

May 2014
California Air Resources Board
Low Carbon Fuel Standard
Advisory Panel Charter

The California Air Resources Board (ARB/Board) approved the Low Carbon Fuel Standard (LCFS) regulation on April 23, 2009. The regulation became effective on April 15, 2010, and amendments to the regulation became effective in November 2012. A process to review the regulation is included in section 95489, whereby the Executive Officer is required to conduct two reviews of the LCFS program in a public process. The Executive Officer is also required to convene an Advisory Panel with which he will consult on the reviews. The regulation requires the reviews to address a broad range of implementation topics and may include recommended amendments to the regulation. The first formal review took place in 2011 and resulted in the *Low Carbon Fuel Standard 2011 Program Review Report* (December, 2011).¹ Staff presented the results of the first program review to the Board in December 2011. The second program review will commence in May 2014, and the results will be presented to the Board by January 1, 2015.

The formation and organization of the 2014 LCFS Advisory Panel are outlined in this Charter. The Panel's mission and the recommended approach the Panel will take to complete its tasks are also included. The approach for this Advisory Panel differs from the 2011 Advisory Panel in recognition of the fact that much of the required analysis is already ongoing as part of the LCFS re-adoption. After providing some background, this proposed Charter provides the Advisory Panel scope of work, structure, schedule for the 2014 program review, and approach to handle administrative procedures. However, several elements will be discussed during the first meeting of the 2014 Advisory Panel and may be adjusted prior to approval by the Panel.

I. Background

As noted, the LCFS regulation specifies that the Executive Officer is to establish an Advisory Panel to participate in the reviews of the LCFS program and provide comments on ARB staff's assessments of each review area. Section II, Scope of Work, lists the areas to be considered during each review. The regulation further specifies that the Advisory Panel should include representatives of the California Energy Commission; the California Public Utilities Commission; fuel providers; storage and distribution infrastructure owner/operators; consumers; engine and vehicle manufacturers; environmental justice organizations; environmental groups; academia; public health; and other stakeholders and government agencies, as deemed appropriate by the Executive Officer.

¹ http://www.arb.ca.gov/fuels/lcfs/workgroups/advisorypanel/20111208_LCFS%20program%20review%20report_final.pdf

In preparation for assembling the Panel in 2011, ARB staff conducted a solicitation that included a notice distributed via the LCFS and Fuels list serves and posting the application for the Panel on ARB's public LCFS web page. About 60 applications were submitted. ARB staff recommended panelists based on several factors, including applicant experience, organizations represented in order to establish a broad base of representation, and supporting documentation such as letters of recommendation.

Panel members who participated in 2011 have been invited to participate in the 2014 Panel. 2011 Panel members who are unable to participate in the 2014 Panel were asked to recommend a replacement from their organization or a similar organization. Final approval of all replacement Panel members was based on maintaining the broad composition of the 2011 Panel.

II. Scope of Work

The LCFS Advisory Panel will discuss and provide input on issues focusing on the implementation of the LCFS. Section 95489(a) of the regulation defines the minimum scope of the two required program reviews. Though other topics may be added, each review is to include the following topics:

- (1) The LCFS program's progress against LCFS targets;
- (2) Adjustments to the compliance schedule, if needed;
- (3) Advances in full, fuel-lifecycle assessments;
- (4) Advances in fuels and production technologies, including the feasibility and cost-effectiveness of such advances;
- (5) The availability and use of ultralow carbon fuels to achieve the LCFS standards and advisability of establishing additional mechanisms to incentivize the use of higher volumes of these fuels;
- (6) An assessment of supply availabilities and the rates of commercialization of fuels and vehicles;
- (7) The LCFS program's impact on the State's fuel supplies;
- (8) The LCFS program's impact on State revenues, consumers, and economic growth;
- (9) An analysis of the public health impacts of the LCFS at the state and local level, including the impacts of local infrastructure or fuel production facilities in place or under development to deliver low carbon fuels, using an ARB approved method of analysis developed in consultation with public health experts from academia and other government agencies;
- (10) An assessment of the air quality impacts on California associated with the implementation of the LCFS; whether the use of the fuel in the State will affect progress towards achieving State or federal air quality standards, or result in any significant changes in toxic air contaminant emissions; and recommendations for mitigation measures to address any adverse air

quality impacts identified;

