



Air Resources Board



Matthew Rodriguez
Secretary for
Environmental Protection

Mary D. Nichols, Chair
1001 I Street • P.O. Box 2815
Sacramento, California 95812 • www.arb.ca.gov

Edmund G. Brown Jr.
Governor

July 24, 2017

Dear Sir or Madam:

The California Air Resources Board (ARB) staff invites you to participate in a Low Carbon Fuel Standard (LCFS) public workshop to discuss: (1) development of program amendments to strengthen the carbon intensity (CI) reduction targets in line with the goals of SB 32 (Pavley, 2016), (2) addition of mandatory third-party verification to the program, (3) inclusion of new fuel types and revisions to credit generating provisions, (4) updates to lifecycle assessment modeling tools and the fuel pathway certification process, and (5) the solicitation of alternative approaches to concepts addressed in the LCFS 2018 Amendments Rulemaking Concept Paper and to be discussed at this public workshop.

SB 32 mandates a 40 percent reduction in Greenhouse Gas (GHG) emissions by 2030 (relative to 1990 levels). To meet this and other objectives, ARB staff is developing a number of important measures and plans, which include the 2030 GHG Target Scoping Plan (see <https://www.arb.ca.gov/cc/scopingplan/scopingplan.htm>). Comments received to date on the Scoping Plan, and our initial evaluation of the GHG reductions needed to meet the 2030 target, support the need for further substantial GHG reductions in the transportation sector. To ensure that required GHG reductions are achieved by 2030, ARB is beginning the process of developing amendments to the LCFS program.

Enclosed is a draft agenda for the public workshop with more information. Staff has prepared a Concept Paper discussing potential regulatory amendments that may be proposed. The Concept Paper is available at http://www.arb.ca.gov/fuels/lcfs/lcfs_meetings/lcfs_meetings.htm.

Economic Analysis

Pursuant to the requirements of SB 617 ARB welcomes public input on alternatives to the concepts put forth in the LCFS Amendments Concept Paper. For more information on SB 617, please see the Department of Finance's implementing regulations at title 1, sections 2000-2004 of the California Code of Regulations (available at [https://govt.westlaw.com/calregs/Browse/Home/California/CaliforniaCodeofRegulations?guid=I3F8EE070481811E3A6E48D2522760836&transitionType=Default&contextData=\(sc.Default\)#I401F60A0481811E3A6E48D2522760836](https://govt.westlaw.com/calregs/Browse/Home/California/CaliforniaCodeofRegulations?guid=I3F8EE070481811E3A6E48D2522760836&transitionType=Default&contextData=(sc.Default)#I401F60A0481811E3A6E48D2522760836)).

The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see our website: <http://www.arb.ca.gov>.

California Environmental Protection Agency

Sir or Madam
July 24, 2017
Page 2

To submit an alternative for ARB to consider in its Standardized Regulatory Impact Analysis (SRIA), please ensure that your submission discusses the alternative's ability to fulfill the purposes of the draft regulatory proposal as ARB has presented it. To enable comparison of economic impacts, please submit the quantities of low-CI fuels used each year to comply with the alternative. At least two alternatives will be analyzed in the SRIA, including one that could achieve additional benefits beyond those associated with the proposed major regulation, and a next-best alternative that would not yield the same level of benefits or is less likely to yield the same level of benefits. Alternatives are requested by **August 21, 2017** and may be submitted via email at LCFSworkshop@arb.ca.gov.

Environmental Analysis

This workshop will serve as a scoping meeting as required by the California Environmental Quality Act (CEQA). Pursuant to CEQA and ARB's Certified Regulatory Program (Cal. Code Regs., tit. 14, §15251(d); Cal. Code Regs., tit. 17, §§ 60000–60008), staff is reviewing the LCFS Amendments to determine if the proposed project will result in any potentially significant adverse environmental impacts. Staff will provide an overview of ARB's process for preparing the Environmental Analysis (EA) and its content. Staff welcomes public input at the workshop on the appropriate scope and content of the EA at the beginning of our process, including the reasonably foreseeable methods of compliance with the LCFS Amendments, the potential significant adverse impacts associated with the methods of compliance, potential feasible mitigation measures, and feasible alternatives to the proposal that could reduce or eliminate any significant adverse impacts. A Draft EA will be released for a 45-day public review and comment period with the proposed LCFS Amendments in 2018. Comments received at this public workshop will be considered when preparing the CEQA document.

The workshop will be held at the following time and location:

DATE: Monday, August 7, 2017
TIME: 10:00 a.m. to 4:00 p.m.
LOCATION: Sierra Hearing Room, Second Floor
ADDRESS: Cal/EPA Headquarters Building
1001 "I" Street
Sacramento, California 95814

Directions to the California Environmental Protection Agency (Cal/EPA) headquarters and information on available public transit can be found at the Cal/EPA website at <http://calepa.ca.gov/headquarters-sacramento/location/>

Sir or Madam
July 24, 2017
Page 3

This workshop will be webcast. You may access the webcast at the Cal/EPA's homepage at <https://video.calepa.ca.gov/>. During the webcast, we will accept feedback and questions sent via email to sierrarm@calepa.ca.gov.

You may participate in this workshop by teleconference by dialing **888-469-3081** (for domestic callers) or **1-630-395-0486** (for international callers). Callers will be asked to provide participant code: **8435209**. Please note that international calls are toll calls.

If you require special accommodation to attend this workshop or need this document in an alternate format (e.g., Braille, large print) or another language, please contact Ms. Cynthia Biedermann; at (916) 327-1514 or Cynthia.Biedermann@arb.ca.gov as soon as possible. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

We welcome and encourage your participation in this effort. If you have questions about the workshop, please contact me at (916) 322-8263 or via email at Samuel.Wade@arb.ca.gov, or Mr. Jim Aguila, Chief, Program Planning & Management Branch at (916) 322-8283 or via email at Jim.Aguila@arb.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "S. Wade".

Sam Wade, Chief
Transportation Fuels Branch

Enclosure

cc: Jim Aguila, Chief
Program Planning
& Management Branch

Public Workshop to Discuss Potential Low Carbon Fuel Standard Rulemaking Items

Monday, August 7, 2017
10:00 a.m. to 4:00 p.m.
Cal EPA Headquarters Building
Sierra Hearing Room, Second Floor
1001 I Street
Sacramento, California 95814

Draft Agenda

- Introductions and Opening Remarks
- Staff Presentation of Amendments to the Low Carbon Fuel Standard
 - Rulemaking Timeline
 - Process for Selecting Future Carbon Intensity Targets
 - Changes to Fuels and Regulated Parties
 - Details of Verification Requirements
 - Updates to Life Cycle Assessment Modeling Tools and the Pathway Certification Process
 - Crediting Provisions for Crude Production and Refineries
 - Changes to Credit Transactions
- Request for Alternatives
- Next Steps
- Open Discussion
- Adjourn Meeting

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