



June 28, 2017

California Air Resources Board
Industrial Strategies Division
1001 I Street
Sacramento, CA 95814

Attn: Anil Prabhu
Delivered via email: aprabhu@arb.ca.gov

cc: Sam Wade
Delivered via email: Samuel.Wade@arb.ca.gov

Dear Mr. Prabhu:

As equity investors, owners and developers of projects that produce biofuels that qualify under the Low Carbon Fuel Standard ("LCFS") program, we are writing to support the California Air Resources Board's ("ARB") recent endorsement of "mass balance" methodologies to determine co-processing yields.

Background

Renova Capital Partners, LLC ("Renova") is a private equity firm with an established track record of investing in, financing and operating renewable energy assets. Since inception in 2007, Renova has successfully developed and capitalized over \$600 million of renewable energy infrastructure projects. Renova is a 50/50 partner with Ensyn Corporation in a joint venture called Ensyn Development Partners ("EDP") formed to finance and develop biorefineries throughout the U.S. Ensyn's technology produces a biocrude from forest and agricultural residues using its proprietary thermal technology. Ensyn's biocrude has been in commercial production for over 25 years.

Georgia Project and LCFS

EDP is in the final stages of developing the first large-scale commercial Ensyn biorefinery in the U.S. at a total hard construction cost of approximately \$125 million. Located in central Georgia, about two hours south of Atlanta, the facility will produce approximately 22 million gallons of biocrude per year from woody biomass residuals. We anticipate that we will begin construction of the biorefinery by the end of this calendar year.

We also anticipate that the biocrude produced at the facility will be purchased under a long-term contract by an oil refinery in the Los Angeles area for use as feedstock to be co-processed into ASTM-spec gasoline and diesel. In 2016, ARB approved Ensyn's pathway application for the use of biocrude as a renewable feedstock for the production of renewable gasoline and diesel.

Comments on Recent ARB Report

Renova strongly supports ARB's conclusions in the draft discussion paper entitled "Co-processing of Low Carbon Feedstocks in Petroleum Refineries." We believe the use of mass balancing for renewable gasoline and diesel yields is the most accurate, reliable, practical, and cost-effective method for use in Fluid Catalytic Cracker ("FCC") co-processing operations. This position is backed by clear and strong evidence generated in both the public and private sectors including two National Laboratories and Honeywell UOP, the world's leading oil refining technology company, and a partner of EDP's and Ensyn's.

Renova has relied on the mass balance approach in our financial models and is therefore pleased that ARB has proposed in its draft report to adopt this methodology.

Thank you for your consideration of these comments. Please do not hesitate to contact me if I can be of further assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Phillip Caplan". The signature is stylized and includes a long horizontal stroke at the end.

Phillip Caplan
Managing Partner, Renova Capital Partners
pcaplan@renovacapitalpartners.com