

September 28, 2021

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

Re: COMMENTS IN OPPOSITION TO TIER 2 PATHWAY APPLICATION NO. B0197

Dear Chairperson Randolph:

Generate Indiana RNG Holdings, LLC ("Generate") is responding within the scope of the Low Carbon Fuel Standard ("LCFS") program 95488.7(d)(5)(A) to the commenter, Animal Legal Defense Fund, that submitted a comment letter regarding the Tier 2 Pathway Application, B0197, on September 22, 2021.

Generate offers the following responses to the parts of the comment letter that describe potential factual and methodological errors, identified by text in **bold**. Generate firmly believes that no changes are necessary to the existing pathway application under review.

Important factual information is omitted or redacted in the application, rendering meaningful stakeholder review of its claims impossible.

Generate has reduced redactions in the LCAs specified by the commenter and provided the California Air Resources Board (CARB) Staff with all documents and information necessary to certify a Tier 2 pathway according to sections 95488.7 and 95488.8 of the LCFS Regulation. Generate Indiana RNG Holdings, LLC also engaged a third-party validator with all required documentation according to section 95500 of the LCFS Regulation. Data and information provided, were inputted into the "Simplified CI Calculator for Biomethane from Anaerobic Digestion of Dairy and Swine Manure" posted by CARB on August 8, 2021. This calculates the GHG emissions generated in the project baseline and through the operation of the projects. The engineering review, permits, calculations, source data and resulting calculations have all been reviewed by the Pathway Validator and provided to CARB before posting to public comments. All redacted information in the documents posted for public comment contains "Confidential Business Information" as laid out in Section 6254.7 of the California Government Code.

The application violates the LCFS regulation by failing to employ a methodologically sound life cycle analysis that accounts for the GHG emissions that result from the applicant's production of manure methane.

Generate completed the Tier 2 pathway CI calculation and Life Cycle Assessment Reports (LCA Reports). Based on the LCFS regulation in section 95488.7(a)(2), both the CI model and LCA Reports describe the biogas flow and energy consumption process from the inputs of cattle population, cattle type, manure management practices (Baseline and Project), temperature and

biogas flow data. The resulting calculations applied in the CI models are taken from the guidance provided by CARB.

**CAFOs have significant environmental effects, including environmental injustice.
CAFO emissions spur climate change, degrade air quality, and harm human health.
CAFOs degrade water quantity and quality, which harms human health.
CAFOs disproportionately harm communities of color and low-income communities.
CAFOs harm animals, including those who are members of endangered and threatened species**

These comments address potential effects of CAFO permits. However, this LCFS pathway application is focused exclusively on the addition of a biogas upgrading facility to collect and purify methane for beneficial use. The comments do not evidence any factual or methodological errors with the pathway application.

Additionally, the project complies with all mandated environmental requirements and all reporting requirements. The project reduces the emissions generated by the storage of manure by capturing and processing gases which would have been emitted to the atmosphere through manure management practices.

The commenter also refers to CAFOs consuming "massive amounts of water" for various operational purposes, such as flushing manure from barns and watering animals. The project only accepts manure from dairy cows. The operation is intended to recycle flush water, which reduce on-site water usage. Pathogens are reduced through heating manure during the digestion process and the use of the digester helps the farm to better control nutrient management.

Granting the application would further incentivize the proliferation and expansion of CAFOs and industrial animal agriculture, exacerbating the associated significant environmental effects in violation of the 2006 California Global Warming Solutions Act.

Dairies manage and size their herds based on demand for milk and milk products, not for gas production. Dairy manure, and the associated methane, is a byproduct of the dairy farming process. The project helps the dairy reduce the environmental impact of its ongoing operations and diverts dairy methane to the California vehicle fuel market. This results in both avoided dairy farm methane emissions and reduced emissions from vehicle fuels. The farm operations exist separate from the fuel production process. Additionally, the LCFS program awards credits based on continued emission reduction compared to a baseline, and this is reviewed through an annual verification process to ensure that projects are continually reducing emissions.

Methane digesters are false solutions to the significant environmental effects inherent in industrial animal agriculture.

First, the project produces several tangible benefits for the farm, the local community, and the environment. The project captures methane and destroys it. Post digestion, manure is separated into

solids and the liquids are applied to crop land to recycle nutrients, reducing demand for chemical fertilizer which is far more likely to create adverse environmental impacts. Common practice in the region is manure storage and land application. The presence of a digester introduces no new water quality issues. Other benefits to climate, environmental justice and equity include reducing odors, converting nutrients to more usable forms for crops, and supplying well-paying jobs for the local community.

Second, the project produces tangible benefits for the climate and California's air quality. RNG produced at the project displaces diesel in heavy trucks running in California. Currently, there is no viable electrified heavy duty trucking solution. Further in California, the majority of the grid power is non-renewable, meaning that recharging is not zero emission. RNG is simply the cleanest way to move heavy goods and reduce air pollution and GHG emissions from transportation in California.

Approving the application would violate CEQA and CARB's own certified regulatory program

Generate provided CARB with all documents and information necessary to certify a Tier 2 pathway according to sections 95488.7 and 95488.8 of the LCFS Regulation. This project is fully compliant with CARB's provisions and requirements. Additionally, for its participation in the program, the project is required to submit quarterly affidavits attesting to the amount of renewable energy generated and the conversion of such renewable energy into transportation fuel as defined in RFS statute 40 CFR §80.1401. Third-party validation under the RFS QAP program also verifies the end use of the fuel. The project also attests quarterly to volumes of renewable energy that are utilized as transportation fuel in the State of California.

In conclusion, Generate appreciates the opportunity to respond to the public comments for this pathway application and asserts that no changes to the pending application under CARB are required. Generate respectfully requests approval of this pathway application so that the project can continue its verified, measured, science based GHG emissions reductions.

Sincerely,



RD Ahlers

Authorized Agent

Generate Indiana RNG Holdings, LLC