

April 17, 2009

Mary Nichols, Chairwoman
California Air Resources Board
1001 I St., P.O. Box 2815
Sacramento, CA 95812

Dear Chairwoman Nichols,

This letter is in response to the California Air Resource Board's (CARB) March 5, 2009 release of its proposed regulation to implement a low carbon fuel standard. The regulation is referred to as the California Low Carbon Fuel Standard (LCFS) and is part of California's implementation of Executive Order S-1-07 that was issued in early 2007. The LCFS requires a reduction of at least 10 percent in the carbon intensity of California's transportation fuels by 2020. According to CARB, the LCFS will reduce GHG emissions from the transportation sector in California by about 16 million metric tons (MMT) in 2020. These reductions account for almost 10 percent of the total GHG emission reductions needed to achieve the State's mandate of reducing GHG emissions to 1990 levels by 2020. Further this proposal is designed to reduce California's dependence on petroleum, create a lasting market for clean transportation technology, and stimulate the production and use of alternative, low-carbon fuels in California.

The undersigned organizations support reliable and diverse energy resources, to include increasing the use and development of alternative fuels to improve the nation's energy efficiency in an effective manner. In evaluating the factors being considered to implement the LCFS, we applaud CARB for recognizing the direct and indirect impact of biofuels production on land use as part of the greenhouse gas (GHG) emissions evaluation. It is important to fully understand the environmental impact as alternate energy options are considered.

As CARB noted in the "*Proposed Regulation to Implement the Low Carbon Fuel Standard, Volume 1 Staff Report: Initial Statement of Reasons*" (March 5, 2009), expanding biofuels production will contribute to direct and indirect changes in land use -- including the conversion of marginal lands, grasslands and forests -- that will release carbon into the atmosphere and reduce the sequestration of carbon in the soil. Hundreds of scientists -- as well as policymakers across the globe -- have concluded that an environmental assessment of biofuels must consider land use impacts.

We strongly support a full and fair lifecycle assessment of the benefits and costs of biofuels, including the direct and indirect impacts of biofuels production on land use. We applaud CARB for including direct and indirect land use in your assessment of the greenhouse gas impacts of biofuels

Sincerely,

American Bakers Association
American Beverage Association
American Frozen Food Institute
Grocery Manufacturers Association
Snack Food Association