

**Comments Received on the CDFA Dairy Methane Reduction Programs - DDRDP and AMMP Comment Period: September 17, 2019 - October 16, 2019**

*Updated on 12/20/2019\**

Program	Comment	Response
AMMP	Implement new practices review process in 2020 including expansion of program scope to include nitrous oxide emissions and improved nutrient management. A public meeting of the AMMP technical review committee should be part of this process to increase transparency of the program.	Thank you for your comment. CDFA will take your comment into consideration and anticipates conducting a new practice solicitation request in 2020.
AMMP	Include prescribed grazing as an eligible practice under AMMP.	Prescribed grazing practice is incentivized through the Healthy Soils Program (HSP). The greenhouse gas reductions from prescribed grazing are attributed to carbon sequestration, not methane reduction, therefore it is beyond the scope of AMMP. Dairy producers can get funding for prescribed grazing through HSP and funds can be combined with AMMP as match.
AMMP	Allow for 25% advance payment.	AMMP recipients are eligible for 25% advance payments. See page 23 of 2019 Request for Grant Applications (RGA).
AMMP	Implement a pre-proposal process; example given of Department of Conservation's Sustainable Agricultural Lands Conservation Program (SALCP).	A pre-proposal grant process extends the grant process timelines considerably from the existing grant process (from three to six months). Given encumbrance deadlines for GGRF appropriations, number of applicants and programmatic workloads this is not feasible at this time. The number of AMMP projects funded has increased significantly (18 in 2017, 38 in 2018, and 50 in 2019). The AMMP program will continue to be competitive, especially with the implementation of the CDFA Climate Smart Agriculture Technical Assistance Grants Program in 2020. CDFA OEFI will evaluate this process if grant numbers decline to a level where such a process can be used.
AMMP	Limit application process (from submission deadline to award announcement) to three months to avoid rising project costs.	CDFA has evaluated this strategy in the past. Due to the multi-stage simultaneous review process for DDRDP and AMMP, this is not feasible. There is limited personnel expertise on dairy manure management among California academics and State/Federal agencies. CDFA works with grant recipients to accommodate changes to budget (upon approval) during the grant term.
AMMP	Expand upon AB 2377 to include year-round technical assistance, not just to 2019-20 applicants and awardees.	GGRF appropriations that support AMMP and the AB 2377 mandated Climate Smart Agriculture Technical Assistance Grants Program are not continuous. The amount of funding each year is not guaranteed, therefore CDFA cannot commit future funding for current rounds of the program.
AMMP	Allocate no less than 50% of 2019-20 funds to AMMP; current allocation percentages to determine program impact based on greater methane reduction is flawed.	CDFA evaluates funding split each year based on available funds and will continue to do so in the future.
AMMP	Streamlining of GHG calculator has removed functionality of the tool and accuracy of the results (e.g., No option to include dry cows and heifers from flushed freestall to go into a compost bedded pack barn).	Thank you for your comment. CDFA and CARB will take your comment into consideration.
AMMP	The 35 points for GHG reduction should not include points for correctly filling out the tool (currently 20 out of the 35 are for the calculator). Instead, these points should focus on the actual reductions.	The actual reductions are critically dependent on the calculator being used correctly. CDFA evaluates total reductions as well as reductions per unit of milk produced to normalize for dairy size.
AMMP	Include vermifiltration among the alternative manure management practices eligible to receive funding under the AMMP program.	Prior to inclusion, this practice will need to be evaluated for inclusion in the CARB Benefits Calculator Tool for the Alternative Manure Management Program and the associated Alternative Manure Management Program Quantification Methodology available at <a href="http://www.arb.ca.gov/cc-resources">www.arb.ca.gov/cc-resources</a> .
AMMP Demo	No need for additional funding for AMMP-APFF demo projects in 2019-20.	Demonstration projects have been identified as key for peer-to-peer education and providing value for the success of climate investments programs by the State.
DDRDP	Digesters contribute to air pollution, water contamination and other environmental impacts. Please use funds to support AMMP.	Dairy digesters are an important component of methane reduction goals (as mandated by SB 1383) and provide co-benefits such as odor reduction.
DDRDP	Bloom Energy Biogas claims are false; regulatory agencies need to look into the company and assess potential non-compliance issues.	DDRDP is a voluntary incentives program. During the grant agreement term, CDFA requires all recipients to submit copies of permits applicable to the project and can take action if permits are not provided. CDFA is not the authorized regulatory agency for permits.
DDRDP	Continue allowing nutrient removal and management technologies as part of a digester project if implemented using matching funds; there is no need to allow direct funding for these technologies under DDRDP.	Nitrogen management on dairy operations is a State priority and the DDRDP aims to achieve multiple benefits with these funds.

