

June 29, 2022

Chair Randolph
California Air Resources Board
Low Carbon Fuel Standard
1001 I Street
Sacramento, CA 95814
USA

Re: Responses to comments submitted on Tier 2 Pathway Application B0308

Dear Chair Randolph,

WOF SW 1 LLC (“WOF SW”) is writing on behalf of WOF SW GGP 1 LLC (W009) (“the Project”) to provide responses to the comments received in a letter dated June 29, 2022, from the following commenters, hereafter collectively referred to as “Commenters”: The Association of Irrigated Residents, Leadership Counsel for Justice & Accountability, Animal Legal Defense Fund, and Food & Water Watch.

WOF SW is responding within the scope of the Low Carbon Fuel Standard (“LCFS”) program as per § 95488.7(d)(5)(A), which requires responses to comments “related to potential factual or methodological errors”. WOF SW has reviewed the comments submitted. WOF SW’s responses to each of the comments contained in the Commenters’ June 29, 2022 letter are below. As detailed in WOF SW’s responses, WOF SW believes that no revisions to the Project’s pending application are needed.

1. LCFS System Boundary

First, the application applies an unlawfully truncated system boundary that ignores feedstock production at the factory farm and other emissions such as those from disposal and storage of digestate, resulting in exaggerated Carbon Intensity values.

WOF SW Response

This statement is incorrect. The Project’s pathway application utilizes the exact methodology and calculators designed for use under the LCFS regulation. The lifecycle analysis for this pathway application was conducted using a modified version of the Board-approved Tier 1 Simplified CI Calculator for Biomethane from Anaerobic Digestion of Dairy and Swine Manure, incorporated by reference in the LCFS Regulation, § 95488.3(b). As noted in the California Air Resources Board (“CARB”) Staff Summary, “The modified calculator has been determined to be equivalent to CA_GREET 3.0 pursuant to section 95488.7(a)(1) of the LCFS regulation.”

CARB defines the project boundaries that are required for the “well-to-wheels” analysis in the Simplified CI Calculator. These boundaries were utilized as per the CARB definition, and a third-party verification body validated WOF SW’s use

of these boundaries. The Project boundaries account for the emissions that would have occurred in the absence of the Project and emissions that occurred due to the Project.

WOF SW submitted all documentation necessary to certify a Tier 2 pathway application. This included unredacted lifecycle analysis reports, which included descriptions of where each primary step in the fuel lifecycle occurred. Per the CARB Staff Summary, “Staff has reviewed the application and has replicated, using the Tier 2 modified version of the Simplified CI Calculator, the CI values calculated by the applicant. EcoEngineers (H3-20-008) submitted a positive statement. Staff recommends this application be certified on a provisional basis after all the comments received during the 10-day comment period are addressed satisfactorily by the applicant. The certification is subject to the operating conditions set forth in this document.”

2. Additionality Requirements of Health and Safety Code § 38562

Second, CARB has failed to ensure that the additionality requirements of Health and Safety Code § 38562 are met. If CARB had done so, it would have concluded that the methane capture at these factory farms is patently not additional.

WOF SW Response

The Project's Tier 2 pathway application fully meets the additionality requirements of CARB's LCFS regulation. Crediting for the voluntary capture of methane is limited to the methane that would have otherwise been vented to the atmosphere in the absence of such a project. The lifecycle analysis was prepared using the CA-GREET 3.0 and was reviewed by CARB and an independent third-party verifier. Further, the Commenters' interpretation of the operational history of the Project's digesters is incorrect. The digesters became operational prior to the full completion of the Project due to the construction timeline. Without the Project, in its fully completed form, the emissions reductions would not otherwise occur.

3. Incentivizing Farms

Third, this application is a good example of how CARB's flawed approach is rewarding the biggest factory farm polluters and incentivizing further expansion and herd consolidation, which does more climate harm than good.

WOF SW Response

Assertions that participation in CARB's LCFS program is incentivizing herd expansions are speculative. The dairies' primary business is the production of milk and milk products, not gas production. Herds and herd sizes are managed based on demand for those products.

Manure from the dairy cows, and the methane associated with its decomposition, is an inevitable consequence of dairy milk production. The Project has designed systems to divert and upgrade this methane for use in the California vehicle fuel market, resulting in both avoided dairy farm emissions and reduced emissions from vehicle fuels relative to other vehicle fuel alternatives. The Project has not taken any action to increase the amount of methane produced by the dairy farms. The Project is a stand-alone operation, separate from the milk production operations of these dairy

farms. Furthermore, the LCFS program awards credits for continued emissions reductions compared to a baseline, a process that is reviewed annually by independent verifiers to ensure projects are continually reducing greenhouse gas pollutants.

4. Carbon Intensity Values

Finally, the inflated Carbon Intensity values CARB proposes here work an additional environmental injustice on Californians who will be exposed to higher levels of pollution from fossil transportation fuel and dirty vehicles made possible by excessive credit generation at factory farm gas projects.

WOF SW Response

The assertion that Californians will be exposed to higher levels of pollution from fossil transportation fuels and dirty vehicles as a consequence of this pathway is inaccurate. The Project captures otherwise emitted methane for beneficial use as transportation fuel that serves to substitute diesel vehicle fuel. This reduces diesel consumption and diesel deficit production while also substantially reducing diesel NOx, PM2.5, and PM10 emissions. Therefore, as a renewable fuels producer, the Project supports the transition away from fossil fuels, contributes to the reduction of greenhouse gas pollutants in California and Arizona, and enables CARB to further reduce Carbon Intensity targets under the LCFS program, which WOF SW believes that this pathway benefits communities and ecosystems in both California and Arizona.

The Carbon Intensity value is a rigorous calculation. The Project's pathway application follows all CARB guidance for performing the Carbon Intensity calculations. As previously mentioned, the analysis was prepared using the exact methodology and calculators designed for use under the LCFS regulation and was reviewed by CARB and an independent third-party verifier to ensure accuracy.

In summary, while WOF SW appreciates the opportunity to address the Commenters, WOF SW contends that no changes to the pending application under CARB review are required and sees no reason to deny or stay a certification decision on this pathway. As demonstrated through the third-party validation and CARB review, as well as the application material and responses to Commenters herein, WOF SW is confident that the Project's Tier 2 Pathway application fully complies with the requirements of the LCFS program. WOF SW respectfully requests that CARB proceed with the certification of this pathway.

Sincerely,

Christine Lam
Principal
Equilibrium | WOF SW 1 LLC