

**Responses to Comments Received on the CDFA Alternative Manure Management Demonstration Projects and Dairy Digester Research and Development Program - Demonstration Projects**

**Comment Period: November 26, 2018 - December 10, 2018**

Program	Comment	Response
AMMP Demonstration Projects	Support for Demonstration Projects and total \$4 million allocation.	Thank you - comment of support.
	Request \$2 million award for AMMP projects	<p>The AMMP Demonstration Projects will be administered under two separate components:</p> <ol style="list-style-type: none"> <li>1. AMMP Demonstration Projects - New Technologies and Practices (AMMP Demo-NTP) will fund awards up to \$1 million to projects that demonstrate to a wide audience innovation in the implementation of diverse manure management practices that reduce methane emissions and maximize environmental co-benefits on California dairy and livestock operations.</li> <li>2. AMMP Demonstration Projects - Advancing Practices Farmer-To-Farmer (AMMP Demo-APFF) will fund awards up to \$250,000 to projects that conduct on-farm demonstration and outreach at participating AMMP-funded dairy and livestock operations, to showcase non-digester technologies and manure management practices that reduce methane emissions from dairy and livestock operations.</li> </ol>
	Do not support implementation of already eligible AMMP practices in areas where they are under-utilized. 'Underutilization' is unclearly defined, and such projects can already apply for AMMP grants.	Program requirements have been modified to include AMMP Demo-APFF to fund up to \$250,000 grants to projects that will conduct demonstration and farmer-to-farmer outreach on previously awarded AMMP project sites.
	Clarify "AMMP Demonstration Projects will not fund the development or testing of proprietary technologies and manure management strategies. Public sharing of project data and outcomes is required." Support publicly available data but do not support prohibition of commercial/proprietary technologies which may be good candidates for a demonstration project.	Companies with proprietary technologies are eligible to apply. However, funded demonstration events must be open to public and project-generated data must be made publicly available.
	10 points for environmental and co-benefits means inadequate emphasis on water quality benefits. Consider greater score on nutrient management/water quality benefits.	Scoring criteria for AMMP Demonstration Projects - New Technologies and Practices include 10 points for environmental benefits including water quality.
	Increase cap on labor costs to 25%.	Labor cost cap will be increased to 25%.
	Require Demonstration Project applicants to work with one of the existing AMMP awardees, of which there are 58, to showcase their change in management practices, working in partnership to do outreach and education work. Award projects \$250,000 maximum grant and fund 8-10 outreach and education demonstration projects.	AMMP Demo-APFF will fund up to \$250,000 grants to projects that will conduct demonstration and farmer-to-farmer outreach on previously awarded AMMP project sites.
	Make explicit that Resource Conservation Districts, U.C. Cooperative Extension and nonprofits with demonstrated expertise on dairy methane issues are eligible to apply for Demonstration Project funding with existing AMMP project awardees. Companies should not be eligible for Demonstration Project funding, but rather should be encouraged to submit their practice/product ideas to CDFA under the new practice review.	Eligible entities for AMMP Demo-APFF include non-profit organizations, Resource Conservation Districts and California universities.
	Allow the dairy and livestock producer time and expense of participating in the planning and implementation of the Demonstration project to be covered by the grant, not just the time and expenses of TA providers or partners.	Expenses incurred prior to grant agreement execution cannot be supported through grant funds.
	Prioritize geographic diversity of Demonstration projects. It would be ideal to have Demonstration projects happening in all of the key dairy regions in the state to allow for maximum impact and encourage greater AMMP participation in underserved regions.	AMMP Demo-APFF may consider geographic diversity of projects during review.

Future AMMP Incentive program awardees could receive additional points on their application if they were willing to participate in future Demonstration projects.	Participation in AMMP Demo-APFF will be optional for dairy and livestock operators who intend to apply for the AMMP.
Farmers participating in a new practice Demonstration project run the risk of changing farm management in ways that will not adequately result in methane reduction and/or have other negative environmental or agronomic outcomes. This puts producers in a place of regulatory uncertainty, especially as the state may consider regulating methane emissions from the dairy and livestock industries as soon as 2024. Therefore, limit new practices to a solicitation and public comment process rather than using funds to support it.	New technologies and manure management practices will be funded through the AMMP Demonstration Projects - New Technologies and Practices, consistent with the recommendations of the SB 1383 Dairy and Livestock Working Group.
AMMP recipients have not been provided technical reviewer comments.	AMMP applicants that did not receive awards were provided comments from reviewers in November 2018.
Support Demonstration Projects.	Thank you - comment of support.
Clarify what documentation and/or other requirements need to be provided in the application in order for a new technology to be considered for the AMMP Demonstration Projects.	AMMP Demo-NTP guidelines are broad to cover all potential technologies as long as the proposed technology reduces GHG emissions from dairy and livestock manure management.
Clarify process used to calculate GHG reductions by a project involving new technologies and management practices not currently part of AMMP and incorporated into the GHG Reduction Calculator.	Proposed projects for which QM and Calculator Tool does not accommodate management practice practice proposal/new technology must provide their own calculations, methodology and GHG data collection plan to validate their claims.
Clarify process used to calculate, and scoring to be applied to, environmental co-benefits by a project involving new technologies and management practices not currently part of AMMP and incorporated into the GHG Reduction Calculator.	
Reduce AMMP Demonstration Project grant recipient reporting from quarterly to annually, consistent with the requirements for AMMP Project grants.	Quarterly reporting is essential for timely implementation of the project and collection of GHG data.
Sustainable Conservation has strongly supported the allocation of GGRF to AMMP, and we will continue to do so. Our enthusiasm for AMMP is that much stronger now that CDFA is supporting the demonstration of new technologies and manure management practices to help expand the portfolio of eligible practices within AMMP. It is only through a diverse offering of non-digester practices as well as digesters that we will achieve the goal of 40% dairy methane emissions by 2030.	Thank you - comment of support.
Demonstrate the ability to remediate manure lagoons and ponds that emit high levels of methane. As aerobic digestion does not generate methane, provide proof of pond transition from anaerobic to aerobic digestion to eliminate the production of methane.	If a practice results in reduction from baseline GHG emissions, it may be eligible under the AMMP Demonstration Projects.
Water Quality - include technology that provides the additional benefit of treating pond water so that it can be used in irrigation with no harmful effects on agriculture.	Such technologies are already eligible under the AMMP, although must be funded through matching funds. When combined with practices/technologies that reduce GHG emissions and outreach/education, they may be eligible for AMMP Demonstration Projects.
Air Quality - include technology that reduces or eliminates the lagoon pond odor.	
Denitrification - Include technology that addresses the harmful issue of nitrates will also offer positive environmental benefits.	
CDFA should remove the limitation on including dairies that plan to increase herd size over the course of the project term to allow consolidation/economically feasible decisions for dairies.	Projects funded by the DDRDP Demonstration Projects are required to not change the herd size beyond their existing permits during the project term.
Explain new and innovative technologies. It seems counter to the stated approach in earlier versions to include commercially proven technologies. Is CDFA stating that technologies funded under previous years' DDRDP Programs are no longer eligible for funding in this year's funding cycle?	This is a new program to identify new and innovative technologies for dairy digester related technologies and complementary to existing DDRDP which requires the technologies to be commercially available.

