## Senate Bill 1383 and Dairy Biomethane Pilot Projects

## Disadvantaged Communities Advisory Group



Elizabeth John Advanced Fuels and Vehicle Technologies Office Manager California Energy Commission



# Senate Bill 1383

- California Air Resources Board to implement strategy to reduce short-lived climate pollutants below 2013 levels by 2030:
  - Methane by 40%.
  - Hydrofluorocarbon gases by 40%.
  - Anthropogenic black carbon by 50%.



# SB 1383 and Dairies

- California Air Resources Board in consultation with the California Department of Food and Agriculture:
  - Adopt regulations to reduce methane emissions from livestock manure management operations and dairy management operations no earlier than 1/1/24.
- California Public Utilities Commission:
  - Develop dairy pipeline pilot projects to demonstrate interconnection to the common carrier pipeline system.



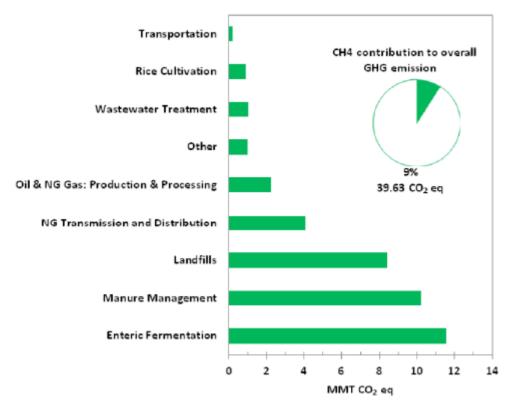
# SB 1383 and IEPR

- California Energy Commission to analyze renewable gas as part of its 2017 Integrated Energy Policy Report (IEPR) and discuss:
  - Cost-effective strategies.
  - Prioritize end uses of renewable gas.
  - Provide recommendations to other state agencies.



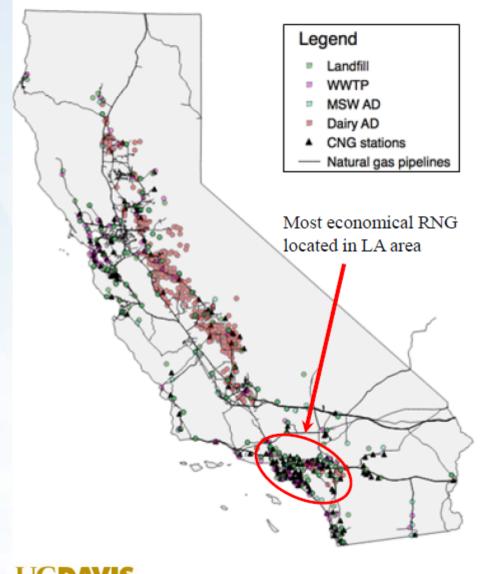
## Chapter 9: Renewable Gas

#### 2015 California Methane Emissions Inventory (100-Year GWP)



Source: California GHG Emission Inventory- 2017 edition, released June 6, 2017

### **Renewable Gas Estimation Data**



#### Geolocated Data:

- Dairies: 1,369 sites, Central Valley and Santa Ana Regional Water Quality Control Boards
- Landfills: 147 sites, Landfill Methane
  Outreach Program
- WWTP: 86 sites, California
  Association of Sanitation Agencies
- MSW: 38 sites, California Biomass Collaborative, Solid Waste Information Systems, CalRecycle



## In-State Renewable Gas Potential

#### Annual Technically Available and Economically Feasible Biomethane Renewable Gas Production Potential From California Biomass Resources

FEEDSTOCK	AMOUNT TECHNICALLY AVAILABLE	RENEWABLE GAS POTENTIAL FROM AMOUNT TECHNICALLY AVAILABLE [UC DAVIS CALIFORNIA BIOMASS COLLABORATIVE]		RENEWABLE GAS POTENTIAL FROM AMOUNT TECHNICALLY AVAILABLE [ICF]		ECONOMICALLY FEASIBLE RENEWABLE GAS POTENTIAL <sup>4</sup> [UCD ITS]	
		(BCF)	(MILLION MMBTU)	(BCF)	(MILLION MMBTU)	(BCF)	(MILLION MMBTU)
Animal Manure (Dairy & Poultry)	3.4 MM BDT	19.5	18.9	12.3-18.7	11.9-18.7	10.1	9.8
Municipal Solid Waste (food, leaves, grass fraction)	1.2 MM BDT	12.7	12.2	22.5-50.1	21.8-48.4	16.3	15.8
Municipal Solid Waste (lignocellulosic fraction)	6.7 MM BDT	65.9	63.7				
Landfill Gas	106 Bcf	53	51.2	22-54.8	21.3-53.0	50.1	48.4
Wastewater Treatment Plants	11.8 Bcf	7.7	7.4	4.1-7.2	4.0-7.0	5.6	5.4
Fats, Oils, and Greases	207,000 tons	1.9	1.8	N/A 29.6-32.5	N/A	N/A	N/A
Agricultural Residue (Lignocellulosic)	5.3 MM BDT	51.8	50.1		28.6-31.4	N/A	N/A
Forestry and Forest Product Residue	14.2 MM BDT	139	134	14.5-44.9	14-43.4	N/A	N/A
Total		351	339	104.9- 208.3	101.4- 201.4	82	79.4

\*Economically feasible renewable gas is determined at a natural gas market price of \$3/MMBtu, LCFS credit price of \$120/MT-C02e, and RIN price of \$1.78/gallon of ethanol equivalent.

