



December 23, 2015

Anil Prabhu
Manager, Fuels Evaluation Section
Industrial Strategy Division
P.O. Box 2815
California Air Resources Board
Sacramento, CA 95812

Dear Mr. Prabhu:

The California Biodiesel Alliance (CBA) appreciates the opportunity to comment on the recently released LCFS fuel pathways being considered for approval by the California Air Resources Board (ARB). CBA is the state's biodiesel industry trade association, representing every in-state commercial biodiesel producer as well as over 40 businesses and industry stakeholders and working to increase awareness about biodiesel as California's leading and widely available advanced biofuel that delivers significant economic, environmental, and energy diversity benefits.

We are asking that new pathways for waste feedstocks from foreign companies be approved only when those producers can meet the same rigorous scientific requirements and scrutiny required of U.S. producers and an enforcement regulation with strong and comprehensive Monitoring and Verification mechanisms is in place to guarantee the veracity of applicants' claims.

We wish to express our enthusiastic support for the comments submitted by the National Biodiesel Board (NBB). First, we agree that the GREET model must be modified to reflect key energy use and other variables in each foreign country, which has not been done and has resulted in inaccurate CI values for the following pathways: animal fats and used cooking oil (UCO) made in Andhra, India by Universal Biofuels Private, Ltd., and biodiesel from UCO made in Jeongeup, Korea by Eco Solutions Co. Ltd. CBA feels strongly that ARB should only process pathway applications from foreign biofuel producers if ARB fully understands all of the country-specific key variables that need to be properly accounted for.

Please look closely at the detailed comments and analysis in the NBB comments on this issue. The comments include that India has much higher energy loss during electric transmission than included in the GREET default and that Korea and India both rely heavily on high-CI imported liquefied natural gas, just to point out several of the most egregious facts. Additionally, according to the Korean biodiesel association website, 70% of the UCO utilized for biodiesel production in Korea is imported. It does not appear that the Eco Solutions pathway application accounts for the transportation carbon impact for imported UCO, which effectively implies that all of their UCO is sourced from within Korea. We do not believe this is the case, and ARB has a duty under LCFS to verify this.

Also, abuses resulting from the combination of high credits prices and the lack of enforcement for foreign producers are cause for great concern. CBA and its members believe that there is a high potential for non-LCFS compliant feedstock such as virgin or lightly processed palm oil or palm fatty acid distillates to be deemed UCO and passed off as such for LCFS credit generation. We ask that you



carefully consider the information presented in the NBB's comments (and documented in footnotes) regarding forced labor practices, fraud, collusion, and conflicts of interest.

Thank you for your consideration of these comments. We look forward to working with you to address these critically important issues toward the goal of implementing and maintaining the best possible LCFS program in California. Please feel free to contact me with any questions at 760-398-0815.

Sincerely,

A handwritten signature in blue ink that reads "Curtis Wright".

Curtis Wright
Chairman
California Biodiesel Alliance