



# Baker Commodities Inc.

Quality and Pride... Worldwide.

October 16, 2014

Katrina Sideco  
California Air Resources Board  
P.O. Box 2815  
Sacramento, CA 95812

Via email to: [ksideco@arb.ca.gov](mailto:ksideco@arb.ca.gov)

RE: Low Carbon Intensity Fuel Availability

Dear Ms. Sideco:

This letter is submitted on behalf of our company, Baker Commodities, Inc., to provide input regarding the availability of low carbon intensity fuels to supply the California market. The availability of low carbon fuels is an important issue under consideration by the Air Resources Board ("ARB") as it will likely impact the determination of the carbon intensity compliance curve. The issue was discussed in the Low Carbon Fuel Standard ("LCFS") workshop held on September 25, 2014.

## **Potential Availability of 20 Million Gallons in Los Angeles**

Baker Commodities, Inc. is in the business of grease management and has been a renderer in Los Angeles since 1937. The recycled cooking oil that Baker collects throughout California is an excellent source of raw material for the biodiesel industry. Baker has been waiting for programs like the LCFS to materialize so that it can move forward with a 10-20 million gallon per year biodiesel plant in Los Angeles County. It would be Baker's intention to sell all or most of the ultra-low carbon biodiesel fuel produced at this plant into the California market.

## **Importance of the LCFS**

I would like to emphasize the importance of California's LCFS program to low carbon fuel producers and suppliers. The LCFS has sent a strong market signal that there is a reliable demand center for low carbon fuels. In addition, the carbon intensity structure of the LCFS program has provided a premium value based on the precise carbon intensity of the particular fuel. This has incentivized producers to find ways to more efficiently produce fuel regardless of the type of low carbon fuel produced.



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**Conclusion**

We appreciate this opportunity to submit a comment to the Air Resources Board. We recognize the leadership that California has shown in reducing the carbon intensity of transportation fuels. Please let me know if any clarification of this comment would be helpful.

Very truly yours,

BAKER COMMODITIES, INC.

Mathias Dahmen  
Executive Vice President