DDRDP Demonstration Projects	Clarify the proportionate spending of match. Match is not required, but only recommended, what is the policy when the grant award is larger than the proposed match?	If match is provided by applicant and contributes to a higher score during evaluation, then commitment of secured match and spending of match funds are tracked by CDFA.
	Dairy producers do not want to provide financials. Consider relaxing financial soundness requirements.	Financial soundness criteria have been fulfilled by over 100 applicants to the DDRDP till date. It is imperative that CDFA evaluates the financial soundness of a dairy operation and their ability to front costs while waiting for reimbursements. Financial strength of dairy and other project partners is necessary to ensure that estimated benefits will accrue for life of the project.
	The terminology used to describe the program on the title page and throughout the RGA should be clarified to state, "demonstration and pilot (emphasis ours) projects," as the term, "demonstration projects" in of itself could be misconstrued to imply a specific technology readiness level.	DDRDP Demonstration Projects are intended to showcase new technologies that can achieve greenhouse gas reductions to a wide audience. Demonstration component is a requirement of the program and reflected in the program title.
	Make \$3 to \$5 million available under this DDRDP "Demonstration (and Pilot) Projects" solicitation and set the maximum dollar amount threshold that could be awarded to a project on par with the maximum dollar amount that can be awarded to a project under the DDRDP solicitation.	DDRDP Demonstration Projects will provide up to \$2 million in grant awards.
	Expressly include renewable dimethyl ether (DME) and renewable hydrogen as other legitimate examples of the types of end-use transportation fuels that qualify under this solicitation; currently the only examples the RGA cites are "renewable natural gas [RNG] and renewable compressed natural gas [RCNG],	DDRDP Demonstration Program guidelines are designed to with an intent to include a broad spectrum of technologies and invite a diverse range of participants.
	Create a direct nexus between the successful completion of a "demonstration or pilot project" under this CDFA program and the scope of what CDFA determines as "commercially-available technology" under the DDRDP.	CDFA consult with the DDRDP Technical Advisory Committee to develop a pathway for connecting successful DDRDP Demonstration Projects with DDRDP incentives.
Both	We appreciate the consideration of air and water quality in the program description and proposed application materials but recommend that the final RFP include enforceable standards and metrics that ensure that the demonstration projects will not result in negative local or regional impacts on air or water quality.	CDFA does not have authority to enforce environmental quality standards beyond the permits issued by appropriate regulatory authorities.
	The prohibition on growth of herd sizes must expand beyond the two-year project term to the life expectancy of the project	Projects are required to not change the herd size beyond their existing permits during the project term.
	Projects must include ongoing water and air quality monitoring and reporting to assess improvements or negative impacts with respect to groundwater, surface water, and air quality.	CDFA requires funded projects to report co-benefits data during the project term. Post-project data reporting is consistent with those required by the CCI Funding Guidelines for Administering Agencies.
	All standards, requirements, testing, and reporting related to environmental quality and environmental impacts must assess the short, medium, and long term environmental impacts of a project.	Existing research data is insufficient to assist projects in determining their potential environmental impacts beyond those covered by CEQA and permitting. CDFA and CARB have funded research studies that will generate environmental data in the near future to enhance these efforts. CDFA will evaluate the findings from research studies to determine future changes to the program.
	All standards, requirements, testing, and reporting related to environmental quality and environmental impacts must assess the lifecycle impacts of a project implementation, including but not limited to increases of enteric emissions, manure, land application of manure, transportation (including trucking) related to the demonstration project.	
	All articulated environmental benefits must include a precise discussion of the geography that would benefit from the project, the estimated timeline on which those benefits would accrue, and reporting requirements to verify said benefits across projected lifespan of the project.	CDFA may evaluate this suggestion for future rounds of funding in consultation with the California Air Resources Board (CARB).