Responses to Comments Received on the CDFA Alternative Manure Management Program
Comment Period: October 8, 2018 - November 5, 2018

Category	Comment	Response
Benefits Calculator Tool	Use of Benefits Calculator Tool should be suspended until a more robust calculator can be developed that more directly calculates the emissions changes. Current calculator only lineraly relates emissions to fuel, it should include type of equipment and offsets from replacing older equipment. While the 70-30 ratio makes sense as a default value, the option to override the default when appropriate should be restored.	The Quantification Methodology and Benefits Calculator Tool provides an upfront estimate about the benefits and impacts of AMMP based on the best available peer reviewed data and balances the usability of the tool with the accuracy of the projected benefits.
	Include water quality as part of "Environmental Co-Benefits," and clarify limitations of cobenefits results in Benefits Calculator Tool. We recommend (1) clarifying the limitations of the Co-Benefits Calculator Tool in the 2019 program and (2) including non-energy related potential air quality impacts, along with water quality impacts, in future calculators.	Co-benefits in the Benefits Calculator Tool were developed by UC Berkeley and CARB and were prioritized based on administering agency input and broad applicability to California Climate Investments Programs. All methodologies can be found at www.arb.ca.gov/cci-cobenefits.
Eligible Practices	Provide a more transparent and public process to vet new practices for AMMP. We were disappointed to see Prescribed Grazing not included as an eligible practice in the AMMP.	CDFA provided responses to submitted proposals are available on the program website. CDFA will consider request for a public process for evaluation of new practices in future rounds. The AMMP Demonstration Projects additionally provide an avenue for the testing and demonstration of new practices that can reduce methane emissions from dairy and livestock manure management. Prescribed grazing as a practice may be considered under the AMMP if implementation of prescribed grazing results in increased amount of time livestock spend on pasture; the appropriate corresponding practice must be selected in the GHG Calculator Tool under the pasture-based management category. GHG reductions due to soil carbon benefits on pasture are beyond the scope of project boundary covered by the AMMP and are incentivized through the CDFA Healthy Soils Program.
	There are technologies available that are a lot cheaper and significantly more effective. Slurry acidification has the potential to reduce worldwide CO_2 emissions to 1% within 5 years.	The efficacy of this practice in reducing methane emissions has not been demonstrated on California dairy operations. Further research and data are needed to incorporate this practice into the quantification methodology for GHG emission reduction estimation. The AMMP Demonstration Projects may provide an avenue for the testing and demonstration of new practices that can reduce methane emissions from dairy and livestock manure management.
Eligibility	Allow for demonstration projects in line with the recommendations made at the meetings of the Dairy Methane Working group. Outreach and education, which is central to Demonstration projects, can help meet the state's SB 1383 goals by demonstrating the benefits of AMMP practices, beyond methane reduction. CDFA should provide up to $5 million in AMMP funding for projects that bring partners of producers and nonprofits (e.g. trade associations) or technical service providers (e.g. Resource Conservation Districts, Cooperative Extension, etc.) together to install AMMP practices on a working dairy or livestock operation and bring producers from the industry together for field days and educational tours of the project, with the goal of expanding the use of AMMP practices among producers.	Demonstration projects will be eligible to apply under the AMMP Demonstration Projects. A total of $2 million will be made available to fund AMMP demonstration Projects.
	AMMP is geared more towards big commerical dairy and livestock operations with large amounts of liquid or anaerobic manure management Equestrian operations aren't able to use the Benefits Calculator Tool to show measureable GHG reduction but are interested in managing their manure waste more sustainably (i.e. land apply, compost).	The AMMP funds projects that achieve methane reduction from a baseline level of emissions. Baseline methane emissions result from anaerobic handling of manure. If there is no anaerobic handling of manure in the project baseline, a project is not eligible for funding.
Herd Size Expansion	CDFA should not prohibit expansion of herd sizes at a dairy during project term. Dairies that have secured such permits properly should not be prohibited by CDFA from expanding their herds; doing so is an unreasonable attempt to expand CDFA's jurisdiction into local/regional permitting matters. California is experiencing a decline in both the number of dairies and the number of dairy cows. If the remaining cows are located on dairies that have implemented manure methane emissions reductions projects, the State would see greater reductions in methane emissions. With a declining cow population this also increases the efficiency of those projects since potentially more cows could be covered with the same project.	Projects cannot change the herd size beyond their existing permits.

Labor Costs	CDFA should raise labor cost limitations from 15% to 25%. Because of the wide variety of configurations of AMMP projects, there is a corresponding range of ratios of costs between materials/equipment and labor. Due to the great variety of projects being funded this can create challenges for certain projects and limit potential construction jobs for projects located in disadvantaged and low income communities.	CDFA will raise limits on labor costs to 25%.
Scoring Criteria	Revise scoring criteria so that all 35 points within "Estimated Greenhouse Gas Emissions Reduction" are based on GHG reductions themselves. We request that CDFA define what is meant by applications being "competitively scored on their projected emissions reductions," and, if not already included, bring this process into the application points system so that the points for GHG emission reductions are awarded for actual emissions reductions, not the proper completion of the application and calculator. Of the 35 points allocated to GHG reduction, 20 points are allocated to project description and justifying assumptions made in the calculator. We are of the view that these tasks are essential, but that they should not be awarded points – properly justifying the assumptions in the calculator and describing the project are simply necessary tasks that, if incomplete, should either result in project disqualification or reverting to default values in the calculator. One possible solution would be to increase the number of points for each of these criteria to 10, while reducing the combined points for project description and justification to five.	Scoring criteria are not changed for this round. CDFA may consider re-evaluating scoring criteria in future rounds upon consultation with the AMMP Technical Advisory Committee.
Reimbursement Process	Allow for 25% advance payment for projects.	CDFA will allow up to 25% advance payments to awarded AMMP projects.
Solicitation Process	Increase timeframe to complete applications from two to three months.	2019 AMMP will have a 3-month application period from December 28, 2018 to April 3, 2019.
	CDFA could consider a two-stage proposal process that lessens the burden on producers by requiring a pre-proposal containing sufficient information for CDFA to approve projects pending the submission of more detailed plans and budgets during a final project review and contract completion. Dairy producers could avoid the full expense of project design and engineering of their projects during the pre-proposal phase, which is cost prohibitive for many producers.	CDFA will evaluate this option for future rounds of AMMP.
Funding	Increase AMMP funding to $40 million. We strongly suggest that CDFA end the arbitrary range of funding made available to AMMP and, instead, set a line item of $40 million for the program for this upcoming round of funding. After taking 5 percent for administration costs and 5 percent for the Technical Assistance Fund required by AB 2377, that will leave $36 million for the program. As described above, we suggest that $5 million go to Demonstration projects, the remaining $31 million for Incentives is in line with the past two rounds of requested funds ($29 million in the first round; $34 million in the second round).	Funding division is based on the potential of GHG reductions achievable through the various types of digester and non-digester practices. CDFA may consider revising the division in future rounds of funding for AMMP and DDRDP.
	As additional information becomes available on the methane reduction potential of different AMMP projects, CDFA should use the latest science in future funding decisions.	CDFA will consider the research findings that will become available in future. These include, but are not limited to, several projects that are currently ongoing and expected to generate relevant data by 2020; such as the UC Davis study funded by CDFA and CARB on pre and post-AMMP methane emissions, UC Davis studies examinimg solid separator efficiencies funded by CDFA and CARB, and the CDRF study focusing on best methane reduction options in relation to dairy sizes, funded by CDFA.