Source: Williams, R. B., B. M. Jenkins and S. Kaffka (California Biomass Collaborative). 2015. An Assessment of Biomass Resources in California, 2013 – DRAFT. Contractor report to the California Energy Commission. Contract 500–11-020; Sheehy, Phil (Forthcoming 2017) Design Principles for a Renewable Gas Standard. ICF International; and Jaffe, Amy Myers, Rosa Dominguez-Faus, Nathan C. Parker, Dariel Scheitrum, Justin Wilcock, Marshall Miller 2016. The Feasibility of Renewable Natural Gas as a Large-Scale, Low Carbon Substitute. Institute of Transportation Studies, University of California, Davis, Research Report UCD-11S-RR-16-20.

Renewable Gas Potential from		Renewable Gas Potential	Renewable Gas Potential			
	Amount Technically Available	from Amount Technically	from Amount Technically			
	(UC Davis)	Available (ICF)	Available (UCD ITS)			
	339 Million MMBTU	101.4-201.4 Million MMBTU	79.4 Million MMBTU			

https://ww2.energy.ca.gov/2017 energypolicy/, page 254

#### **RNG Production Potential**

#### - ICF estimates between 105-208 BCF per year of RNG production potential in California.

Most near-term potential is via anaerobic digestion technologies: LFG, WWT gas, MSW/SSO, and animal manure

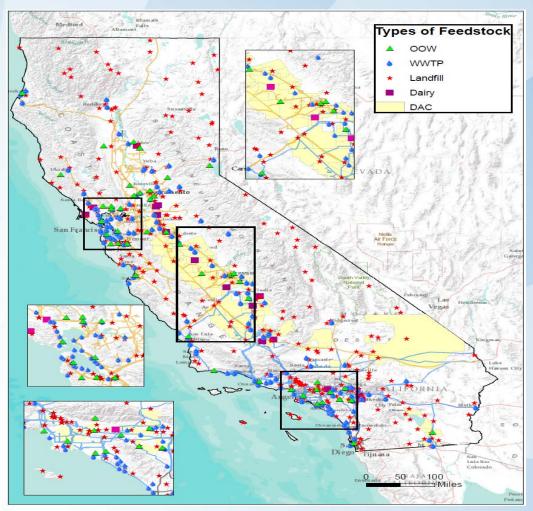
	RNG Production Potential in CA (BCF/y)					
Feedstock	UC Davis	AGF <sup>a</sup>		DOE BT <sup>b, c</sup>		ICF Estimates
		low	high	low	high	ICF ESUINALES
Agricultural Residue	29.9	4.1	10.2	29.6	32.5	29.6-32.5
Animal Manure	18.7	8.4	28.0	2.2	9.9	12.3-18.7
Energy Crops <sup>d</sup>	70.9	0.0	0.0	0.0	0.0	n/a
Fats, Oils and Greases	6.2	n/a	n/a	n/a	n/a	n/a
Forestry and Forest Product Residue	78.0	4.7	11.8	8.9		14.5-44.9
Landfill Gas	50.2	27.4	54.8	n/a	n/a	22-54.8
MSW, food, leaves, grass	11.7			11.7	13.6	22.5-50.1
MSW, lignocellulosic	38.5	7.5	22.5	9.9	17.1	22.5-50.1
WWT Gas	7.2	0.3	0.8	n/a	n/a	4.1-7.2
Total Potential	311.3	52.4-128		62.3-73.1		104.9-208.3



Renewable Gas in California: Potential, Expected Growth, and Costs

4

# Location of Waste Resources and Disadvantaged Communities







# Recommendations

- Focusing on near term opportunities
- Encouraging the use of renewable gas in state fleets
- Extending the Low Carbon Fuel Standard
- Working with local partners
- Prioritizing disadvantaged communities
- Implementing policies to build commercial markets
- Continuing to develop long-term market certainty



## Next Steps

- The Energy Commission should re-examine the status of renewable gas, including power-to-gas, as part of the 2021 IEPR.
- Agencies convened a Dairy and Livestock Greenhouse Gas Emissions Working Group in May 2017. Final Recommendations Proposed by the 3 subgroups and after 28 public meetings: <u>https://ww3.arb.ca.gov/cc/dairy/dairy\_subgroup\_reco</u> mmendations\_to\_wg\_11-26-18.pdf.
- CARB, CDFA, CPUC, and CEC are also working together to analyze the data coming out of the pipeline pilot projects.



# **Data Collection**

## Project Overview and Implementation Report

- Provides project baseline information including:
  - Project, dairy technology and modifications overview
  - Capital Costs
  - Baseline emissions, energy and water usage
  - Outreach and Community Engagement Strategy

## On-Going Reporting

- Quarterly Reporting
  - Operating Costs
  - Production
  - Technology Monitoring
  - Outreach Efforts

- Annual Reporting
  - Cost Effectiveness
  - Annual biomethane injection
  - GHG Monitoring



## Final Post-Pilot Reporting

- Project Results
- Lessons Learned
- Scalability and Replication Potential





## **Contact Information**

## Elizabeth John (916) 654-4639 elizabeth.john@energy.ca.gov