

**Aliso Canyon Mitigation Program  
Quarter 4 - 2020 Report  
(October 2020 – December 2020)**

California Air Resources Board (CARB) staff provides this quarterly public update on the Mitigation Fund in accordance with the Aliso Canyon Mitigation Agreement between SoCalGas, CARB, and the Attorney General.<sup>1</sup> This report covers information identified in Section 8.c. Reporting for the period beginning from the Mitigation Fund’s formation on October 1, 2020, through December 31, 2020 (Q4 2020).

**i. The Funds Available in the Mitigation Fund.**

<b>Account</b>	<b>Amount</b>
Mitigation Account	\$14,860,915
Mitigation Reserve Subaccount <sup>2</sup>	\$7,600,007
Other Subaccounts <sup>3</sup>	\$952
<b>Total</b>	<b>\$22,461,874</b>

**ii. High-level Itemization of the Use of Funds by the Mitigation Fund**

Please see section vi below for this information.

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1 For more information on the Aliso Canyon Natural Gas Leak and the Mitigation Agreement, please go to CARB’s website, available at <https://ww2.arb.ca.gov/our-work/programs/aliso-canyon-natural-gas-leak>

2 This Subaccount contains the “Mitigation Reserve” as described by the Mitigation Agreement for use, as necessary, toward mitigation should the first set of projects not reduce emissions as expected.

3 These accounts include any interest earned on the monies in the fund or any funding by SoCalGas to cover the administrative costs of the Fund.

**iii. A cumulative and calendar year accounting of the amount the Mitigation Fund has paid out from the Mitigation Account and all sub-accounts to any recipient**

Recipient	Cumulative Loan Amount Issued this Quarter (Q4 2020)	Cumulative Loan Amount Issued this Calendar Year (2020)
1) CalBio Kern LLC	\$962,025	\$7,766,111
2) CalBio W. Visalia LLC	\$4,091,492	\$4,091,492
<b>Totals</b>	<b>\$5,053,517</b>	<b>\$11,857,603</b>

Withdraws from Receipts Subaccount <sup>4</sup>	Month Withdrew	Amount
1) Q1 2020 Trust Fee	Apr-2020	\$90,000
2) Q2 2020 Trust Fee	Sep-2020	\$42,869
3) Q3 2020 Trust Fee	Dec-2020	\$853
<b>Total Withdraws</b>		<b>\$133,722</b>

**iv. The Payments of Principal, Interest, and Fees Received from Mitigation Projects to Date, Separated by Payment Type**

At this time, there are not yet any payments of principal, interest, or fees from Mitigation projects.

**v. The Total Mitigation Fund Certified Reductions Quantified to Date**

There are no Mitigation Fund Certified Reductions quantified to date.

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<sup>4</sup> The mitigation receipts subaccount is a non-interest bearing subaccount established to hold Mitigation Fund receipts received by the Mitigation Fund.

vi. **Descriptions of Each Mitigation Project:**

<b>Borrower:</b> CalBioGas Kern LLC includes the Kern cluster dairy entities Dairy 1, Dairy 2, Dairy 3, Dairy 4, and Dairy 5	
<b>Entity Description:</b> CalBioGas Kern LLC is solely owned by CalBioGas LLC. CalBio LLC designs dairy-specific digesters to augment waste handling operations, save costs, and assist in the nutrient management process	
<b>Project Construction Status:</b> The Dairy Projects and the conditioning plant are at various stages of construction, with Dairies 1-3 expecting to reach operation by March 2021.	
<b>Date:</b> 3/1/21	<b>Reporting for the period of:</b> 12/31/20

Kern						
Itemized Expenditures Paid for by Mitigation Fund	Dairy 1	Dairy 2	Dairy 3	Dairy 4	Dairy 5	Total
1) Mitigation Fund Direct Borrowing (a+b+c)	\$1,438,963	\$1,714,716	\$1,474,974	\$1,365,903	\$1,771,555	\$7,766,111
a) Digester Costs	\$641,401	\$922,907	\$686,959	\$575,209	\$986,460	\$3,812,936
b) BioGas Treatment	\$379,566	\$375,787	\$370,320	\$372,037	\$369,402	\$1,867,112
c) Common Facilities(Upgrader, Collection Lines, Interconnect)	\$417,996	\$416,022	\$417,695	\$418,657	\$415,693	\$2,086,063
2) Interest During Construction (Paid in kind/capitalized) <sup>5</sup>	\$13,172	\$15,696	\$13,502	\$12,503	\$16,216	\$71,089

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<sup>5</sup> Paid in kind interest is a feature of some debt instruments, refers to the interest expense that is not paid in cash but is accrued (or rolled up) onto the balance of the loan.

