



September 15, 2014

Wes Ingram  
California Environmental Protection Agency  
Air Resources Board  
1001 I Street  
Sacramento, CA 95812

RE: Low Carbon Fuel Standard: August 22<sup>nd</sup> GREET Model Update Workshop

Dear Mr. Ingram:

On behalf of our members, the California Biodiesel Alliance is pleased to submit these comments on the changes proposed at the August 22<sup>nd</sup> GREET Update Workshop. We welcome every opportunity to reiterate our support for a strong LCFS program that continues its success in incentivizing low carbon fuels in the state.

Importantly, our organization supports the comments of the National Biodiesel Board on the technical issues involved in biodiesel pathway changes proposed at the meeting. At this time, we wish to add a few brief comments based on the critical need of our business owners and investors to operate in a climate of regulatory stability and certainty.

First, we have concerns about the proposed higher CI scores for biodiesel, especially for waste feedstocks. Specifically, we believe that these feedstocks should not have ILUC values, because as waste products they do not have indirect effects. As you are aware, California's biodiesel industry produces a significant majority of its biodiesel from these sources. Our industry has made hundreds of millions of dollars in investments within the state and beyond based on the current CI values. Additionally, the state of California, specifically the Energy Commission, has supported our in-state projects with tens of millions of dollars in investments. A change by the Air Resources Board in its approach to these established pathways will be disruptive to the significant investments already made in California (and to other out-of-state biodiesel producers who are targeting our state's market), and will have an adverse effect on future investment.

Second, we want to stress our opposition to staff's proposed system of documentation for CI scores for non-cooked UCO. We understand that staff may be considering a process that would require the applicant to submit their pathway to a Tier 2 application requiring submission of 3<sup>rd</sup> party data, including possibly mass and energy balances in cases with multiple rendered/purified products from the renderer/purifier/supplier. Such a requirement would constitute as an unreasonable burden on our state's biodiesel producers.

Finally, we are concerned that there is a real and substantial potential for feedstock mischaracterization of foreign produced biodiesel imported into California. ARB resources need to be allocated for forensic audits, both domestic and international, to prevent the potential for fraud. While it is relatively easy and inexpensive to conduct audits of California producers, we do not want to see a disproportionate emphasis of



domestic versus international audits. The emphasis should be based upon volumes of biofuel, rather than ease of auditing.

Thank you for your consideration of these comments. We look forward to the release of the full data so that we can make more informed and detailed comments on these and other issues of great importance to California's biodiesel industry.

Respectfully submitted,

A handwritten signature in blue ink that reads "Curtis Wright".

Curtis Wright  
Chairman