



August 8, 2022

The Honorable Liane Randolph
Chair, California Air Resources Board
1001 I Street
Sacramento, CA 95814

RE: Comments on Potential Modifications to the Low Carbon Fuel Standard Presented at the July 7, 2022 Workshop

Dear Chair Randolph,

The California Natural Gas Vehicle Coalition (CNGVC) writes to provide the following comments in response to the California Air Resource Board's (CARB) July 7, 2022 workshop on the Low Carbon Fuel Standard (LCFS). The CNGVC is a diverse coalition of engine and vehicle manufacturers, fleet operators, utilities, and renewable fuel providers whose sole focus is emission reductions from criteria, toxic and greenhouse gas pollutants originating in the heavy-duty transportation sector. We are dedicated to the advancement of low NOx trucks powered by carbon-negative renewable natural gas (RNG) as a proven solution to immediately help the State realize its decarbonization goals.

We agree with Governor Newsom's latest statements¹ that California is indeed "in the midst of a climate crisis" and that more immediate and impactful action is needed to "meet the urgency of the moment" and "achieve both our 2030 climate goals and statewide carbon neutrality no later than 2045." Therefore, we support revisions to the LCFS that will further decarbonize the state's transportation fuels and "provide an increasing range of low-carbon and renewable alternatives, which reduce petroleum dependency and achieve air quality benefits²."

Fuel Neutrality Should be Maintained

Founded as a fuel-neutral program, the LCFS reflected a commitment to an "all-hands-on-deck" approach for reducing emissions with California's farmers, automakers, fuel producers, goods movers, and environmental advocates working together to combat climate change and clean our air. The program still represents a critical component to CARB's transportation decarbonization strategy through the production of renewable, low-carbon fuel alternatives like RNG.

¹ Governor Gavin Newsom letter to Chair Liane Randolph, California Air Resources Board, dated July 22, 2022.

² <https://ww2.arb.ca.gov/our-work/programs/low-carbon-fuel-standard>

As you consider future adjustments to the program, we encourage you to maintain its current standards-based approach that is accepting of all fuel types. Further, we question whether limiting or reducing incentives for “mature low-carbon” technologies will further fuel neutrality. The LCFS can both support the deployment of zero-emission trucks without compromising neutrality or abandoning incentives for lower carbon fuels that will decarbonize transportation.

Incentivizing the Lowest-Carbon Fuels Available Must Continue

We agree with CARB staff’s comments during the July 7th workshop presentation that the LCFS is working as a successful program to incentivize and increase the use and production of the lowest carbon transportation fuels available. As such, the Program stands as a model for success amongst many jurisdictions looking to implement similar pathways and remains a primary driver for the effective capture and reuse of methane – the world’s second most abundant greenhouse gas (GHG) and potent Short Lived Climate Pollutant (SLCP) – which is 80 times more powerful than carbon dioxide in trapping heat in the atmosphere.

California can and should promote the production and use of **ALL** lower carbon renewable fuels while zero-emission (ZEV) deployment ramps up. Moreover, we should allow low-carbon renewable fuels to serve as a compliant alternative while ZEVs lack commercial availability, supporting infrastructure and operational compatibility. Low to negative carbon fuel sources, and the vehicles that use them, are critical to achieving our carbon neutrality goals within the proposed time frame.

The Best Use of RNG Remains in the Transportation Sector

While the use of RNG in any industry application will yield significant and beneficial emission reductions, the most effective, immediate use for RNG is in the transportation sector to aid California in achieving its carbon neutrality goals, most likely ahead of schedule.

Most medium- and heavy-duty trucks on California’s highways are powered by diesel fuel, a major source of black carbon – also a destructive SLCP – making California’s transportation sector the largest source of GHG emissions. Therefore, the fastest and most effective way to meaningfully reduce SCLPs and decarbonize transportation is to eliminate diesel truck emissions. Nothing can reduce black carbon more effectively than renewable fuels when used to displace traditional diesel trucks, and the most readily available option today is RNG, which is certified by CARB as 90% cleaner than today’s certified diesel and can reduce diesel particulate matter 100% when powering today’s medium- and heavy-duty trucks.

Further, renewable natural gas used as a transportation fuel is the only negative carbon intensity fuel under the LCFS. According to CARB’s data, natural gas under the LCFS was on average - 33.36 gCO₂e/MJ for all of 2021³! RNG is the only transportation fuel that has achieved this distinction to date. Therefore, when used to power low NO_x trucks, these vehicles are the only transportation technology available TODAY that delivers less than zero GHG emissions.

³ <https://cngvp.org/wp-content/uploads/2022/06/CARB-Data-Fact-Sheet-July.pdf>

Producing RNG from organic waste sources provides an opportunity to double our emissions reduction impact by capturing the methane that would have otherwise been emitted into the atmosphere and then using it as a tool to eliminate future emissions.

Both Near-Term and Long-Term Pathways Must be Prioritized to Achieve CA's Decarbonization Goals

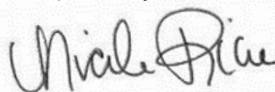
The CNGVC believes our state's top priority for combating climate change should be the rapid reduction of SCLP in the near-term for all the reasons stated previously. We support staff's efforts to continue the inclusion of RNG as a credit-generating fuel to increase the diversity and volume of low-carbon fuels under the program. We discourage actions to limit or reduce continued support, especially at this time of persistent climate impacts. To do otherwise will result in continued exposure to toxic air by California's most vulnerable population; relentless wildfires and other environmental calamities; and repeated failure to meet our federal attainment requirements.

The Scoping Plan supports dairy, swine, and landfill RNG production. Therefore, we encourage CARB to continue its focus on reducing methane emissions in dairy and swine operations by maintaining incentives and other tools to allow for the proper mitigation of manure emissions, like the use of state-of-the-art anaerobic digesters and other manure management projects. Further, we urge staff to reconsider attempts to impose artificial limitations on deep negative carbon intensity values that are driving the market and motivating fleet operators to choose lower carbon alternative fuels and technologies. Without these negative values, market projects are less likely to proceed, dairy involvement the LCFS will most likely cease, and California will surely find it exceptionally difficult to reach its transportation decarbonization goals. Furthermore, aligning both the LCFS and the Scoping Plan with the proposed Advance Clean Fleets regulation provides an effective end-use for RNG.

Conclusion

RNG is the only carbon-negative fuel available in the transportation sector and greater use can help the state achieve its carbon neutrality goals today. We welcome and look forward to this continued conversation. Feel free to contact me at nicolerice@cngvc.org if you have any questions regarding our comments.

Respectfully,



Nicole Rice
President, California Natural Gas Vehicle Coalition

cc: CARB Board Members