



Jenny Lester Moffit, Deputy Secretary Amrith Gunasekara, Science Advisor Geetika Joshi, Office of Environmental Farming & Innovation California Department of Food and Agriculture 1220 N Street Sacramento, CA 95814

February 1, 2017

RE: Alternative Manure Management (AMMP) Program Comments

Dear Deputy Secretary Moffit and Drs. Gunasekara and Joshi,

We write to express our support for the Alternative Manure Management Program (AMMP) and to suggest some changes to the program to improve producer access and project success. We were very pleased to see the strong producer response to AMMP. The program is filling an important need for many of the state's dairy producers, allowing them to not only reduce methane emissions and meet the goals of SB 1383, but also help meet other air and water quality concerns. We appreciate CDFA's leadership on these issues.

We strongly recommend that the second year of funding for AMMP for Fiscal Year 2018-19 increase to reflect the high demand for the program and the need to advance alternative manure management practices on the state's diverse dairy operations. We support a \$33 million allocation for AMMP for FY 2017-'18, based on demand for the program and the opportunity AMMP presents to have multi-benefit projects implemented.

Please find below our recommendations for the second-round of funding for AMMP.

Thank you for your consideration. We welcome the opportunity to discuss this further with you.

Sincerely,

Karen Buhr Executive Director California Association of Resource Conservation Districts

Jeanne Merrill
Policy Director
California Climate and Agriculture Network

Rebecca Spector West Coast Director Center for Food Safety

David Lewis, Director Vince Trotter, Agricultural Ombudsman and Sustainable Ag Coordinator UC Cooperative Extension, Marin County

Jo Ann Baumgartner Director Wild Farm Alliance

Recommendations:

1. Maintain full funding

One of the key features to AMMP that allows dairy producers to consider new manure management systems is that the program will fund the full cost of the project, up to \$750,000. We support continuing this funding approach for future rounds.

2. New Practices: Compost roofs; Managed grazing; New practice review

We suggest one amendment to the eligible compost practice: allowing for reimbursement for the construction of roofs to cover compost. In rainy locations on the north coast, it is necessary to cover compost piles to avoid run-off and maintain optimal moisture levels (in part to avoid anaerobic conditions in the pile which can lead to methane emissions). Allowing producers to include the cost of building roofs over their compost piles is an important part of making possible the conversion from wet manure management to dry compost.

Second, for many pasture-based dairies there is the opportunity to further reduce methane emissions and increase carbon sequestration through the use of managed or prescribed grazing. We recommend adding prescribed grazing (NRCS practice code 528) to the list of eligible practices under AMMP. We list additional resources below and please see attached for more information on the climate benefits of prescribed or managed grazing.

There may be additional practices worth considering for the program. Like the Healthy Soils program, we suggest that CDFA do a public review of possible new practices for AMMP.

2. Phased application process

Under the current application process, dairy producers must pay for the design and engineering of their proposed projects before they know if their projects will be funded by CDFA. This is cost prohibitive for many producers. We suggest an alternative.

As is done with NRCS funding applications, 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. This would likely result in greater demand for the program, fewer incomplete applications, lower risk for the producer, and more consistency between proposals and project implementation. We have included a more detailed proposal on this in the attached document. This can also alleviate some of the permit questions surrounding the application, as discussed further below.

3. Provide clarity on project readiness and permit requirements

Many of the proposed projects do not require CEQA review or local permits, but the current application requires producers to verify with local agencies that permits are not necessary. This presents challenges for producers and local government. It is difficult and unfamiliar territory for most dairy producers navigating local agencies to sign off that they do not need a permit or CEQA review. Similarly, it is not familiar ground for local agencies to sign off on projects that do not require their review. We suggest that CDFA consider a third-party contractor, like Cooperative Extension or a Resource Conservation District, that can work with producers in the second phase of their applications to ensure that local permit requirements, if necessary, are met.

4. Greater technical assistance needed

We must move beyond grants workshops to provide more one-on-one assistance for the Climate Smart Agriculture (CSA) programs, including AMMP. We learned from this first round of AMMP funding that there is strong producer demand for the program, but also a need to provide project development, application assistance and project implementation support for producers. While an important outreach tool, workshops do not provide the kind of one-on-one assistance producers are demanding to meet the complexities of the CSA programs. We suggest that CDFA dedicate at least 15 percent of its program funding to technical service providers with demonstrated expertise on these issues to assist in the development and implementation of AMMP projects.

5. Improve GHG emissions calculator

We have heard from several in the industry that the GHG emissions calculator for the program does not adequately reflect management issues on dairies. For example, the calculator does not allow for the inclusion of housing of young stock, and it over-estimates the milk productivity and ECM for organic dairy cows. We suggest that CDFA and ARB co-host regional workshops on the calculator to get feedback from the industry on how to improve its use for the program.

cc: Secretary Karen Ross, CDFA Edie Chang, Matt Bothill, CARB

Additional resources on methane emissions reductions and managed/prescribed grazing:

Stephensen et al. August 2004. Carbon Credit Potential from Intensive Rotational Grazing under Carbon Credit Certification Protocol. Paper prepared for presentation at the American Agricultural Economics Association Annual Meeting, Denver, August 1-4, 2004 https://ageconsearch.umn.edu/bitstream/20225/1/sp04st02.pdf

Phetteplace, H. et. al. July 2001. Greenhouse gas emissions from simulated beef and dairy livestock systems in the United States. Nutrient Cycling in Agroecosystems. https://link.springer.com/article/10.1023%2FA%3A1012657230589?LI=true

DeRamus et. al. December 2001. Methane Emissions of Beef Cattle on Forages. Journal of Environmental Quality.

https://dl.sciencesocieties.org/publications/jeg/abstracts/32/1/269