



September 3, 2021

Ms. Rajinder Sahota
California Air Resources Board
1001 I Street
Sacramento, California 95814

RE: Comments on CARB's *2022 Scoping Plan Update – Scenario Concepts Technical Workshop*

Dear Ms. Sahota:

On behalf of Valero Refining Company–California and Ultramar Inc., which own and operate petroleum refineries in California, and Valero Renewable Fuels, which supplies renewable fuel sold in California (“Valero”), I appreciate the opportunity to submit public comments on the California Air Resources Board’s (“CARB”) August 17, 2021 workshop, *2022 Scoping Plan Update – Scenario Concepts Technical Workshop*. Valero is aligned with and supports the comments submitted by the Western States Petroleum Association on September 3, 2021, but offers these additional comments to assist CARB and appreciates the Board’s consideration of them as it develops its Scoping Plan.

As both the largest global independent petroleum refiner in the world and the largest renewable fuels producer in North America, Valero is committed to advancing innovative, carbon-reducing technologies while fulfilling its responsibility to meet the world’s growing demand for reliable and affordable energy. Valero recognizes that CARB is at the very early stages of the Scoping Plan development and urges CARB to be inclusive of all GHG emission reduction technologies as it proceeds. There are real, quantifiable, and immediate GHG reduction opportunities achievable through the increased use of low-carbon fuels and carbon sequestration. To ensure that an effective and implementable policy results from this process, all GHG emission-reducing technologies must be on the table.

Valero also urges CARB to ensure a transparent modeling process is in place that considers the potential negative impacts of primarily relying on increased electrification to achieve reductions, as well as the potential economic and supply chain impacts of phasing out state fossil fuel production. Specifically, CARB should evaluate: (1) the benefits and risks of all measures to achieve GHG emissions reductions; (2) the immediate availability and effectiveness of low carbon fuel technologies; (3) how ZEV adoption targets could jeopardize grid reliability and harm innovation in carbon-reducing fuels; (4) the negative impacts of artificially phasing out fossil fuel companies; and (5) whether it has the legal authority to unilaterally prohibit entire industries.

Finally, and of critical importance, CARB should not prematurely ban in-state fossil fuel industries, as this would constitute a drastic, economically punitive, and unlawful measure that



would jeopardize the realistic GHG emission reductions the Scoping Plan should prioritize. Valero urges CARB to carefully evaluate whether it has the legal authority to unilaterally phase out the oil and gas production and refinery industries as proposed.

Valero appreciates CARB's consideration of our comments and looks forward to engaging with the Board throughout the Scoping Plan development process with the aim of contributing to a final plan that is inclusive of all carbon-reducing technologies, focused on achieving meaningful near-term emissions reductions, and mindful of state and federal laws.

If you have any questions or would like to discuss our comments in more detail, please reach out to me at 210-345-2227.

Respectfully,

A handwritten signature in blue ink that reads 'Robert C. Ehlers'.

Robert C. