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California State Senate

SENATOR
ANNA M. CABALLERO
FOURTEENTH SENATE DISTRICT



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FAIRS ALLOCATION AND
CLASSIFICATION

April 30, 2024

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

RE: Petition for Direct Regulation

Dear Chair Randolph:

Climate scientists agree that reducing methane emissions is the most important short-term effort to limit global warming. With the passage of SB 1383 (Lara) in 2016, California has taken appropriate steps to significantly reduce methane and other short-lived climate pollutants (SLCPs) in California, as part of the state's comprehensive climate policies. Climate-smart agricultural practices, including dairy methane reduction, are part of the solution. We urge you to continue the incentive-based approach currently being successfully employed by the California Air Resources Board.

Since SB 1383's passage, the dairy farm families throughout California have been partnering with California's Department of Food and Agriculture (CDFA) and the California Air Resources Board (CARB) to install more than 300 methane reduction projects on their farms. These efforts, including the Alternative Manure Management Program (AMMP) and the Dairy Digester Research and Development Program (DDRDP), remain among the state's most cost effective and productive climate investments.¹ The DDRDP program provides 22% of the state's overall GHG reductions, while receiving just 1.7% of the proceeds from the Greenhouse Gas Reduction Fund (GGRF). To date, more than \$2 billion has been invested, leveraging more than \$700 million from the state. According to a December 2022 UC Davis report:

“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 percent reduction in dairy methane sought by the state regulators without the need for direct regulation.”

¹ According to CARB, the DDRDP is the state's most cost-effective program, providing one to of CO2e-equivalent reductions for each \$9 invested by the state

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The California Legislature remains committed to an incentive-based approach, and it is critical that CARB remain committed as well. While there are no perfect climate solutions, the state's dairy methane reduction programs are highly effective and are resulting in the important methane reductions needed to achieve the state's goals.

CDFA has also recently developed new Dairy-Plus programs to incent development of projects that not only provide substantial methane reductions, but significantly improve water quality outcomes in rural disadvantaged communities. The water quality benefits are an important addition to the well-documented methane, air quality, and nuisance (odor) benefits associated with these projects. CDFA has distributed \$10 million for important enteric methane reduction research. Finally, the 2023-2024 budget includes funding for CDFA to establish a new program focused on incentivizing enteric methane reductions on dairy and other livestock operations.

In addition to these important incentive programs, the Low Carbon Fuel Standard (LCFS) Program has been a key driver of dairy, landfill, and wastewater methane reduction projects. CARB must continue to provide for the beneficial use of methane captured from these operations. Efforts to exclude dairy and livestock methane from the LCFS program, eliminate avoided methane crediting, or directly regulate the sectors are contrary to the intent and requirements of SB 1383.

Moreover, calls for direct regulation of dairy and livestock methane reduction will only lead to California falling well-short of our climate goals. Adopting policies that will lead to leakage is inconsistent with SB 1383 and undermines CARB's national and world leading reputation and efforts to address climate emissions.

In conclusion, we strongly encourage CARB to deny the petition, stay the course and continue to provide the incentives needed to ensure dairy and other methane reductions are achieved consistent with the recently adopted 2022 Scoping Plan Update. At the same time, we will continue to work to ensure that rural communities have clean drinking water and clean air. As representatives of these communities, we understand first-hand the need for balanced actions to ensure our rural communities thrive.

Sincerely,

Handwritten signature of Anna M. Caballero in black ink.

Anna M. Caballero
Senator, 14th District

Handwritten signature of Bill Dodd in black ink.

Bill Dodd
Senator, 3rd District

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Josh Newman
Senator, 29th District

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Melissa Hurtado
Senator, 16th District

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Rosilicie Ochoa Bogh
Senator, 23rd District

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Roger Niello
Senator, 6th District

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Bob Archuleta
Senator, 30th District

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Marie Alvarado-Gil
Senator, 4th District

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Steven Bradford
Senator, 35th District

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Tom Umberg
Senator, 34th District

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Juan Alanis
Assemblymember, 22nd District

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Esmeralda Soria
Assemblymember, 27th District

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Handwritten signature of Juan Carrillo in blue ink.

Juan Carrillo
Assemblymember, 39th Assembly District

Handwritten signature of Devon J. Mathis in blue ink.

Devon J. Mathis
Assemblymember, 33rd District

Handwritten signature of Blanca E. Rubio in blue ink.

Blanca E. Rubio
Assemblymember, 48^h District

Handwritten signature of Blanca Pacheco in blue ink.

Blanca Pacheco
Assemblymember, 64th District

Handwritten signature of Dr. Jasmeet Kaur Bains in blue ink.

Dr. Jasmeet Kaur Bains
Assemblymember, 35th District

Handwritten signature of Diane Dixon in blue ink.

Diane Dixon
Assemblymember, 72nd District

Handwritten signature of Avelino Valencia in blue ink.

Avelino Valencia
Assemblymember, 68th District

Handwritten signature of Josh Hoover in blue ink.

Josh Hoover
Assemblymember, 7th District

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Handwritten signature of Carlos Villapudua in black ink.

Carlos Villapudua
Assemblymember, 13th District

Handwritten signature of Jacqui Irwin in black ink.

Jacqui Irwin
Assemblymember, 42nd District

Handwritten signature of Marie Waldron in black ink.

Marie Waldron
Assemblymember, 75th District

Handwritten signature of Thomas Lackey in black ink.

Thomas Lackey
Assemblymember, 34th District

Handwritten signature of Laurie Davies in black ink.

Laurie Davies
Assemblymember, 74th District

Handwritten signature of Heath Flora in black ink.

Heath Flora
Assemblymember, 9th District

CC:
Governor Gavin Newsom
Secretary Karen Ross, California Department of Food and Agriculture
Dr. Steve Cliff, CARB Executive Officer
John Eisenhut
Dr. Susan Shaheen
Dr. John Balmes
Diane Takvorian
Cliff Rechtshaffen
Dean Florez
Hector De La Torre
Davina Hurt
V. Manuel Perez
Eric Guerra
Nora Vargas

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Dr. Tania Pacheco-Werner
Gideon Kracov
Senator Henry Stern
Assemblymember Eduardo Garcia