

June 19, 2015

California Air Resources Board  
1001 I Street  
Sacramento, CA 95812

RE: LCFS Re-adoption

Dear Mary Nichols & Staff:

My question concerns the proposed regulation in 95488(d)(2) regarding provisional pathways and the restriction to sell or transfer credits generated under provisional pathways. It appears that the provisional pathway would now include Tier I pathways with innovative fuel technologies. We are evaluating options that would potentially allow us to produce ethanol at our existing facilities with an innovative fuel technology. If a facility has been in full commercial production for over two years but recently deploys an innovative technology to lower the carbon intensity of the fuel, will this facility receive a provisional pathway and also be subject to the restrictions for two years? If so, my concern is the marketability of fuel into California without being able to transfer the associated CI as well as the timing gap to realize any return on investment that is necessary to support investment in innovative technologies.

Please feel free to contact me to clarify the provisions or to discuss further. We want to work with ARB to ensure we are helping ARB to continue to improve and strengthen the LCFS program to not only help the state meet its increasing GHG targets, but also to provide a lower carbon intensity product for our customers.

Thank you for the opportunity to comment and provide feedback.

Sincerely,



Carol Tjiong  
VP of Corporate Compliance & Administration