

June 21, 2024

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

Re: RNG MOOVERS, LLC Tier 2 Pathway Application No. B0577; Response to Leadership Counsel for Justice & Accountability, Central Valley Defenders of Clean Water & Air, Animal Legal Defense Fund, Center for Food Safety, and Food & Water Watch

RNG MOOVERS LLC ("RNG Moovers"), a subsidiary of Archaea Energy Inc., writes to address the comment received in a letter dated June 10, 2024 regarding the Tier 2 Pathway Application (No. B0577) for RNG MOOVERS COSTA VIEW ("the Project"). RNG Moovers is responding within the scope of the Low Carbon Fuel Standard ("LCFS") program pursuant to §95488.7(d)(5)(A), which requires responses to comments "related to potential factual or methodological errors."

The coalition of groups including Leadership Counsel for Justice & Accountability, Central Valley Defenders of Clean Water & Air, Animal Legal Defense Fund, Center for Food Safety, and Food & Water Watch (collectively, the "Commenters") contend that the Application should be rejected based upon petitions previously filed with CARB requesting all fuels from dairy biomethane be excluded from the LCFS program. To this, RNG Moovers provides CARB's response to deny the petition¹. Additionally, the Commenters state that CARB should deny or defer the Application due to the current LCFS rule making process. Proposed Sections for Amendments² updated on January 2, 2024, and Proposed Sections for Adoption³ posted December 19, 2023 do not contain changes to the LCFS that would alter the eligibility of the Project that would warrant the Application being denied or deferred until regulatory changes are in effect.

Regarding the Commenters reasons for opposition to the Application, RNG Moovers does not believe any of the claims to be accurate as detailed below and believe that no revisions to the Application are necessary or required. The Project has been developed within the framework established by CARB and is eligible under the Biomethane from Anaerobic Digestion of Dairy and Swine Manure LCFS pathway. In addition to methane abatement, the Project displaces fossil-based fuels through the generation of renewable natural gas, improves local air quality, and creates local job opportunities. We appreciate the opportunity to respond to comments on this Application and we respectfully request that CARB certify the pathway pursuant to §95488.7(d)(5)(B).

04/LCFS%20Reconsideration%20Petition%20Response.pdf

¹ https://ww2.arb.ca.gov/sites/default/files/2022-

² https://ww2.arb.ca.gov/sites/default/files/barcu/regact/2024/lcfs2024/lcfs_appa1.pdf

³ https://ww2.arb.ca.gov/sites/default/files/barcu/regact/2024/lcfs2024/appa-2.pdf



Commenters Reasons for Opposition

System Boundary

Commenters argue that "the application applies an unlawfully truncated system boundary that ignores feedstock production at the source factory farm [...] and other emissions such as those from storage and disposal of digestate, resulting in artificially low Carbon Intensity (CI) values and inflated credit generation."

This claim is not accurate. The Project's Application utilizes the methodology and simplified calculators designed for use under the LCFS regulations which include all emissions within the system boundary defined by CARB, inclusive of emissions from the storage and disposal of digestate. The lifecycle analysis for this 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, which is incorporated by reference in the LCFS regulation under §95488.3(b). As noted in the Staff Summary for this Application, "the modified calculator has been determined to be equivalent to CA-GREET3.0 pursuant to section 95488.7(a)(1) of the LCFS regulation."

Additionally, the GHG assessment boundary for lifecycle analysis related to captured or avoided emissions is defined in Chapter 4 of the Compliance Offset Protocol for Livestock Projects⁴ ("LOP"), which outlines the Sinks, Sources, and Reservoirs that must be included or excluded when quantifying the net change in emissions associated with the installation of an anaerobic digester project at a dairy. The lifecycle analysis includes an evaluation of the baseline manure management practices at the dairy which, under the purpose of the Application, allow for the calculation of emissions that would have occurred in the absence of the digester project.

