Bridge to Renewables, Inc.
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VIA ELECTRONIC FILING

Ms. Cheryl Laskowski, Branch Chief
Transportation Fuels Division
California Air Resources Board
1001 I Street
Sacramento, CA 95814

RE: Public Workshop: Potential Future Changes to the LCFS Program (December 7, 2021)

Dear Ms. Laskowski:

On behalf of Bridge to Renewables, Inc. (dba "BTR Energy") we are pleased to provide comments regarding the Potential Future Changes to the LCFS program.

In its workshop presentation on December 7, 2021, the California Air Resources Board (CARB) discussed several potential changes to the LCFS regulation and the 2022 Scoping Plan update, including strengthening the pre-2030 carbon intensity (CI) compliance targets. We appreciate CARB's ongoing commitment to improving the LCFS program, which has already had significant success in reducing emissions from transportation.

BTR Energy strongly encourages CARB to adjust the pre-2030 annual CI reduction targets prior to 2024 to address the recent material decline in LCFS credit value. Without immediate action, a sustained decrease in value is likely to result in stranded low carbon fuels projects and fewer investments in new projects over the next three years. This will ultimately slow California's progress towards carbon neutrality.

We also recommend CARB extend the LCFS program beyond 2030 and through 2045, consistent with California's carbon neutrality goals. Additionally, BTR Energy encourages CARB to consider the following when contemplating other potential future changes to the LCFS program:

- **Third-party verification for electricity transactions**. CARB should avoid introducing onerous third-party verification requirements for electricity transactions, particularly requirements that may introduce new consumer privacy concerns. Instead, CARB should allow annual third-party verification based on a sampling methodology. In any event, we recommend CARB consider how the requirements for third-party verification will interact with the requirements imposed on many credit generators by the 2018 California Consumer Privacy Act and the 2020 California Privacy Rights Act, particularly for residential electric vehicle (EV) charging.

- **Geofencing Radius (GFR) for residential EV charging.** CARB should reduce the current "conservative" GFR of 220 meters, as described in LCFS Guidance 19-03, Appendix A, Rationale for Minimum and Maximum Geofencing Radius (Method 2, Option 1), to a smaller and more precise GFR (such as 20 meters). We are concerned that as charging station network operators and utility companies install more charging stations, an increasing amount of residential EV charging will be erroneously categorized as non-residential and therefore ineligible to generate credits. This will be particularly acute in densely populated urban areas of a mixed-use commercial/residential nature.

- **Incremental credit generation for non-metered residential EV Charging.** CARB should establish a hierarchy of credit generators for incremental credits to be generated for non-metered residential EV charging, similar to the incremental credits generated for metered residential EV charging. However, CARB could ensure that providing metered data whenever possible is more valuable to the credit generator. CARB could, for example, apply a discount factor to all estimated residential EV charging, pursuant to the flexibility provided to it in 945486.1(c)(1)(A)1: "Electricity EV Daily Average is the quantity in kWh of electricity used daily for residential charging of EVs, based upon the best data available to the executive Officer, during the reporting period."

- **Data storage for residential electric vehicle charging.** CARB should modify the data storage requirements described in 95491(d)(3)(B)2 to allow for the storage of source data that is not associated with the Fuel Supplying Equipment (FSE) identification number (ID). Given FSE IDs are associated with Vehicle Identification Numbers (VINs), storing source data associated with FSE IDs for 10 years introduces a potential consumer privacy concern. However, storing source data associated with FSE ID is unnecessary to ensure compliance with reporting requirements. As long as the credit generator has access to all other elements of the source data – even if that data is not associated with any vehicle identifier (FSE ID or VIN) – the credit generator could still verify that, in aggregate, the data was geofiltered and otherwise processed appropriately, and that the aggregate amount of charging reported for credit generation across all vehicles was correct.

- **Temporary pathway for biogas-based electricity and a credit true-up mechanism.** CARB should create a temporary Tier 2 pathway for biogas-based electricity and introduce a "credit true-up" mechanism for such temporary pathways. Combined, a temporary pathway for biogas-based electricity and a "credit true-up" mechanism would alleviate the burden imposed by significant upfront application costs and often lengthy pathway application processes, particularly for smaller generators.

- **Electricity generation from excess biogas at a Renewable Natural Gas (RNG) facility.** CARB should clarify that a single biogas facility is eligible to generate LCFS credits from two separate pathways – an RNG pathway and a biogas-based electricity pathway – provided the biogas is separately allocated and it is verified that no double counting occurs.

- **Fast Charging Infrastructure (FCI) credits.** CARB should expand and extend the FCI credits program. The California Energy Commission's recently released AB 2127 report suggests California will need 37,500 fast chargers by 2030, and the State currently has a projected gap of nearly 28,000. The FCI program could be instrumental in helping charging station networks and utilities install the needed fast chargers, but the current sunset in 2025 may hinder the 2030 target.

We thank you for the opportunity to provide comment, and we greatly appreciate our continued engagement with CARB on matters regarding the LCFS program.

Respectfully,

Ashley P. Beaty
Vice President, Partnerships & Public Policy
BTR Energy