January 15, 2015

Anil Prabhu

Fuels Evaluation Section

California Air Resources Board

1001 I Street

Sacramento, CA 95814

**Re: Comments for T2N-1246, Tier 2 Method 2B Pathway: Rendered Used Cooking Oil (UCO) sourced in South Korea, Biodiesel produced in Jeongeup-si, South Korea using bottom distillates as thermal energy, and transported by ocean tanker to California .**

Dear Mr. Prabhu:

Thank you for the opportunity to comment on this Tier 2 pathway for. We continue to appreciate opportunities to participate in transparent and public regulatory processes sponsored by the California Air Resources Board (CARB). We have included below comments on several aspects of this pathway that we hope you will find of use as CARB proceeds through the regulatory process.

**Finished fuel transportation emissions:**

CARB has made many improvements in CA-GREET 3.0. A significant improvement among those updates is improved accuracy of emissions estimates for ocean vessels. The carbon intensity of ocean freight has a significant impact on the fuel lifecycle when transportation distances are as great as 6,500 miles between South Korea and Long Beach. We note that CA-GREET 2.0 results in a favorable carbon intensity for this pathway that could be 0.7 To 3 g/MJ lower than estimates from CA-0GREET 3.0.

We would urge CARB to ensure that the emissions of long-distance transportation are accurate for each shipment brought into California.

**Yield at the biodiesel plant:**

We also commend CARB for improvements in the new Tier 1 Simplified Calculator and note that it improves accounting for co-product quality (including moisture), biodiesel pitch combustion, and fluctuations in mass yield. However, it is not clear to us that the yield at the Eco Solutions biodiesel plant has been adjusted appropriately for the loss in mass yield associated with combusting the biodiesel pitch. The mass yield at the biodiesel facility has an impact on the emissions associated with feedstock rendering. For example, using the CA-GREET 2.0 if a biodiesel plant would have a mass yield of 0.9 lbs biodiesel per pound UCO the emissions associated with rendering would be 5.69 g CO2e/MJ. If the mass yield is reduced to 0.75 the emissions from the same rendering process would be 6.82 g CO2e/MJ. It is possible for a biodiesel plant with FFA removal and biodiesel pitch combustion to have a mass yield as low as 0.75.

It is important to accurately account for yield loss, so that producers compete fairly, and so that the Low Carbon Fuel Standard (LCFS) achieves the goal of optimizing resource potential which striving to reduce net emissions of greenhouse gases. We urge CARB to verify that the Eco Solutions process yields a carbon intensity (CI) less than or equal to the proposed CI of 21.54 g CO2e/MJ when using the new simplified Tier 1 model.

**New rules on mass balancing:**

We also commend CARB for their advancements in rules pertaining to mass balancing. We recognize that mass balancing provides flexibility to producers. However, if compliance audits are lacking, mass balancing also represents risk that progress toward LCFS goals could be diluted. Considering the improved efficacy of the new rules and considering the irreversible risk at stake concerning international pathways; we urge CARB to enforce the most recent regulations with regard to mass balancing and verification.

**Concluding Remarks**

Thank you for considering our views on these important matters. Our members have greatly enjoyed the opportunity to partner with CARB to help meet shared climate goals. We look forward to continuing this collaboration for many years to come and hope that you will feel free to contact us if any questions should arise.

Sincerely,



Don Scott, PE

Director of Sustainability

National Biodiesel Board