



September 15, 2022

California Air Resources Board
P.O. Box 2815
Sacramento, California 95812

RE: Potential Changes to the Low Carbon Fuel Standard

ARB Staff,

Thank you for the opportunity to comment on the proposed changes to the LCFS. NSP is a trade association representing 50,000 U.S. sorghum farmers on federal and state legislative and regulatory matters. NSP also speaks for the sorghum industry overall, advocating on behalf of the supply chain participants that rely on sorghum for the future of their businesses.

NSP has long championed regional emissions factors (EFs). The latest Intergovernmental Panel on Climate Change (IPCC) guidelines included disaggregated EFs for dry climates, which the panel defined as climates in which evapotranspiration exceeds precipitation. This condition is met in every major area of the Sorghum Belt, including in every sorghum ethanol demand shed. Accordingly, we urge ARB to continue its already strong consideration of regional EFs.

NSP has also worked extensively to collect data that will enable Tier 2 pathways for farm-specific CI scores. Sorghum farmers predominately use no-till farming practices and do not irrigate, making them leaders in climate-smart farming. For this reason, ecosystem services market leaders like ARB must continue finding ways to reward these farmers and incentivize others to make improvements, as well.

NSP was recently awarded \$65 million under the USDA Partnerships for Climate-Smart Commodities program. An overview of our program is attached to these comments. In short, we were given authority to launch a five-year, 150,000-acre beta test of a future in which ARB allows and even encourages Tier 2 pathways for farm-specific CI scores. Note that ours was the only ethanol-specific program among 70 funded, and we believe the framework we develop under the program will be the gold standard for ARB when considering farm-specific CI scores.

Thank you for your leadership on climate issues, and please do not hesitate to reach out if you have any questions, comments or concerns.

Regards,

A handwritten signature in black ink that reads "Tim Lust".

Tim Lust
CEO



National Sorghum Producers

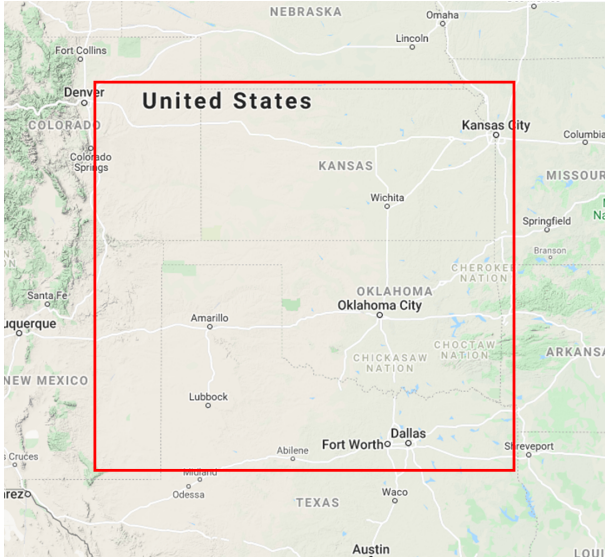
Climate Smart Agriculture And Forestry Partnership Initiative

COMMITTEE BRIEFING



Overview

Sorghum is a climate-smart commodity lacking only a framework for compensating sorghum farmers accordingly, and this project will build such a framework based on the existing California fuel market, the longest-running and most stable ecosystem services market in the U.S., and longer-term opportunities in the food space. In addition to being the best established, the California market also provides more compensation than other ecosystem services markets because it values all emissions reductions rather than just carbon emissions. For bushels already flowing into the California market, significant value from this market could accrue directly to sorghum farmers to incentivize climate-smart practices if a framework existed for ethanol plants to track these practices as attributes of their fuel and monetize them when selling into the very large California market. This fact makes the California fuel market a nearer-term opportunity to bridge the gap to longer-term and potentially equally valuable climate-smart markets tied to food. California has the most rigorous standards for measurement and verification, so basing our framework on its requirements will ensure a framework that can be used in these other potentially even higher value markets and for other crops, as well.



Target Geography

We will be recruiting farmers and landowners to take part in a pilot that will span a target geography that includes portions of five states. These five states cover 67 percent of the sorghum industry or approximately 4.4 million acres per year and will be a significant undertaking and one of the most important components of the program. The area includes approximately 20,000 farmers who are vitally important to U.S. agriculture.

Payment Mechanism

Farmers will have the option to choose up to three practices from a menu. These practices will be valued based on their estimated value in California and to our food company partners. A partial list is included below. The full list we are considering includes resource-conserving crop rotations; cover crops; manure management; row crop head usage; buffers, wetland and grassland management (edge of field practices); food plots; pollinator habitat; planting for a high carbon sequestration rate; soil amendments and biologicals.

Practice	CI Savings (g/bu)	Payment (\$/ac)
No Till	2,152	\$40.32
Precision N	2,350	\$44.03
No Till + Precision N	2,904	\$54.41
Reduced Irrigation	2,341	\$58.03
Reduced Irrigation + No Till	2,895	\$71.77
Reduced Irrigation + Precision N	3,093	\$76.67
Reduced Irrigation + No Till + Precision N	3,647	\$90.41