



December 21, 2022

Cheryl Laskowski, Branch Chief
Low Carbon Fuel Standard Program
California Air Resources Board
1001 I Street
Sacramento, CA 95814

World Energy
www.worldenergy.net
f @WorldEnergy
t @NewsWorldEnergy
in @World Energy LLC
@officialworldenergy
World Energy

**RE: Comments on the November 9, 2022, LCFS Public Workshop –
Concepts and Tools for Compliance Target Modeling**

Dear Ms. Laskowski:

World Energy appreciates the opportunity to provide feedback on the November 9, 2022, Low Carbon Fuel Standard (LCFS) Program: Public Workshop on the Concepts and Tools for Compliance Target Modeling. The LCFS remains an important policy to California and the renewable fuel sector with its key role in accelerating California's transition to cleaner transportation.

World Energy is one of the largest and longest-serving advanced clean energy suppliers in North America, providing low carbon solutions for difficult to abate sectors in transportation. It is one of the country's largest producers of renewable diesel. World Energy was the first commercial producer of sustainable aviation fuel (SAF) and remains the only commercial producer of SAF in the Western Hemisphere at our facility in Paramount, CA which is in the final stages of conversion from a petroleum refinery to a 100% renewable fuels bio-refinery. When completed, World Energy's Paramount facility is projected to increase production capacity to approximately 350 million gallons of low carbon fuels per year.

World Energy wishes to make the following comments in response to the material covered in the November 9th workshop:

On the topic of limits for crop-based fuels: As CARB knows, this is a complex topic that deserves deliberative thought and engagement to determine what limits, if any, are appropriate for the LCFS. For example, CARB has not provided any data that shows the LCFS is causing issues related to deforestation, land conversion, and adverse food supply impacts. Answering this is an important gating question about whether CARB should proceed. World Energy suggests a process akin to what CARB set up in the early days of the LCFS rulemaking (2009-10). This would be a committee of internal and external experts, apart from (and likely after) the 2023 rulemaking period, that studies this issue closely and devises a series of recommendations.

PARAMOUNT FACILITY
Alt Air Paramount, LLC
14700 Downey Avenue
Paramount, CA 90723
p: 562.531.2060 (main)
e: info@worldenergy.net

Giving this topic the time, attention and focus it deserves can help CARB make well-informed decisions on the rationale for any necessary limits on feedstocks, and the market implications of those decisions. We believe that an expert committee that is able to operate independent of the rulemaking schedule would allow CARB to be thoughtful about this important topic, and the precedent it sets for the market.

Separately, World Energy is working with a group of stakeholders to support a “high ambition analysis” done by an external consulting firm. It is our hope that the results of this analysis will embolden CARB to be aggressive in setting the 2030 target at or above 30 percent. Like other stakeholders mentioned during the workshop, we look forward to reviewing the California Transportation Supply (CATS) modeling details and providing comment in future submissions.

We also encourage a substantive step-up in stringency proposed for 2024 targets. A large increase in stringency will send an immediate market signal which can lead to greater reductions through the LCFS. With California’s ambitious goals and the high emissions of California’s transportation sector, accelerating increases in stringency will be crucial to ensure near-term and efficient reductions.

World Energy agrees with the sentiments of other stakeholders and the proposed “acceleration mechanism.” In the past, the LCFS has consistently exceeded CI reduction targets, which has resulted in a tremendous growth of LCFS credits. Through its implementation, the acceleration mechanism can serve as an innovative measure to ensure the LCFS is more responsive to dynamic market realities. The acceleration mechanism will also provide a streamlined procedure for the LCFS to capture all available carbon reduction opportunities while eliminating the need to constantly undergo rulemakings, which can often introduce uncertainty to stakeholders.

World Energy would like to express its gratitude for CARB’s work in updating the LCFS and incorporating stakeholder input. We look forward to continuing providing any support and feedback to CARB throughout this process.

Sincerely,

A handwritten signature in blue ink that reads 'Leor Alpern'.

Leor Alpern
Senior Director of Government Relations and Public Affairs