- (11) Identification of hurdles or barriers (e.g., permitting issues, infrastructure adequacy, research funds) and recommendations for addressing such hurdles or barriers;
- (12) Significant economic issues; fuel adequacy, reliability, and supply issues; and environmental issues that have arisen; and
- (13) The advisability of harmonizing with international, federal, regional, and state LCFS and lifecycle assessments.

The Panel will provide comments and evaluations to ARB staff for incorporation into a report, which will be presented to the Board. The regulation requires ARB staff to assess the above topics and to solicit the Advisory Panel to review staff's assessment. As this list indicates, the scope of the staff's program review is comprehensive. However, most of these topics overlap with work underway for the 2014 re-adoption of the LCFS. As part of the process of re-adoption, topic-specific workshops to address particular areas of the regulation have already been conducted or are planned. These areas include:

- Refinery/Crude Oil Provisions
- Reporting and Enforcement Provisions
- Fuel Pathways
- Producer Facility Registration
- Cost Containment
- Indirect Land Use Change

Panel members are encouraged to participate in the topic specific workshops, as well as general LCFS workshops that provide an overview of the re-adoption proposal.

At its kick-off meeting, the Advisory Panel will discuss its charge, including its overall priorities recognizing the synergy with ARB's ongoing LCFS re-adoption efforts. The result of this discussion will be used to further focus the Panel's work.

III. Advisory Panel Structure

1. Overall Structure

- Mr. Jack Kitowski, Assistant Division Chief of the Stationary Source Division, Air Resources Board, will chair the Advisory Panel with Carolyn Lozo acting as Co-chair. The Chair will prepare meeting agendas, prepare minutes, and assist with report preparation.
- It is not expected that the Panel will write a report. ARB staff is proposing to assemble written Panel comments and evaluations, presentations, meeting transcripts, and other materials to communicate the Panel's discussions to

the Board. The materials will be included in the report provided to the Board before January 1, 2015.

2. Panel Meetings

- All Panel meetings will be public and subject to the requirements of the Bagley-Keene Open Meeting Act and related rules, regulations, and policies.²
- The Panel is expected to meet a total of two times.
- The first meeting of the Panel is May 19, 2014. The second meeting is planned for August 2014.
- Meetings will be webcast whenever possible.
- Meeting materials (e.g., meeting agendas, meeting summaries, presentations, documents to be reviewed) will be posted on ARB's web site.
- Meetings will focus on staff and Panel member's analyses/assessments of specific topics, including those identified in Section II.
- The Panel will review topic areas and, if necessary, develop its recommendations for consideration by the Board when the second program review report is presented to the Board.

3. Responsibilities

Responsibilities of the Chair:

1. Ensure discussion on key issues remains focused.
2. Approve alternates.
3. Clarify role of Panel.
4. Clarify role of ARB staff.
5. Clarify points of discussion as needed.
6. Disseminate meeting summaries.

Responsibilities of the LCFS Advisory Panel Members:

1. Attend each meeting to ensure continuity throughout the process.
2. Prepare in advance and set aside time for the meetings.
3. Treat everyone and their opinions with respect.
4. Allow one person to speak at a time.
5. Be courteous by not engaging in sidebars.
6. Comment constructively, specifically, and in good faith.
7. Avoid representing to the public or media the views of any other member or the Panel as a whole.
9. Provide ARB staff with research and documentation as needed. All documentation is to be provided in electronic format within two days of the meeting and will be public.

² The Bagley-Keene Act can be found here: http://www.cab.ca.gov/pdf/misc/open_meeting_act.pdf

10. Conduct Panel-related activities in compliance with the requirements of Bagley-Keene Open Meeting Act, summarized in the memorandum and brochure provided by ARB Office of Legal Affairs.

IV. Panel Composition

As specified in the regulation, the Advisory Panel is to be comprised of representatives from the California Energy Commission; the California Public Utilities Commission; fuel providers; storage and distribution infrastructure owners/operators; consumers; engine and vehicle manufacturers; environmental justice organizations; environmental groups; academia; public health; and other stakeholders and government agencies, as deemed appropriate by the Executive Officer.

Following a solicitation for organizations interested in being represented on the Panel, organizations and individuals submitted applications, CVs, and letters of recommendation. ARB staff, along with input from Board members, selected the Panelists from the application pool with expertise in the areas to be reviewed.

Members of the Advisory Panel, including their affiliation, are attached and will be listed on the ARB website at:

<http://www.arb.ca.gov/fuels/lcfs/workgroups/advisorypanel/advisorypanel.htm>.

V. Expenses

Participants will be expected to absorb their individual costs to participate. ARB staff will provide the overall administrative support (e.g., securing rooms, summarizing the meeting) for the Panel.

VI. Public Records and Confidentiality

LCFS Panel records and work products, such as formal documents, discussion drafts, meeting summaries, and exhibits are public records. Further, communications between Advisory Panel members, related workgroup members, and ARB staff are generally subject to public disclosure. See

http://ag.ca.gov/publications/summary_public_records_act.pdf for more information.

VII. Information Exchange

Panel members will make every effort to provide information that is to be discussed at a meeting to ARB staff one week in advance of the scheduled meeting at which such information is used. If a member believes the relevant information is proprietary in nature, the member will provide a general description of the information and the reason for not providing it.

VIII. Public Involvement

All Panel meetings will be open to the public and will have a time set aside for interested members of the general public to speak. Additionally, stakeholders are encouraged to submit written comments through the Advisory Panel website at: <http://www.arb.ca.gov/fuels/lcfs/workgroups/advisorypanel/advisorypanel.htm>.

IX. Process Support

ARB staff will support the Advisory Panel and consult with other stakeholders, as needed.

Briefing Materials: ARB staff will make every effort to email briefing materials to the members at least one week prior to each meeting.

Meeting Summaries: The Co-Chair will prepare meeting summaries based on notes taken during the meeting and observations of the process. The Chair will approve the draft summaries before dissemination. Meeting notes will summarize significant issues raised during the discussion, and whether and how issues were resolved. Draft meeting summaries will be finalized following review by the Panel.

The meeting summaries will be posted on the ARB website at: <http://www.arb.ca.gov/fuels/lcfs/workgroups/advisorypanel/advisorypanel.htm>.

X. LCFS Advisory Panel Report

ARB staff will develop a report compiling staff and Panel member presentations and meeting transcripts. The report, which will reflect input from the Advisory Panel, will be presented to the Board on or before January 1, 2015.

XI. Communications and Media Coverage

The ARB Office of Communications will respond to public or media inquiries associated with the organization, structure, process, and work of the Advisory Panel. While Panel members are free to communicate and share individual perspectives with the media and others, ARB asks the Panelists to offer their personal viewpoint only and to refrain from speaking for other Panel members either individually or as a whole. We ask Panel members to vet ideas and issues at workgroup meetings before discussing them outside of the Advisory Panel since the way in which positions are publicly represented may affect the ability of the Panel to work together. When asked for information about the purpose or activities of the workgroup, ARB asks you to refer others to the Advisory Panel website at: <http://www.arb.ca.gov/fuels/lcfs/workgroups/advisorypanel/advisorypanel.htm>.

XII. Proposed Timeline

ITEM	TIME FRAME
First Advisory Panel Meeting	May 19, 2014
Second Advisory Panel Meeting	August, 2014 (TBD)
Report to the Board	By January 1, 2015

XIII. ARB Contacts for LCFS Advisory Panel

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