

SB 1383 Dairy Biomethane Pilot Project Clarifications
GHG Calculator Version and Counting of GHG Emissions Reductions
6/12/18

Resolution and Guidance on Greenhouse Gas Emissions Calculations for Pilot Projects

a. Which Quantification Methodology calculator should I use?

In accordance with Section 3.3 of the Decision (R.17-12-004), applicants shall submit to the Selection Committee greenhouse gas (GHG) emissions reduction estimates for a proposed pilot project using the latest version of the Excel-based GHG Dairy Digester Quantification Methodology (QM).¹ While Section 2.2 of the Decision states that the 2016-2017 version of the QM should be used by applicants, this is a typographical error. The intent of the Decision was to use the most up-to-date version of the QM, which at the time the Decision was issued was the 2016-2017 version. Section 3.3 accurately conveys the requirement and intent of the Decision--that is, to require the latest QM (2017-2018) to estimate greenhouse gas emissions reductions associated with the proposed pilot projects.

Applicants must submit a completed Excel-based QM for each dairy digester included in a cluster project. For example, if a cluster project is composed of seven dairies, each with one digester, the applicant must submit seven individual QMs. Applicants must also submit a QM for the cluster project as a whole (i.e., whenever the project includes more than a single dairy digester). In all cases, the latest version of the QM, referenced above, must be submitted.

The latest version of the QM does not allow for modification of the default values for certain parameters based on dairy-specific conditions. In accordance with Section 3.3.2, applicants may submit to the Selection Committee proposed changes to the default settings in the QM calculation tools. If such a change to the default setting is submitted, applicants must also submit justification for each modification. A justification should include the reasonable basis for the modification, including a description of the differences between on-farm practices and the default parameters. The Selection Committee will review and consider the justifications for default value modifications during application reviews. The Selection Committee in its exclusive discretion may approve modifications to the default settings if appropriate.

b. What amount of GHG emissions reductions may be "counted" for purposes of the GHG and cost-effectiveness scoring if the existing project attributes involve GHG emissions reductions but the proposed project will cause higher or different GHG emissions reductions? For example, when a project is transitioning from a generation-only digester project to a generation plus pipeline or pipeline-only digester project.

¹ The current QM tool which is to be utilized by Pilot Project applicants is located on the CARB website at https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/cdfa_ddrdp_finalcalculator_17-18.xlsx?_ga=2.202323985.1018956763.1528238423-517226865.1510597097

SB 1383 Dairy Biomethane Pilot Project Clarifications
GHG Calculator Version and Counting of GHG Emissions Reductions
6/12/18

The applicant must identify for the Selection Committee which GHG emissions reductions associated with their project are pre-existing yet ongoing GHG reductions (e.g., an existing electric generation-only project that will transition to an electric-generation-plus-pipeline project or transition to a pipeline-only project) and which are additional GHG emissions reductions. The additional GHG emissions reductions will be counted for purposes of the cost-effectiveness score. The Selection Committee has discretion to change the GHG emissions inputs if justified. (Section 3.3.2.)