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<b>Itemized Expenditures Paid for by Mitigation Fund</b>	<b>Dairy 1</b>	<b>Dairy 2</b>	<b>Dairy 3</b>	<b>Dairy 4</b>	<b>Dairy 5</b>	<b>Total</b>
<b>Total Expenditures Paid for by Mitigation Fund</b>	<b>\$1,452,135</b>	<b>\$1,730,412</b>	<b>\$1,488,476</b>	<b>\$1,127,402</b>	<b>\$1,432,834</b>	<b>\$7,837,200</b>

<b>Fund received from Public Programs</b>	<b>Dairy 1</b>	<b>Dairy 2</b>	<b>Dairy 3</b>	<b>Dairy 4</b>	<b>Dairy 5</b>	<b>Total</b>
1) CDFA Grants	\$2,600,00	\$3,000,000	\$2,250,000	\$1,749,596	\$1,797,856	\$11,397,452
2) CEC Awards	\$328,834	\$328,834	\$328,834	\$328,834	\$328,834	\$1,644,169
3) Utility: Gas Rule 39	\$625,000	\$625,000	\$625,000	\$625,000	\$625,000	\$3,125,000
4) NRCS <sup>6</sup>	\$ -	\$ -	\$ -	\$254,488	\$450,000	\$704,488
<b>Total Funds from Public Programs received</b>	<b>\$3,553,834</b>	<b>\$3,953,834</b>	<b>\$3,203,834</b>	<b>\$2,957,918</b>	<b>\$3,201,690</b>	<b>\$16,871,109</b>

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6 Natural Resources Conservation Service

<b>Borrower:</b> CalBioGas West Visalia LLC includes West Visalia cluster dairy entities Dairy 6, Dairy 7, and Dairy 8	
<b>Entity Description:</b> CalBioGas West Visalia LLC is solely owned by CalBioGas LLC. CalBio LLC designs dairy-specific digesters to augment waste handling operations, save costs, and assist in the nutrient management process	
<b>Project Construction Status:</b> The Dairy projects and the conditioning plant are expected to achieve final completion in March 2021.	
<b>Date:</b> 3/1/21	<b>Reporting for the period of:</b> 12/31/20

**West Visalia**

<b>Itemized Expenditures Paid for by Mitigation Fund</b>	<b>Dairy 6</b>	<b>Dairy 7</b>	<b>Dairy 8</b>	<b>Total</b>
1) Mitigation Fund Direct Borrowing (a+b+c)	\$1,232,930	\$1,427,573	\$1,430,989	\$4,091,492
a) Digester Costs	\$414,022	\$573,183	\$589,252	\$1,576,457
b) BioGas Treatment	\$346,681	\$377,563	\$366,505	\$1,090,749
c) Common Facilities(Upgrader, Collection Lines, Interconnect)	\$472,227	\$476,827	\$475,232	\$1,424,286
<b>Total Expenditures Paid for by Mitigation Fund</b>	<b>\$1,232,930</b>	<b>\$1,427,573</b>	<b>\$1,127,402</b>	<b>\$4,091,492</b>

<b>Fund received from Public Programs</b>	<b>Dairy 6</b>	<b>Dairy 7</b>	<b>Dairy 8</b>	<b>Amount</b>
1) CDFA Grants	\$1,350,000	\$1,440,000	\$1,800,000	\$4,590,000
2) NRCS <sup>6</sup>	\$286,763	\$333,456	\$450,000	\$1,070,219
<b>Total Funds from Public Programs received</b>	<b>\$1,636,763</b>	<b>\$1,773,456</b>	<b>\$2,250,000</b>	<b>\$5,660,219</b>