



2019 Dairy Digester Research and Development Program (DDRDP)



Listening Sessions

OCTOBER 23, 24, & 26, 2018



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About the Program

Award funds to CA dairy operations and developers for the implementation of dairy digesters to capture methane for generation of renewable energy (renewable natural gas or electricity)



Projects must reduce methane emissions on commercial CA dairies

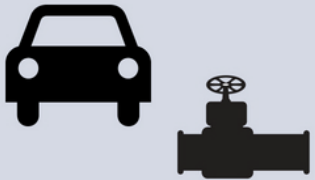
Program Updates

2015



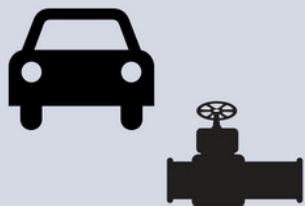
CDFFA awarded \$11.1 million to 6 projects to generate electricity from biogas. These projects provided \$28.1 million in matching funds

2017



CDFFA awarded \$30.7 million to 16 projects that will generate RNG. These projects provided \$74 million in matching funds

2018

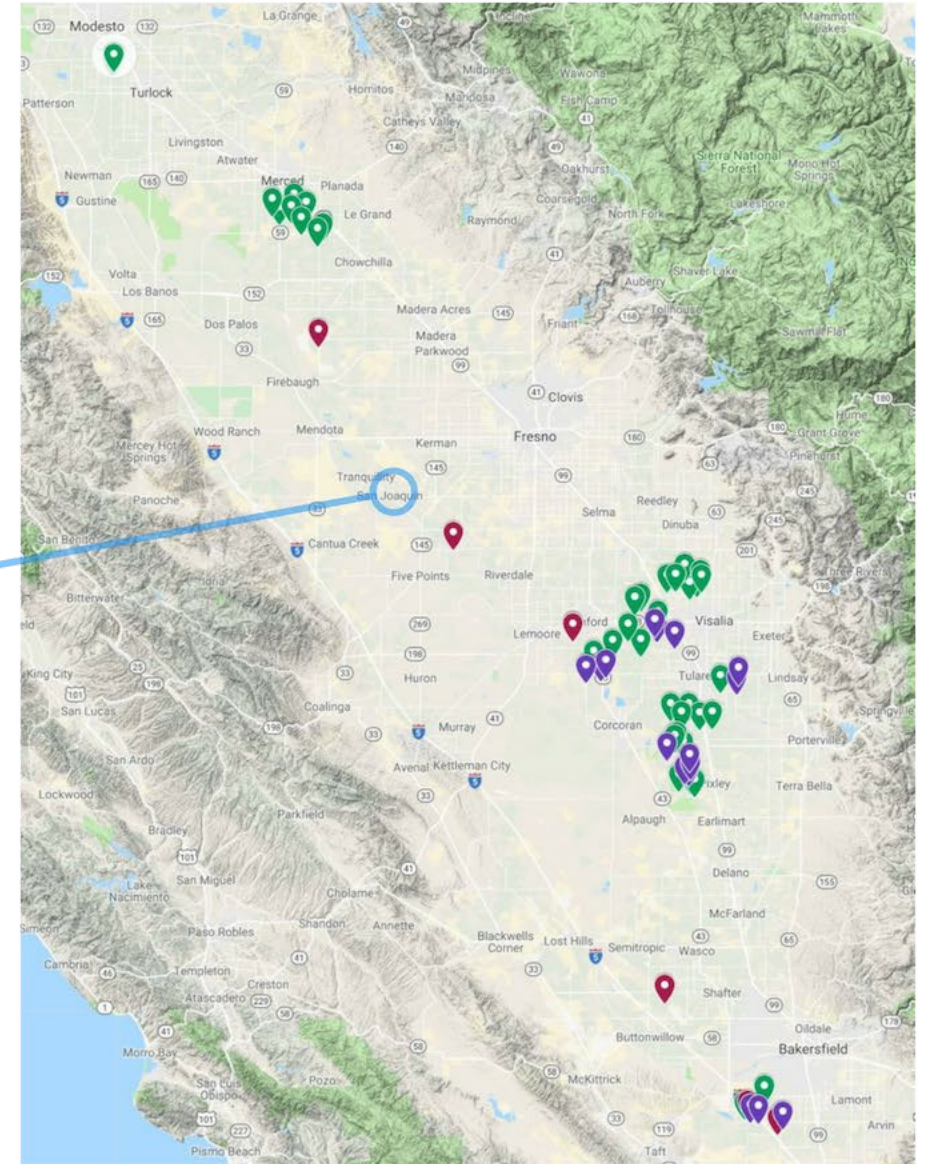
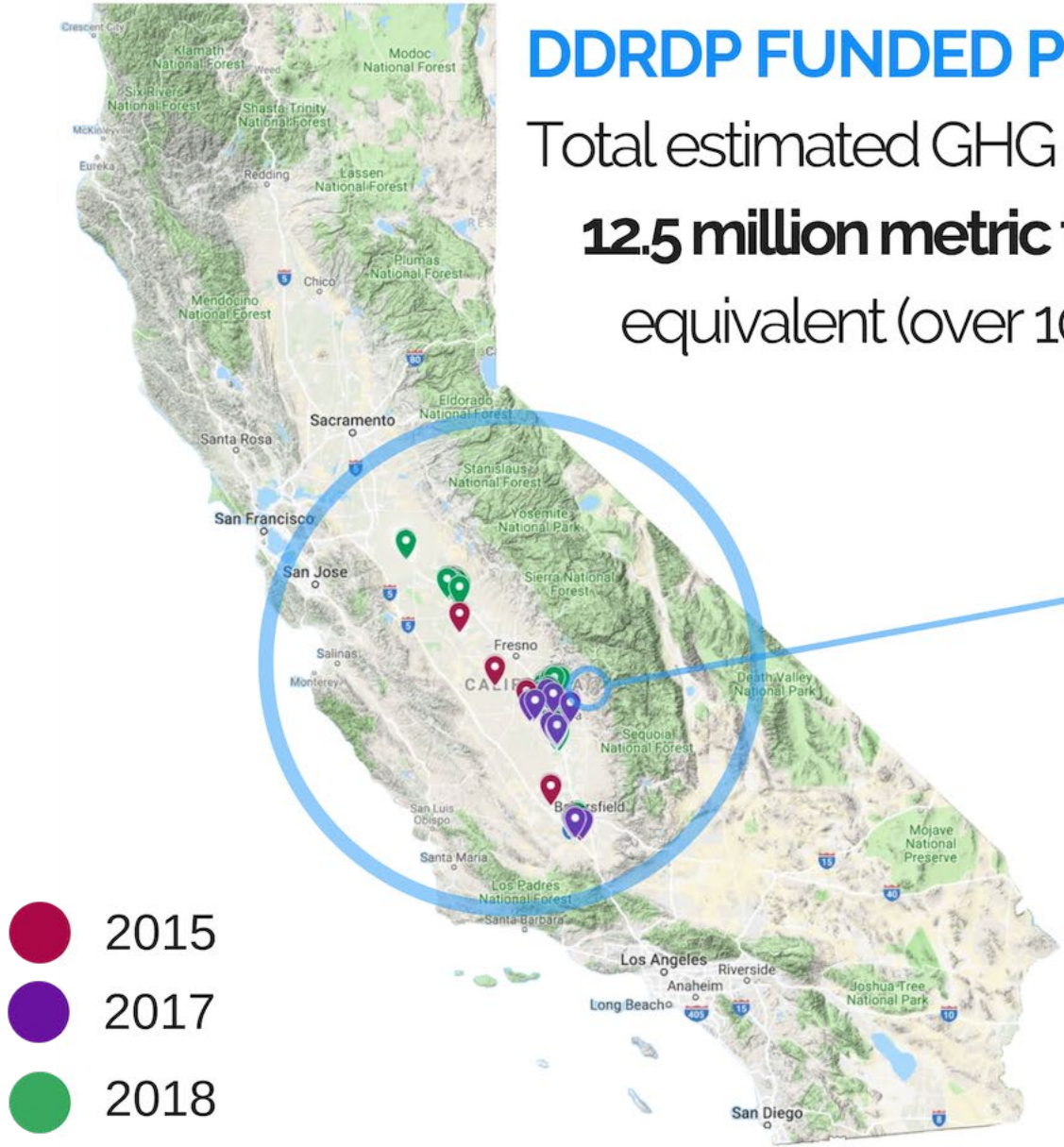


