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Rajinder Sahota  
Industrial Strategies Chief

Arpit Soni  
Manager, Alternative Fuels Section

Anil Prabhu  
Manager, Fuels Evaluation Section

Air Resources Board  
1001 I Street  
Sacramento, CA 95812

(Letter submitted electronically as Comment to the October 2020 LCFS Public Workshop)

Dear Rajinder, Arpit and Anil:

Thank you for providing a status update on the LCFS program and the opportunity to comment on the ARB's and other stakeholders' priorities and ideas for the next LCFS rulemaking at the October 14-15 workshop. The continued transparent development of LCFS guidance and regulations, taking input from a wide range of stakeholders, will help give investors confidence to commit capital and resources to implement emissions reduction technologies which provide cleaner sources of energy for California's transportation sector.

ARB put forward a number of relatively minor updates to the LCFS regulations and asked for feedback on whether to include changes in an update to the regulation in the 2021-2022 timeframe or to delay amending the regulation until 2023-24 so as to also incorporate 2021 Scoping Plan updates. We provide comment on some of the updates ARB presented at the workshop and support the idea of incorporating revisions to the regulation in the near-term rather than wait until 2023-2024.

Given the success of the LCFS program to date of incentivizing the development of projects producing low-carbon transportation fuel for California, a shorter-term update to the regulation would help to support the continued success of the program by providing project developers, technology providers and fleet operators with regulatory clarity around guidance already provided by ARB and greater reporting and crediting flexibility. We respond to some of ARB's more specific proposals below.

We support the continued update of Tier 1 Simplified CI Calculators along with updates to the guidance accompanying the Tier 1 Calculators as well as the development of a hydrogen calculator and biomethane to electricity calculator. Updates to calculators and guidance should also correct some minor formulaic errors to minimize staff time in requesting modifications from project operators.



We support the proposal to introduce a credit true-up for projects which have issued credits using conservative, temporary CI values. This would help to reduce project development risks associated with trying to forecast the timing of provisional pathway approval while maintaining the integrity of the LCFS program by ensuring that the true-up is ex-post and based on actual data generated. We would encourage ARB to permit projects which have used temporary pathways since they were introduced in the 2018 regulatory amendments to also be allowed to request a true-up of any credits issued versus their certified pathways. This would also help reduce confusion on the timing for the introduction of a true-up process.

We encourage ARB to provide further details regarding the usage of operational data, additional documentation for temporary pathways and procedural changes. While we agree further clarity would be helpful, many projects are operating based on their current understanding of the regulation and we would urge ARB to avoid retroactive changes that may impose additional requirements after the fact.

We support ARB reviewing the LDMS with the aim of streamlining and simplifying account registration and management.

ARB is proposing to require participants to request registration of FSEs by the end of the calendar quarter in which fuel was dispensed through the FSE. While recognizing that ARB staff need time to process FSE registrations, fuel dispensers also need time to reconcile fuel produced and dispensed at the end of each quarter. Requiring registration of FSEs which may only have come on-line towards the end of a quarter may not provide enough time for fuel dispensers to determine their fuel allocations. We would propose that FSE information should be submitted within 1 month of the end of the quarter in order that the FSE be eligible to dispense fuel for the prior quarter's approval period. This would still permit two months for ARB to review and approve FSE documentation prior to the end of the following quarter reporting deadline.

As always, we welcome the opportunity to have further dialogue with ARB staff on changes to the LCFS program so that it can continue to drive emissions reductions in California's transportation sector and provide a model for the country as a whole

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Charles Purshouse".

Charles Purshouse  
Vice President, Camco International Group, Inc.