\*Updates include editing for typos. No content was modified from the original version.

DDRDP	Program has a lack of procedures, protocols and transparency that are standard to other GGRF administering agencies.	Thank you for your comment. CDFA will take your comment into consideration. CDFA is working to provide regular updates of existing funded projects and their completion status of these projects on the respective programmatic websites.
DDRDP	Additional funding (\$34 million) is being given to a single developer that has received more than \$100 million cumulatively and yet only 3 projects have been completed since 2015.	CDFA supports new developers and will be conducting new developer workshops prior to the next solicitation release. CDFA has conducted new developer workshops in the past to assist and potentially increase the number of developers participating in the DDRDP.
DDRDP	Developers are being given funding even though they are not able to meet contractual deadlines (11 projects are near deadline and yet to be commissioned; requests for extensions have been made); it seems this information was not disclosed to reviewers when scoring.	CDFA has not violated contractual obligation requirements. CDFA receives and approves project extension requests from awardees for the DDRDP and several other grant programs administered by CDFA. CDFA evaluates those requests and grants extensions for ongoing projects as long as they are within the contractual obligation periods. CDFA works closely with the liquidation timelines associated with the funds received to ensure awardees are completing the work as proposed. In the event that progress has not been made, CDFA has taken steps such as cancelled projects or withheld payments until project progress was made. CDFA reviewer teams are not informed of extension requests because extension requests are not a violation of contractual obligations. Extension requests are a normal part of project implementation as long as progress continues to be made and projects are within the grant term.
DDRDP	Developers are offering significant cost share on projects utilizing mostly other state funds (often at public expense), rather than leveraging private capital.	CDFA allows and supports grant funding from other state/federal sources to be used as cost share.
DDRDP	Result of delays in commissioning projects has caused GHG reductions claimed to not be realized.	All projects have met current funding requirements and contractual obligations. There may be numerous issues that arise including weather or wildfire impacts and CDFA provides the flexibility to the dairy producers, the Department's primary stakeholders who offer up their dairy operations and land for projects, that their projects will be completed in compliance with the grant agreement terms.
DDRDP	Applicants are not offered debrief sessions to identify areas for improvement like other agencies administering GGRF funds such as the California Energy Commission.	CDFA is able to meet with applicants upon request. Because reviews are conducted by California academics and State/Federal agencies, the information that will be provided are comments by specific reviewers during the review process.
DDRDP	Program RGA clearly states projects must be completed by time allowed on the grant agreement, making it seem like this was non-negotiable. However, multiple extensions have been granted without any transparency or public review.	All projects have met current funding requirements and contractual obligations. There may be numerous issues that arise including weather or wildfire impacts and CDFA provides the flexibility to the dairy producers, the Department's primary stakeholders who offer up their dairy operations and land for projects, that their projects will be completed in compliance with the grant agreement terms.
DDRDP	2019-20 funds should be given to 2018-19 applicants that were "eligible but not funded".	Each allocation and subsequent funding round requires a new solicitation, triggering a multi-stage, competitive review process. CDFA will allow previous round's applicants to review and submit their prior submissions as-is or with modifications. Since every round is highly competitive, all applications must go through the review process again.
DDRDP	Prior to executing 2018-19 grant agreements, conduct an audit of scoring and reconsider funding for developers with poor past performance (those that did not demonstrate timely completion of projects).	All GGRF-funded programs, including those at CDFA, are subject to state audits. To date, all projects have met current funding requirements and contractual obligations.
DDRDP	Audit projects funded in 2016 and 2017; if they are unable to complete projects on time funds should be immediately given to others that submitted "eligible but not funded" proposals.	All GGRF-funded programs, including those at CDFA, are subject to state audits. To date, all projects have met current funding requirements and contractual obligations.
DDRDP	Add a scoring and eligibility criteria for diversity of applicants.	CDFA has conducted and will continue to conduct workshops to expand access and improve competitiveness for new and existing applicants.
DDRDP	Convene a formal inter-agency GGRF working group to immediately revise and reform the grant making process.	The California Air Resources Board convenes a multi-agency working group to administer and inform all programs funded by the California Climate Investments. The Technical Advisory Committee of the DDRDP, a sub-set of the State/Federal Dairy Digester Working Group, advises CDFA on the development and changes to the DDRDP.
DDRDP	Prior to release of 2019-20 solicitation, conduct an internal audit of the DDRDP grant program to assess and consider for adoption of the best practices and protocols that been put in place at other GGRF administering agencies.	All GGRF-funded programs, including those at CDFA, are subject to state audits. CDFA is in the process of evaluating other GGRF-funded program processes at this time.
DDRDP	Include a stand-alone scoring section for qualifications of the organization submitting the application; there is currently only one question addressing this in a 20-point section.	The RGA for DDRDP includes scoring criteria for evaluating qualifications of the submitting organization, which can be found under the Digester Project Plan and Long-Term Viability section, particularly Supporting Materials 1.2.

DDRDP	Notify reviewers when existing applicants are unable to meet timelines associated with previous work plans funded by the DDRDP program.	All projects have met current funding requirements and contractual obligations. There may be numerous issues that arise including weather or wildfire impacts and we would like to provide the flexibility to the dairy producers, our primary stakeholders who offer up their dairy operations and land, that their projects will be completed in compliance with the grant agreement terms.
DDRDP	Amend applications to include a standard Terms and Conditions contract.	Terms and Conditions are only provided to successful applicants and are included as part of the grant agreement. This is standard practice for all CDFA-funded programs.
DDRDP	Clearly disclose process that successful awardees will need to utilize in order to request contract extensions and changes to approved budget and work plans to avoid giving a competitive advantage to existing awardees.	Information on the process for requesting contract extensions and changes to budget and work plans are publicly available in the Grant Award Procedures (GAP) manual, which can be found by visiting <a href="https://www.cdfa.ca.gov/oefi/ddrdp/resources.html">https://www.cdfa.ca.gov/oefi/ddrdp/resources.html</a> .
DDRDP	Include criteria to evaluate applicant's ability to execute the project in the time frame required by the solicitation and proposed in the work plan as part of the "Project Readiness" section.	All projects have met current funding requirements and contractual obligations. There may be numerous issues that arise including weather or wildfire impacts and we would like to provide the flexibility to the dairy producers, our primary stakeholders who offer up their dairy operations and land, that their projects will be completed in compliance with the grant agreement terms. CDFA is required to report to the Joint Legislative Budget Committee regarding any failed digester projects within three months of project failure.
DDRDP	Have applicants provide proof of private cost share at the time of application.	CDFA Audits Office reviews documents provided by applicants to demonstrate financial soundness as part of the scoring criteria. For awarded projects, CDFA tracks spending of matching funds on a quarterly basis to ensure it is consistent with that of grant funds expenditure.
DDRDP	Include an evaluation of GHG reduction per dollar per total project budget (instead of total grant funds requested).	The cost-effectiveness is calculated against the funds requested from the grant (or GGRF dollars) to be consistent with data reported to CARB for Annual Report to the Legislature. Cost-effectiveness is not scored against total project cost or other non-GGRF funding sources. DDRDP requires applicants to provide a minimum of 50% cost share to eligible for funding.
DDRDP	Include a requirement that applicants should not utilize other public funds as cost share so that there is no double-counting of GHG benefits.	CARB Funding Guidelines for Agencies that Administer California Climate Investments (available at <a href="https://ww2.arb.ca.gov/resources/documents/ci-funding-guidelines-administering-agencies">https://ww2.arb.ca.gov/resources/documents/ci-funding-guidelines-administering-agencies</a> ) do not exclude other funding sources for a project including state/federal funding and provides a methodology to calculate project cost benefits without double counting.