CDFFA awarded \$70.5 million to 41 projects that will create RNG. These projects provided \$95.5 million in matching funds

DDRDP FUNDED PROJECTS

Total estimated GHG reductions

12.5 million metric tons CO₂
equivalent (over 10 years)



Changes from 2018

Changes to Project Eligibilities and Exclusions

- Applicant is allowed to submit multiple applications but each application must represent an individual digester at a unique project site
- Once awarded, project may not:
 - Change or alter their biogas end-use during the project term; and
 - Expand herd size during the project term

Changes to Project Technology

- Projects that include new technologies or are pre-commercial that address aspects of the project beyond GHG emission reduction (e.g., nutrient management) are acceptable, but new technology components must be funded through matching funds

Changes from 2018

Changes in Project Plan and Long-Term Viability

- Specify any peak demands provisions; and
- Discussion on local vs. regional use of generated fuel or electricity

Changes to Project Readiness and Permitting Status

- Project Readiness has a new template (Attachment 6)

Changes to Attachments

- If a Table of Contents is included, it will not be included in the page limit requirements

Changes to Benefits Calculator Tool

- Calculation of environmental co-benefits (under development by CARB)

Funding and Duration

\$61 – 75

million available

Project Grant Amount – Up to \$3 million
(50% match required)

Maximum Project Duration - October 1, 2019 to September 30, 2021



2019 DDRDP funding is authorized by the Budget Act of 2018

Eligibility

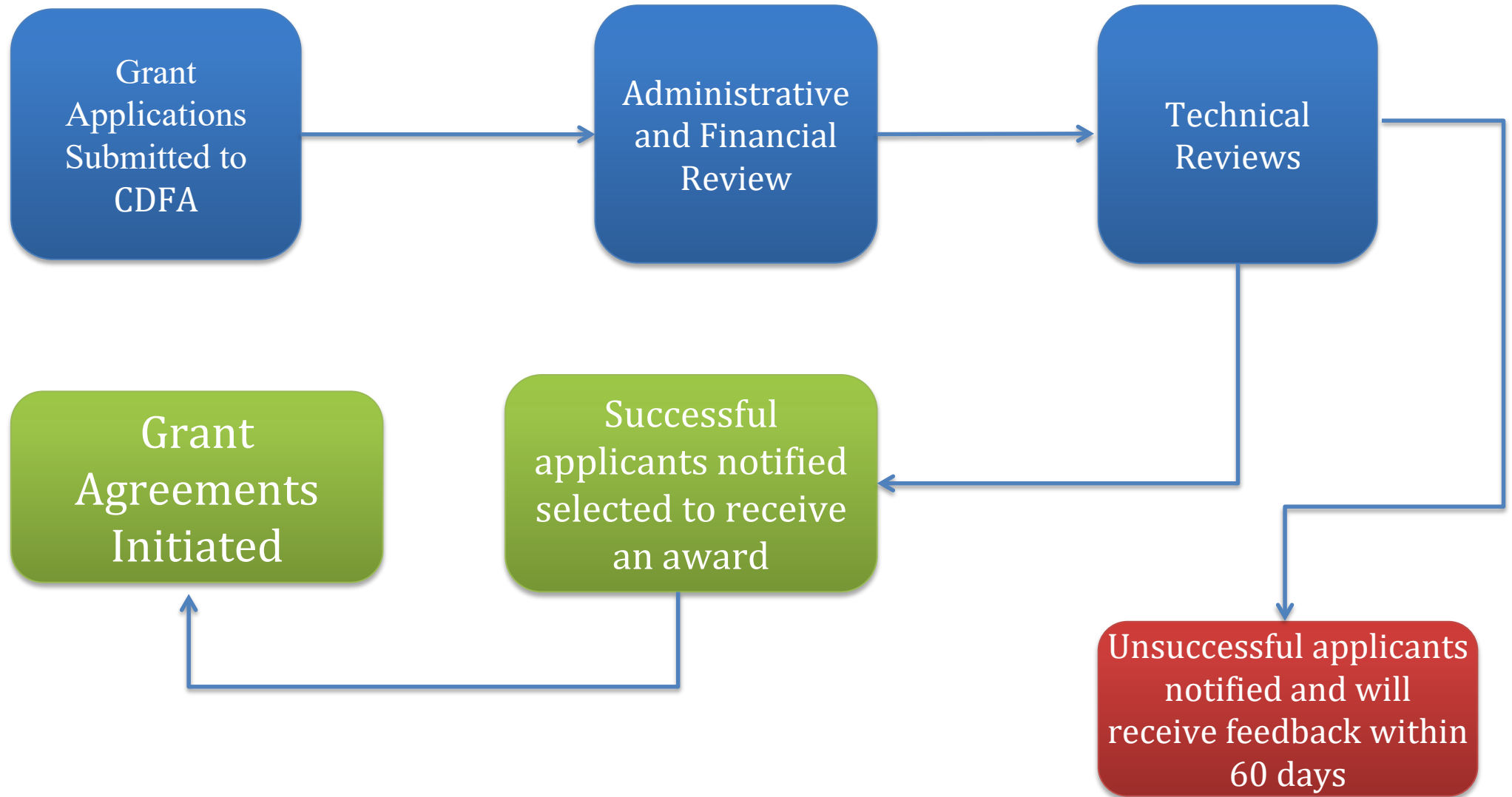
- Project site must be located on a commercial California dairy operation
- Applicant is allowed to submit multiple applications but each application must represent an individual digester at a unique project site
- Existing defunct and non-functional digesters are eligible.
 - Defunct for a minimum of 12 months
- Centralized digesters for a group of dairy operations are eligible
- Once awarded, project may not:
 - Change or alter their biogas end-use during the project term; and
 - Expand herd size during the project term



