



March 25, 2009

Mary D. Nichols, Chairman
California Air Resources Board
Headquarters Building
1001 "I" Street
Sacramento, CA 95812

Re: Comments for CARB Proposed Low Carbon Fuel Standard

Dear Chairman Nichols:

The American Lung Association in California strongly supports the staff's proposed LCFS regulation as an essential component of California's global warming and air quality strategy and urges the California Air Resources Board to act to adopt this regulation at the board meeting on April 23, 2009. At the same time, the American Lung Association in California is calling on the board to strengthen key elements of the regulation to maximize air quality benefits and ensure protection of local communities as new alternative fuels are introduced in California. The lung association has long been a strong proponent of clean alternative fuels and particularly zero emission fuels and technologies to reverse the legacy of air quality, health and environmental impacts from petroleum fuels. Diversifying transportation fuels and dramatically increasing the use of ultra-low carbon fuels is a necessity in California and the world, and the LCFS provides the framework to begin that critical transition. This regulation accounts for one-tenth of the greenhouse gas emissions reductions that California needs to reach the 2020 AB 32 goal and almost one quarter of the emission reductions the state needs from the transportation sector.

The American Lung Association in California strongly supports CARB's inclusion of indirect land use in the regulation. Inclusion of indirect land use is essential to developing a regulation with scientific integrity, and one that will truly reduce greenhouse gases on a life-cycle basis for all fuels under the standard. We believe CARB's conclusions on

indirect land use are supported by good science and the proposed number for indirect land use emissions is actually fairly conservative. Without inclusion of indirect land use, the regulation would be sure to include fuels with higher greenhouse gas emissions than gasoline, an outcome at odds with the whole purpose of the regulation.

The lung association is also very supportive of CARB's decision to include two separate goals in the LCFS, one for gasoline and one for diesel. This separation of goals is vital to keep promoting innovation and development of lower carbon fuels in both the heavy duty and light duty sector, and to ensuring that the standard will not promote increased diesel use as a way to meet carbon intensity goals. Adopting a standard that would promote increased diesel use would not serve the goals of reducing fossil fuel use and would not be in the best interest of air quality and public health.

The American Lung Association in California recommends that CARB strengthen the regulation by adopting two key changes:

1) The LCFS should include stronger provisions for analyzing air quality and public health impacts.

While the LCFS is primarily aimed at reducing greenhouse gas emissions, CARB must ensure the regulation does everything possible to assist state and federal criteria air pollutant reduction goals and ensure the regulation does not contribute to elevated public health and air quality risks at the state or local level.

- CARB should develop guidelines for local review of air quality, health and emission impacts of new fuels and fueling infrastructure at the local level and ensure that all local impacts are fully mitigated.
- CARB should conduct a comprehensive public health analysis of the LCFS by July, 2010 using updated tools and data as more information becomes available on fuels and infrastructure that will be introduced pursuant to the LCFS.
- CARB should carefully review each fuel pathway used to comply with the LCFS and make a determination whether emissions from the fuel pathway will hinder state or local progress toward achieving state or federal air quality standards or toxic air contaminant reduction goals and determine what mitigation measures are needed to address any identified impacts.

2) **The LCFS should promote increased use of ultra-low carbon fuels to maximize air quality benefits.**

In order to ensure that the standard maximizes air quality benefits, the LCFS should do everything possible to promote advanced, clean, ultra-low carbon fuels for the long term and not just low carbon fuels that are commercially available today. Ultra-low carbon fuels would include electricity and hydrogen made from renewable fuels as well as some advanced biofuels that meet ultra-low carbon criteria. A substantial portion of the expected statewide air quality benefits of the LCFS regulation by 2020 are from deployment of zero-emission technologies, including battery EVs, plug-in hybrid EVs and hydrogen fuel cells. Increasing deployment of these technologies would have the double benefit of boosting air quality gains from the LCFS and helping the state move more rapidly toward 2050 greenhouse gas goals.

The lung association is urging CARB to build a strong ultra-low carbon fuel strategy into the LCFS that would include increasing incentives for ultra-low carbon fuels in the LCFS and/or developing requirements for ultra-low carbon fuels to make up an increasing part of the fuel mix.

The American Lung Association in California looks forward to working with the California Air Resources Board to adopt and implement the LCFS regulation as a critical first step in the important work of transitioning from petroleum fuels to cleaner, sustainable alternative fuels that promote healthier air.

Sincerely,



Bonnie Holmes-Gen
Senior Policy Director
American Lung Association in California