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VIA ELECTRONIC MAIL

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July 7, 2022 Workshop; Potential Changes to the Low Carbon Fuel Standard (LCFS)

To the California Air Resources Board (CARB):

California petroleum refineries externalize serious climate costs of their activities in part by seeking subsidies through the LCFS. The California Environmental Justice Alliance, Union of Concerned Scientists, Communities for a Better Environment, International Committee on Clean Transportation and others have raised many key aspects of this problem in recent comments. Here we briefly outline three of these key needs for LCFS reform.

Account for land use emissions from refining "deforestation" crude

CARB should consider revising the LCFS to account for land use impacts of using Amazon oil. Reversal of the crucial Amazon carbon sink is threatened by direct and indirect land use changes including those associated with oil exploration and extraction. California is the major importer of Amazon oil. The LCFS attempts to account for land use impacts of biofuels, and for other impacts on the carbon intensity of imported crude oil streams. It can and should be revised to account for land use impacts of Amazon crude.

Account for fuel chain emissions from refining imported crude for export

CARB should consider revising the LCFS to account for the full fuel chain mass emissions from refining imported crude oil for export. Instead of a net climate benefit, the net result of actions related to petroleum here appears as a major contributor to increasing global carbon emissions. Instead of replacing oil as California uses less of it, refiners here are increasing production for export to other states and nations. From 2013 to 2019 for example, they imported approximately 2.14 billion barrels of foreign crude and used nearly three-quarters of it to refine approximately 1.58 billion barrels of fuels that they exported to burn outside the state. These figures are based on state and federal data. The LCFS should track and report on the resultant emission-shifting.

Prohibit subsidies for infrastructure to refine imported crude for export

In this respect, we echo a recommendation made by the Union of Concerned Scientists in its June 2022 comments on the Scoping Plan: "It would not be appropriate to burden California fuel consumers with LCFS compliance costs associated with the buildout of CCS infrastructure that will not be required to decarbonize California transportation fuels and may end up stranded or serving export markets." CARB should consider revising the LCFS accordingly. At a minimum, the LCFS should be revised to prohibit credits associated with carbon-capture-sequestration projects or biofuel refining projects by entities that also refine imported petroleum for export.

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Thank you for accepting these comments on the scope of LCFS revisions needed for a fighting chance at success in stabilizing our climate. We look forward to your responses to them.

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