Exclusions

- Upgrades to existing, functional dairy digesters to boost emission reductions and energy production
- Projects that propose to switch existing management practices to those that increase baseline GHG emissions (e.g., from dry scrape to flush lagoon systems)
- Duplicate equipment or activities that will receive funding from the California Public Utilities Commission (CPUC) pilot project authorized by California Health and Safety Code Section 39730.7(d)(2)
 - *Note:* Biogas conditioning and clean-up costs are allowable under the 2019 DDRDP

Solicitation Process



Program Requirements

- Methane used for energy or fuel production → flaring as sole end-use of biogas is not eligible
 - To be used on-site or injected into pipeline, or for utilization of useful thermal energy onsite or neighboring facility
- At least 80% of feedstock (dry weight) for anaerobic digestions must be manure from dairy livestock
- Use commercially available technology with proven history
- Project partners must not have filed for bankruptcy in the last 5 years

Program Requirements

- Digester design, construction and operation must maximize air and water quality protection
 - Use of double-lined ponds consistent with the Tier 1 specification of Dairy General Order (R5-2013-0122), above-ground concrete tank, or below-grade concrete lined tank
 - For electric projects, total NO_x emissions must be no greater than 0.5 lb/MWh



Program Requirements

Applicants must use California Air Resources Board's Quantification Methodology and Benefits Calculator Tool

Questions regarding the Benefits Calculator Tool should be submitted to GGRFProgram@arb.ca.gov

Available at: <https://ww2.arb.ca.gov/resources/documents/cci-quantification-benefits-and-reporting-materials>

Electronic Application Submission System

DDRDP proposals must be submitted using a **new electronic application submission system**, which will replace FFAST for application submissions and attachment uploads



