieving the full 40% reduction in manure methane in advance of the 2030 goal. Implementation of dairy methane reduction

projects on more than 300 dairies statewide and ongoing dairy herd attrition have achieved more than three-quarters of the 40% reduction, and sufficient state and federal funding is in place to achieve the remaining reductions. Additionally, even more manure methane emissions can be achieved when the pending updates to the LCFS program are complete and confidence in the market is restored within the investment community. As a result, any petition for direct regulation is premature and unnecessary.

Recent and ongoing efforts by environmental activists to exclude dairy and livestock projects from the LCFS or limit avoided methane crediting remain shortsighted. We greatly appreciate CARB's rejection of two previous petitions. Similarly, the current petition for direct regulation will also result in the state's failure to achieve important methane reduction goals, while causing widespread methane leakage to other states or jurisdictions where milk production is less efficient or methane reduction efforts are non-existent, resulting in increased global methane emissions.

CARB should also recognize that the Legislature has strongly reaffirmed its commitment to the incentive-based SB 1383 approach. Both the State Senate and Assembly have, in recent months, soundly rejected measures (SB 709 and AB 2870) which sought to limit or end incentives resulting in direct regulation of the dairy and livestock sectors.

In conclusion, we urge CARB to continue the highly successful dairy methane reduction incentive programs consistent with SB 1383 and CARB's recently adopted 2022 Scoping Plan Update. California's dairy farm families remain committed to achieving the state's 40% reduction goal, and we look forward to continuing to work with CARB and CDFA to that end. Unraveling what has been achieved to date, stranding billions of dollars in investments, and adopting policies that will erect barriers to additional dairy methane capture and beneficial use projects is not a viable solution, and it would lead to massive emissions leakage and higher global methane production. California has established itself as a global leader in climate policy; the US and other jurisdictions are following your leadership. Granting the petition would be counterproductive and would lead to increased global emissions, inconsistent with the state's climate goals and leadership.

Sincerely,



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