



October 26, 2017

California Air Resources Board
1001 I Street
Sacramento, CA 95812
LCFSworkshop@arb.ca.gov

Dear Ms. Lai:

The California Biodiesel Alliance (CBA) appreciates the opportunity to comment on the 2018 Amendments to the Low Carbon Fuel Standard (LCFS) presented at the September 22nd workshop. CBA is California's not-for-profit biodiesel industry trade association, representing the state's biodiesel producers and a broad range of stakeholders. CBA endeavors to increase awareness about biodiesel as California's leading and widely available advanced biofuel that delivers significant economic, environmental, and energy diversity benefits throughout the state. CBA has collaborated with the National Biodiesel Board (NBB) on their public comments, so these additional comments should be considered supplementary to theirs.

CI Reduction Schedule 2020 and Beyond

CBA is very concerned with ARB's consideration of a freeze in the CI reduction schedule beginning in 2020. Our industry has experienced first-hand the harmful effects of a stalled program. In the past, such freezes have caused reduced liquidity of carbon credit markets, plant closures, and layoffs. Even if planned, a freeze could have a chilling effect on innovation, investment and creativity. We urge ARB to continue to push the program forward each and every year until the state's goal is achieved.

"High Risk" Feedstock

CBA remains very concerned with ARB's characterization of UCO as a feedstock with higher risk for mischaracterization that requires chain of custody evidence to the point of origin. Programs like ISCC are not the answer because they will push smaller, community-sized plants out of the market due to the regulatory burden. Ultimately, the program will suffer as a result of fewer participants utilizing low carbon feedstocks.

Temporary Fuel Pathways

CBA finds the process of onboarding new producers troubling and believes it will likely deter new market participants. New producers should be able to use a more reasonable temporary pathway.



Conflict of Interest & Recordkeeping

CBA disagrees with the six-year limitation on 3rd party verifiers. Program participants should be free to use any verifier that is in good standing with ARB. The burden should be on the 3rd party verification company to demonstrate to the State of California that it is acting appropriately, and not burden the renewable fuel producers to alternate its vendors unnecessarily. We respectfully submit that ARB should lower the record keeping requirement to 5 years to correspond with industry best practices.

Temperature Correction

We urge ARB to carefully consider the comments by the NBB on this very serious issue as it has the potential to significantly disrupt plant operations as written.

In closing, CBA would like to thank you for your continued thoughtful deliberation on this challenging issue. Please feel free to contact me with any questions at 619-236-8588.

Sincerely,

A handwritten signature in black ink, appearing to read "Jennifer Case".

Jennifer Case
Chair
California Biodiesel Alliance