New electronic application submission system is currently under development

Application Attachments

Project Plan & Long-Term Viability

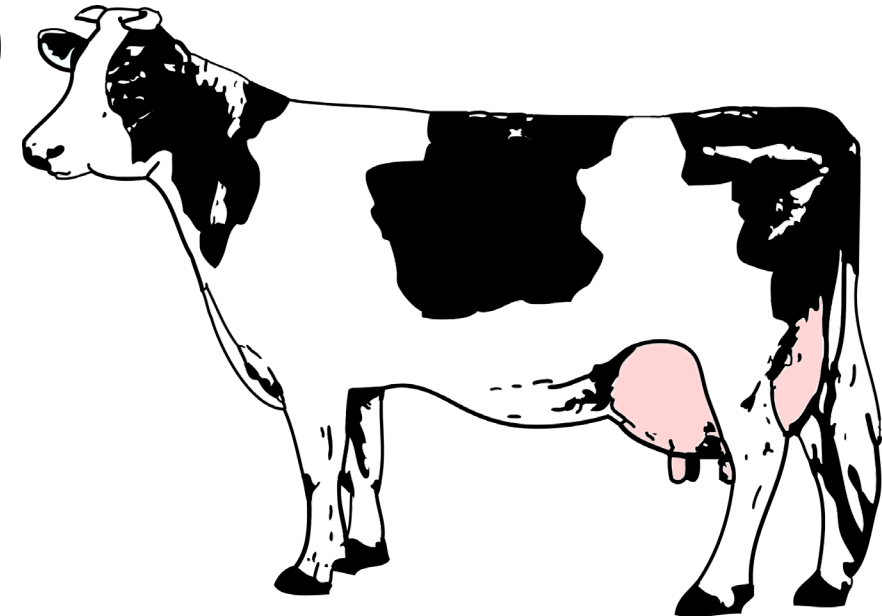
1. Project Narrative Template
 - 1.1. Site plan, project design documents, cluster maps, schematic diagrams, etc.
 - 1.2. Resumes , team commitment letters, etc.
 - 1.3. Copy of Deed and/or Lease Agreement (if applicable)
2. Work Plan Template

Financials and Budget Worksheet

3. Budget Worksheet Template
4. Financials

Estimated GHG Emissions Reduction

5. DDRDP Benefits Calculator Tool
 - 5.1. Explanation of assumptions/variables different from DDRDP Benefits Calculator



Application Attachments

Project Readiness and Permitting Status

6. Project Readiness Template

6.1. Additional Permitting Documents

6.2. Documentation of status of interconnection, offtake or power purchase agreements, etc.

Environmental Performance

7. Environmental Performance Template

7.1. Supporting documentation for project's environmental performance claims

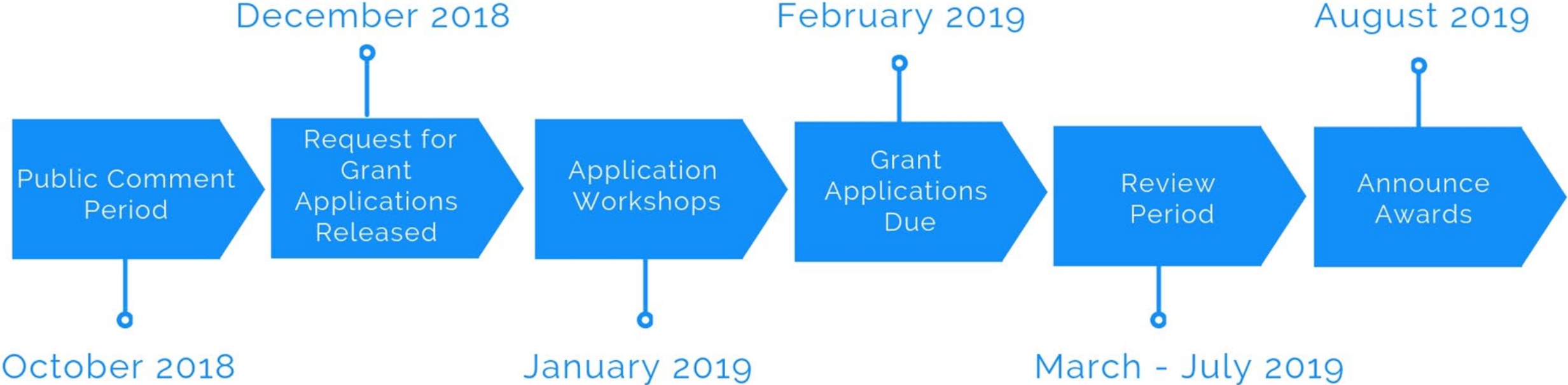
Community Impact

8. Community Impact Template

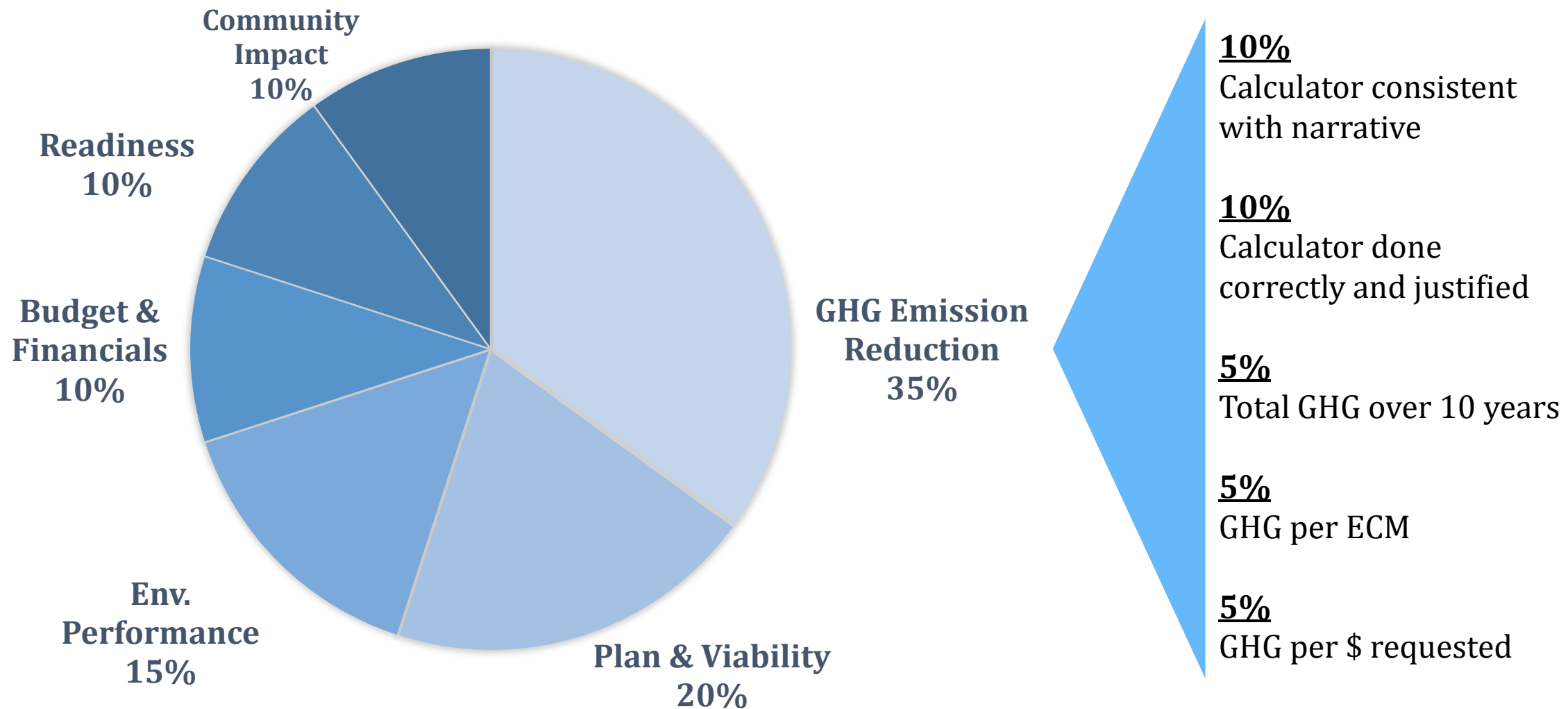
8.1. Up to three (3) Letters of Support

8.2. Explanation of Priority Population Benefits

Tentative Timeline



Scoring



Questions?

Draft RGA and associated documents can be found at:

<https://www.cdfa.ca.gov/oefi/ddrdp/>

Public Comments are due on November 5th, 2018 by 5 P.M.

Submit comments to cdfa.oefi@cdfa.ca.gov

**THANK
YOU!**

California Department of Food and Agriculture

CDFA.CA.GOV/OEFI/DDRDP

