



California Air Resources Board
1001 I Street
Sacramento, CA 95814

November 24, 2020

Dear Mr. Prabhu,

RE: Renewable Power in CA-GREET

Renewable power for fuel producers has always been a clear goal implied by the Low Carbon Fuel Standard (LCFS). California Air Resources Board has always tried to encourage the use of cleaner power sources to produce transportation fuel there-by creating a lower carbon intensity fuel to meet California's reduction targets. It has been difficult for fuel producers to comply with the use of renewable power/carbon neutral power for fuel production because of the "behind the meter rule" which requires power generation be set behind the utility meter at the fuel production facility. The following passage will layout a proposed amendment to the rule and reasons why the current rule has led to limited adoption of renewable power sources for fuel production.

Renewable power is most typically associated with solar and wind generation and to a lesser degree geothermal, tidal and hydro-electric generation; all of these projects are highly capital intensive and variable in power production. Each of these projects require favorable conditions to develop but also suffers from variability in production unlike traditional power generation. It is this variability in power generation as well as the less variable power requirements of an individual fuel production facility that creates engineering and economic challenges to adopting renewable power. In order for renewable power to be economical it generally has to be of a significant scale. In addition, many existing fuel production facilities do not have enough available space to deploy a renewable power project onsite or near the facility to physically tie in "behind the meter". It would be much easier and more economical to develop a single largescale renewable power generation project that supplies power to the grid. This power generation project would/should be metered into the grid and the subsequent fuel production facilities could meter out the power needed, as long as they are on the same Egrid as described in the CA-GREET model. Many fuel production facilities owned and operated by the same parent companies are located in the same Egrid as their sister facilities. The proposed method of allowing for a single large renewable power generation project that meters into the grid and is thus allocated to end user fuel facilities by contract would make these projects much more feasible and allow for easy traceability. This method also solved the variability in production issue allowing for the facility to have smooth power supply from the grid and traditional power generation can scale up or down as grid demand / supply ebbs and flows. Alternatively, if a large scale project is directly tied to a facility and produces more than the fuel production facility needs the net over production can be allocated to a sister facility on the same Egrid thereby accomplishing a meter to meter correlation as well.

We believe that the proposed method will allow for traceability and accountability for renewable power generation tied to fuel production facilities and help solve the economic scaling issues inherent in taking on these projects. This proposal is not unlike CARBs treatment of renewable natural gas which allows for a metered in and metered out volume. The LCFS will benefit from faster adoption of renewable power generation at fuel production facilities in the form of lower carbon intensity fuels being produced as well as the tangential benefit of lower the grids overall carbon intensity through the displacement of traditional power generation due the increase renewable power capacity added to each Egrid.

Regards,

A handwritten signature in black ink, appearing to read "Kim Do", is written over a horizontal line.

Kim Do
Director of FP&A
White Energy Holding Company, LLC