

2022

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California Air Resources Board 1001 I Street Sacramento, CA 95814

Re: Low Carbon Fuel Standard (LCFS) – August 18, 2022 Public Workshop: Potential Future Changes to the LCFS Program

Dear Air Resources Board Staff,

Thank you for the opportunity to provide comments on Potential Future Changes to the LCFS Program. The San Francisco Bay Area Rapid Transit District (BART) is a strong and steadfast supporter of the LCFS program. BART owns and operates an electrified fixed-guideway transit system and has participated as an opt-in entity within the LCFS since 2016. The vast majority of BART trains are 100% electric, with over 99% of its electricity supplied from zero-carbon sources including solar, wind, and hydroelectric generators.

We thank California Air Resources Board (CARB) staff for conducting its recent Public Workshop on potential future changes to the LCFS program and soliciting feedback from stakeholders. We understand and agree that verification is vital to ensure the integrity of the program and that all data and information reported to CARB accurately represents the operation of the reporting entity. In fact, BART voluntarily submits supporting documentation each quarter to substantiate the electric load used to operate its electrified fixed-guideway transit system and electric vehicle charging infrastructure. BART is supportive of rulemaking changes to require additional reporting documentation and the use of third-party auditors to monitor, verify, and certify the accuracy of such reporting data. However, to limit the cost and administrative burden on reporting entities, BART respectfully requests that third-party verification be limited to an administrative review of reporting data and that no term limits are placed on third-party verifiers to avoid frequent reorientation and recontracting with verifying entities.

As staff evaluates other potential changes to the program, BART respectfully requests a minor amendment to the LCFS Guidance 20-03 Electricity Credit Proceeds Spending Requirements to clarify that the spending requirements in Guidance 20-03 apply to EV charging applications only and are not applicable to LCFS credit proceeds generated from electrified fixed-guideway system. Specifically, to avoid confusion and to clarify the scope of Guidance 20-03, BART respectfully requests that the first paragraph in the Background section of the Guidance 20-03 be revised as follows:

"The LCFS regulation requires entities generating credit <u>for charging Electric</u> <u>Vehicles (EV)</u> using electricity pathways (referred to as "<u>EV charging electricity</u> credit") to use the resulting credit proceeds to benefit <u>Electric Vehicle (EV)</u> drivers and their customers, and generally invest in projects that promote transportation electrification in California. Paragraphs 2. through 7. in section 95491(d)(3)(A) of the LCFS regulation provide specific electricity credit proceeds spending requirements for Load-Serving Entities (LSEs) and non-LSEs. These spending requirements do not apply to transit agencies generating credits for electricity supplied as transportation fuel to a Fixed Guideway System or to credits resulting from ZEV Fueling Infrastructure pathways."

BART strongly supports a sector-specific approach to spending requirements to maintain sufficient flexibility in the use of LCFS credit proceeds to allow for both continued investment in BART's fixed-guideway system, as well as day-to-day operational expenditures required to maintain safe, reliable, and affordable transit service for Californians and its visitors.

Currently, proceeds generated from LCFS credit sales are reinvested into BART's system per BART's Board-adopted LCFS policy. This includes direct support for sustainability-oriented capital projects and annual operating budgets. Given its role as an operator of a public transit system relying on over 99% GHG-free electricity to power its system, BART is closely aligned with the goals of the LCFS regulation and California's broader objectives to decarbonize its transportation sector and reduce vehicle miles traveled. We support continued eligibility of spending for these purposes and respectfully request further clarification of program requirements to ensure successful compliance by all participants as forthcoming amendments are considered.

Thank you for the opportunity to provide comments on potential changes to the LCFS program. We look forward to continuing our work together to support California's robust climate goals.

Sincerely,

Paul Bostrom Paul Bostrom Paul Bostrom Acting Group Manager, Sustainability