San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

HEALTHY AIR LIVING™

September 12, 2018

Mary Nichols
Chair, California Air Resources Board
1001 I Street
Sacramento, CA 95814

RE: Support for the Aliso Canyon Methane Leak Mitigation Program

Dear Chair Nichols:

The District would like to express its strong support for the Aliso Canyon Methane Leak Climate Impacts Mitigation Program which is part of the Aliso Canyon Settlement Agreement between the Southern California Gas Company and the California Air Resources Board, Los Angeles City Attorney's Office, County of Los Angeles, and the California Office of the Attorney General and in particular the Aliso Canyon Methane Leak Climate Impacts Mitigation Program. California Bioenergy projects (CalBio) supported by this settlement will be part of three dairy biogas to vehicle fuels clusters in Kern, Kings, and Tulare Counties. The District considers the use of biogas as a renewable vehicle fuel one of the best uses of the gas from an air quality perspective, and the District has been supportive of these projects for many years while they have been in development. Additionally, as you are aware, the State Implementation Plan strategy for attainment as outlined in the District's Draft 2018 Plan for the 1997, 2006, and 2012 PM2.5 Standards relies on reductions from heavy-duty trucking transitioning to near-zero emission optional NOx standard engines. A prominent benefit of these cluster projects is to provide the necessary fuel and infrastructure for those trucks.

The challenges faced by the San Joaquin Valley with respect to air quality are unmatched by any other region in the state of California. The Valley's topography, climate, geography, and the presence of two major transportation corridors connecting Northern and Southern California all contribute to the region's air quality problem. A number of Valley communities are highly impacted by environmental and socioeconomic challenges. In fact, 20 out of the top 30 California disadvantaged communities identified through the state's CalEnviroScreen model are located in the San Joaquin Valley. These communities lack the resources necessary to effectively compete for federal and state resources and as a result have not received the amount of federal and state investment received by more urban regions. Furthermore, in addition to the many attainment plans that the San Joaquin Valley Air Pollution Control District (District) has already developed and implemented, the District is mandated under the Clean Air Act to develop and adopt a number of new ozone and particulate matter plans in the coming years. Attainment of the latest standards will require

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transformative changes and development of innovative control strategies and technologies to significantly reduce emissions from mobile and stationary sources.

As the leading agricultural region in the country, a significant potential for biogas production will necessitate technological advancements to ensure that the capture and use of that biogas does not hinder the District's efforts to attain important health based air quality standards. One California Energy Commission publication estimates a potential generation of 450 MW of electricity from dairy digesters in the Valley. Even when using the Best Available Control Technology (BACT) for electricity generation the result would be an increase of approximately 2.7 tons of NOx emissions per day. If such growth in electricity production from dairy digesters were to occur it would offset many other investments made by Valley residents and businesses to reduce those emissions, and potentially delay attainment of national ambient air quality standards and the concomitant health benefits from attaining these standards. While all uses of biogas control emissions of methane, the District strongly supports projects and technologies that provide alternative options for the use of biogas that prevent the emissions from electric power production.

These three clusters provide an opportunity to advance the use of biogas as vehicle fuel. They are in clusters of dairies, and multiple dairies provide the economies of scale needed to implement large scale biogas projects. CalBio is working to convert fleets to pioneer the use of trucks powered by cleaner engines expected to be commercially available in 2018. These engines are anticipated to be certified to ARB's alternative NOx standard of 0.02 g/bhp-hr, a 90% lower standard than currently required. Adoption of this near-zero emission engine technology is a key portion of the District's attainment strategy. In addition to the avoided emissions from electricity generation, the replacement of diesel trucks with renewable natural gas powered trucks will reduce toxic diesel particulate matter and NOx, much of which occur in disadvantaged communities.

The projects identified in this settlement will demonstrate an important, innovative, and transformative cleaner option than electricity generation and encourage cleaner vehicles. Thus, the District strongly supports the settlement.

Sincerely,

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Samir Sheikh
Executive Director/APCO