

March 11, 2011

Michelle Buffington  
Stationary Source Division  
California Air Resources Board  
1001 "I" Street  
Sacramento, California 95814

Re: Request for Low Carbon Fuel Standard (LCFS) Advisory Panel Member's Priorities

Dear Ms. Buffington:

The Nature Conservancy appreciates ARB staff's request of LCFS Advisory Panel members to identify priorities for its review. At the initial February 16<sup>th</sup> meeting, staff identified the thirteen priorities areas already required by §95489 of the LCFS regulation for the Advisory Panel to review. We acknowledge the mandate to review these categories and offer the following procedural and substantive recommendations to enhance the value of the review and recommendations of the Panel.

TNC encourages ARB staff to structure the Advisory Panel discussions in a manner that reviews the categories identified by §95489 and fosters discussion and recommendations that resolve outstanding issues and makes the LCFS program most effective. We encourage staff and the facilitator to avoid reopening policy decisions that have already been adopted so the Panel can be as productive as possible.

From a substantive standpoint, TNC's priority interest includes the efforts being undertaken by the working groups established by ARB and the Sustainability Workgroup (SWG) in particular. The inclusion of sustainability criteria in the implementation of the LCFS is critical to the long-term success of the program to ensure that we are not only reducing greenhouse gas emissions through the use of low-carbon fuels, but ensuring the adequate protection of our natural resources that provide a host of public benefits in addition to feedstock for fuel. We are pleased to see that ARB staff plans to provide an update on the workgroup efforts, including the SWG (Program Review Topic 12). Given the Board's directive to ARB staff in Resolution 09-31 to develop sustainability provisions to implement the LCFS regulation, we think it is important for staff to provide a progress report by this November on the status of the standards to facilitate their completion by the end of the year. We agree with staff that the Advisory Panel should not duplicate the effort of the workgroups. However, it would be beneficial for the Advisory Panel to consider how the recommendations of the working groups should be incorporated into the standard.

Once again, TNC appreciates the opportunity to provide input regarding the Advisory Panel's priorities. We look forward to working with ARB and colleagues to ensure that the LCFS implementation remains on track and is successful at reducing emissions while protecting the natural systems upon which we rely for a healthy economy and quality of life.

Sincerely,

Michelle Passero  
Senior Policy Advisor