

November 13, 2007

California Climate Action Registry 515 South Flower Street, Suite 1640 Los Angeles, California 90071

Attn: Mr. Markolf

Re: MidAmerican Energy Holdings Company's comments on the draft Landfill Project

Reporting Protocol

Dear Mr. Markolf:

This letter is in response to the California Climate Action Registry's (CCAR) request for comments on the draft Landfill Project Reporting Protocol. MidAmerican Energy Holdings Company (MEHC) is a global energy services provider serving almost 7 million customers worldwide. MidAmerican's U.S. business platforms include MidAmerican Energy Company, an Iowa-based utility providing regulated electric and natural gas service; PacifiCorp, an electric utility providing low-cost electricity to customers in California, Washington, Oregon, Utah, Idaho and Wyoming; CalEnergy, an independent power producer with facilities in California, New York, Arizona, Texas, and Illinois; Kern River Gas Transmission Company, providing natural gas transportation from Wyoming to Southern California; and Northern Natural Gas, an interstate natural gas transmission pipeline that spans from Texas to the Upper Midwest. MEHC is a leader in owned renewable generation and is committed to expanding renewable energy and cost-effectively reducing greenhouse gas emissions. MEHC believes that significant potential for landfill gas-to-energy projects still exists and is pleased to offer the following comments on the draft protocol.

1. We appreciate the CCAR's development of a draft protocol and distributing the protocol for comment. By creating a protocol for landfill gas projects, the CCAR is helping to establish a positive list of offset projects that provides project developers greater certainty in their greenhouse gas mitigation investments. The greater the certainty of such offset project credits, the greater the odds that these projects will come to fruition and help achieve greenhouse gas reduction objectives. Thus, MEHC encourages the CCAR to reduce project investment uncertainty as much as possible via this protocol.

- 2. Table 1, source category 5 "Flare," incorrectly includes landfill derived methane that is not combusted as emissions that count against the project. Such landfill methane should not count against the project as it would have escaped to the atmosphere with or without the flare. Thus, the combustion efficiency of the flare is only relevant to determining landfill gas destruction and the greenhouse gas intensity reduction benefits that derive.
- 3. Table 1, source category 5 "Flare," incorrectly excludes fossil fuel derived methane that is not combusted as emissions that should count against the project. Such fossil fuel methane never would have been released had the project not occurred. Thus the combustion efficiency of the flare is relevant for purposes of calculating greenhouse gas emissions from fossil fuel based methane.
- 4. Table 1, source category 6 "Engine or Turbine for Electricity Generation," incorrectly includes landfill derived methane that is not combusted as emissions that count against the project. Such landfill methane should not count against the project as it would have escaped to the atmosphere with or without the engine or turbine. Thus, the combustion efficiency of the flare is only relevant to determining landfill gas destruction and the greenhouse gas intensity reduction benefits that derive.
- 5. Table 1, source category 6 "Engine or Turbine for Electricity Generation," incorrectly excludes fossil fuel derived methane that is not combusted as emissions that should count against the project. Such fossil fuel methane never would have been released had the project not occurred. Thus the combustion efficiency of the engine or turbine is relevant for purposes of calculating greenhouse gas emissions from fossil fuel based methane.
- 6. Table 1, source category 7 "Boiler or Other Combustion Device," incorrectly includes landfill derived methane that is not combusted as emissions that count against the project. Such landfill methane should not count against the project as it would have escaped to the atmosphere with or without the boiler or combustion device. Thus, the combustion efficiency of the boiler or device is only relevant to determining landfill gas destruction and the greenhouse gas intensity reduction benefits that derive.
- 7. Table 1, source category 7 "Boiler or Other Combustion Device," incorrectly excludes fossil fuel derived methane that is not combusted as emissions that should count against the project. Such fossil fuel methane never would have been released had the project not occurred. Thus the combustion efficiency of the boiler or device is relevant for purposes of calculating greenhouse gas emissions from fossil fuel based methane.

- 8. The most recent science calculating the global warming potential of methane should be utilized in Equation 1 on page 14 of the draft protocol. The most recently published global warming potential of methane is 23, consistent with the Third Assessment Report of the Intergovernmental Panel on Climate Change. However, the CCAR's General Reporting Protocol and the draft Landfill Protocol requires the use of the older Second Assessment Report's global warming values. Nonetheless, the Fourth Assessment Report is due out soon, and will likely contain the most recent scientific assessment of global warming potentials. As such, MEHC suggests that this scientific consensus report be utilized for new project global warming potential calculations.
- 9. Equation 1 on page 14 incorrectly requires the subtraction of indirect project emissions from direct emissions reductions. The inclusion of indirect emissions in the direct emissions calculations for the project will result in a double counting of emissions from other reporting sources. Thus, indirect emissions calculations should be removed from Equation 1. Furthermore, the indirect emissions (derived from the use of electricity to power the landfill gas management equipment) will be extremely small compared to the direct emissions reduction of combusting methane. Thus, while indirect emissions could be noted separately and distinctly from the direct emissions reductions benefits, we believe that even this activity would be of limited value given that indirect emissions will be very small and that indirect emissions do not count against the project.

Thank you again for this opportunity to comment on the draft Landfill Project Reporting Protocol. Please contact me at 563-333-8009 or Jeff Myrom at 515-242-6448 if you have any further questions. Your consideration is greatly appreciated.

Sincerely,

Cathy S. Woollums

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cc: Steve Guyer
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