



*California Independent Petroleum Association*  
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California Independent Petroleum Association Comments  
2018 Annual Crude Average Carbon Intensity Calculation

Jim Duffy  
California Air Resources Board  
1001 I Street  
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December 9, 2019

*Via electronic submittal to:*

[https://www.arb.ca.gov/lispub/comm2/bcsubform.php?listname=lcfs-crude-oil-ws&comm\\_period=3](https://www.arb.ca.gov/lispub/comm2/bcsubform.php?listname=lcfs-crude-oil-ws&comm_period=3)

The California Independent Petroleum Association (CIPA) appreciates the opportunity to submit comments on the 2018 Annual Crude Average Carbon Intensity Calculations. This data has direct implications for the 2020 LCFS program, but it also highlights the need for additional opportunities to reduce emissions from California crude production.

The mission of CIPA is to promote greater understanding and awareness of the unique nature of California's abundant oil and natural gas resources, and the independent producers who contribute actively to California's economy, employment and environmental protection.

CIPA also represents the interests of Californians throughout the state who depend on affordable, reliable and sustainable energy. We need to power the needs of the world's fifth largest economy while supporting upward economic mobility for disadvantaged communities, many of whom suffer under California's high poverty rate, high electricity rates, high gas prices, and high cost of living.

Sustainability requires California to become consistently self-sufficient – for food, water, energy and other daily necessities. To truly align with California's sustainability values, state policymakers should reverse their strategy of increasingly relying on energy imports for over 90% of our natural gas, 70% of our oil and 30% of our electricity needs. Recent state policies have significantly increased Californians' dependence on imported energy, meaning that California is delegating its environmental leadership to other states, countries and regimes that do not share our environmental, labor, and human rights standards. CIPA believes that the state should encourage local production of all forms of energy under California's world-leading regulations. This is especially true as many CIPA members are actively working to lower their GHG footprint through innovative methods which help ensure the success of CARB's LCFS and Cap and Trade programs.

CIPA believes that the most robust and useful path forward is that of balanced and technology-neutral regulatory programs. The continued lowering of the carbon footprint of traditional liquid

fuels is a key component as California addresses its future energy mix in pending planning documents, such as the next AB 32 Scoping Plan.

CIPA members have engaged in a variety of efforts to lower their GHG emissions, some efforts are currently in place such as solar electricity and should be included in this calculation. Others are in the planning stages, including solar steam and carbon capture and sequestration projects. Additionally, CIPA members are looking at new innovations, alternative production methods, and lower-carbon pathways for even further reductions, including the deployment of biogas in lieu of natural gas for steam generation. CARB should actively embrace these emission reducing efforts not only to achieve climate goals but to also make the LCFS cost effective and mitigate the harmful effect high gasoline prices have on the state's low-income communities.

Should you have any questions or wish to discuss our comments further, please do not hesitate to contact CIPA.

Sincerely,

A handwritten signature in black ink, appearing to read "Rock Zierman". The signature is stylized with a large, sweeping "R" and a long horizontal stroke at the end.

Rock Zierman  
Chief Executive Officer  
California Independent Petroleum Association