DDRDP	Make an application debrief be mandatory by the scoring team immediately after the notice of proposed award; make score sheets and score notes available to all applicants (for own applications and competitor applications); make all applications available within 24 hours of the agency announcing awardees; ALL of these should be made public prior to the execution of grant agreements and contracts with proposed awardees.	CDFA will post a list of applications and scores immediately following the Notice of Proposed Award on our website at <a href="https://www.cdfa.ca.gov/oefi/ddrdp/">https://www.cdfa.ca.gov/oefi/ddrdp/</a> . Any additional information can be requested through the California Public Records Act (PRA). Debrief meetings are available upon request.
DDRDP	Clearly disclose that projects funded with public dollars aren't confidential; allow applicants to submit a confidential appendix for sensitive information, making it easier for CDFA to distribute applications immediately and remain consistent with the Public Records Act, rather than taking over a year to produce heavily redacted applications that make the evaluation of project assumptions and benefits impossible for members of the public.	Information regarding confidentiality can be found in Appendix C of the RGA. Confidential information such as herd size, which are a critical part of several application sections (e.g., Dairy Digester Project Plan and Long-Term Viability, Estimated GHG Emissions Reduction, and Environmental Performance), business and financial information are exempt from public disclosure per Government Code Section 6254(k) and Evidence Code Section 1060.
DDRDP	Amend the application process to allow for an appeal process that allows applicants the ability to appeal an award after the Notice of Proposed Award is made available.	The Secretary for the California Department of Food and Agriculture awards grants based on a multi-stage evaluation by subject-matter experts who conduct a technical and financial review. The Secretary's decision regarding grant awards is final (Food & Agr. Code section 485(b)(3)). To allow the Secretary's decision to be challenged on appeal would contradict the Legislatures intent and violate section 485(b)(3).
DDRDP	All contracts, requests for contract extensions or modifications, and major changes to budget and work plans should be noticed and made publicly available.	Information can be requested through the California Public Record Act.
DDRDP	Do not use funds to incentivize dairy digesters.	Dairy digesters are an important component of methane reduction (as mandated by SB 1383) and provide co-benefits such as odor reduction.
DDRDP	CDFA should include heifer ranches in DDRDP.	CDFA will not expand eligibility criteria for the 2019-20 DDRDP funding to include heifer ranches due to reduced funding.
DDRDP AMMP	Support for continuing existing funding split between DDRDP and AMMP.	Thank you for your comment.

DDRDP AMMP	No change to maximum funding per-project for both programs at this time.	CDFA has reduced the maximum award amount for DDRDP grants to \$2 million per award to allow funding more projects.
DDRDP AMMP Demonstration Projects	Fund DDRDP projects that move industry towards meeting methane reduction goals; support continuation of AMMP-NTP demo projects but refine criteria to support projects that provide multiple benefits including methane reduction, improving water quality, building healthy soils.	CDFA will not allow 2019-20 funding for new technology demonstration projects due to reduced funding.
DDRDP AMMP Demonstration Projects	Provide direct funding to dairies for implementation of solutions for excess nitrogen and other water quality concerns; increase R&D of both programs by offering smaller grants (~\$100,000/year) and allow university dairies to participate.	GGRF funded programs have a mandate to achieve GHG reductions. Nitrogen management as a goal is being discussed for inclusion alongside methane reduction through both the incentives and demonstration projects.