Additionality

Commenters argue that CARB failed to consider the additionality requirements of Health Safety Code §38562, which requires "the state board shall adopt greenhouse gas emissions limits and emissions reduction measures by regulation to achieve the maximum technologically feasible and cost-effective reductions in greenhouse gas emissions in furtherance of achieving the statewide greenhouse gas emissions limit" According to CARB's response to the petition referenced in the Commenters' letter, the Health and Safety Code §38562 does not apply to the LCFS¹.

Commenters also state that illegitimate credits could be generated based on emissions reductions captured in the Application, which is inaccurate. The application was developed under the framework of the Anaerobic Digestion of Dairy and Swine Manure pathway and the contents of the Application, including baseline emissions, were reviewed and approved by CARB and validated by the third-party verification body.

⁴ https://ww2.arb.ca.gov/sites/default/files/barcu/regact/2014/capandtrade14/ctlivestockprotocol.pdf

⁵ https://codes.findlaw.com/ca/health-and-safety-code/hsc-sect-38562.html



Incentivizing Expansion

The commenters speculate that expansion and consolidation of dairies is directly related to the incentives of the LCFS. This comment is addressed to CARB and does not present potential factual or methodological errors in the Application. Pursuant to §95488.7 and §95488.8 of the LCFS regulation, RNG Moovers provided all required documentation to CARB and the third-party verification body.

The Project is a separate entity from the dairy operation, and the dairy operation's primary source of revenue is the production and sale of milk, not biomethane generation that occurs as a byproduct of the operation. The LCFS program provides incentive to reduce GHG emissions by offsetting the high cost of installing the equipment necessary to collect and upgrade biomethane. This would not be economically feasible without the LCFS program. Thus, the claim that CARB's approach is flawed is not accurate as the incentives from the LCFS program help facilitate GHG reductions and sustainability.

Application Transparency

Commenters claim that the application is too "opaque" for meaningful evaluation. The information provided in the Application materials that is not publicly posted or is redacted from public posting contains confidential business information. These redactions include highly detailed descriptions and information regarding the design and operation of the Project that are classified as confidential and/or trade secret. All redactions made in the Application were done so according to official CARB guidance on Redaction of Confidential Business Information under the Low Carbon Fuel Standard⁶ and were subsequently approved by Staff before public posting.

Discriminatory Impact

Commenters assert that "the certification of this pathway would result in a discriminatory impact, in conflict with CARB's obligations under California Government Code 11135 and Title VI of the Civil Rights Act". This comment is addressed to CARB and does not include potential factual or methodological errors in the Application that require a response.

The Commenters further claim that the Project interferes with efforts to achieve and maintain air quality standards. The Project obtained all relevant permits for the digester and upgrading facility issued by the San Joaquin Valley Air Pollution Control District. These permits were reviewed by both CARB Staff and the third-party verification body. The Project reduces pre-existing air emissions in compliance with all applicable laws.

⁶ https://ww2.arb.ca.gov/sites/default/files/classic/fuels/lcfs/guidance/lcfsguidance 20-05 ADA.pdf



Carbon Intensity Values

Commenters claim that the Carbon Intensity values achieved by the Project enable further deficit generation through the creation of credits. This comment is addressed to CARB and does not contain factual or methodological errors related to the Application, and therefore falls outside of the scope of RNG Moovers' response. The number of LCFS credits generated by the Project are calculated in accordance with the LCFS regulations and occur when renewable natural gas is used in a CNG vehicle as an alternative to fossil-based diesel fuel.

RNG Moovers is appreciative of the opportunity to address public comments related to the Application. RNG Moovers does not believe the comments warrant revisions to the Application, that has been sufficiently reviewed by CARB, and believes that the Application should be allowed to continue in its certification. RNG Moovers is prepared to respond to any further input required by CARB as necessary.

Sincerely,

DocuSigned by:

B6ED5C5F55204E6...

Aimee DiTommaso Vice President and Chief Commercial Officer RNG Moovers, LLC