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California Environmental Protection Agency  
Air Resources Board  
1001 I Street  
Sacramento, CA 95814

**RE: Proposed Changes to the Low Carbon Fuel Standard Regulation**

Dear California Air Resources Board members and staff:

San Diego Gas & Electric ("SDG&E") appreciates this opportunity to provide comments to California Air Resources Board ("CARB") members and staff on the proposed draft regulation order regarding the Low Carbon Fuel Standard ("LCFS"). SDG&E also appreciates the extensive amount of work done by staff leading up to this point.

SDG&E is actively engaged and is currently undertaking activities in furthering the goals of SB 350, SB 32, and CARB efforts. Although many important steps have been taken towards meeting California's greenhouse gas ("GHG") reduction goals, SDG&E believes that a continued effort is needed.

SDG&E strongly supports efforts for the Low Carbon Fuel Standard ("LCFS"). SDG&E believes that LCFS has been successful in reducing the carbon intensity of California's transportation fuel and is an essential element to diversity of transportation fuels, and reducing the emissions from carbon-based fuels.

SDG&E strongly advocates to maintain the current LCFS regulation that allows an Electrical Distribution Utility ("EDU") to generate "base" LCFS credits for residential charging. Currently, SDG&E has a California Public Utilities Commission (CPUC) approved program that returns the revenues generated from the sale of LCFS credits to electric vehicle drivers residing in its service territory. SDG&E is committed to working with all stakeholders and regulators to create new pathways and reallocate the proceeds of LCFS credit sales to programs and investments that accelerate electric vehicle adoption, and meet California's transportation electrification goals. Moreover, the CPUC's governance over SDG&E's investments and programs creates an additional layer of checks and balances to ensure fair and equitable distribution of LCFS revenue to benefit all Californians.

Sincerely,

*Tim Carmichael*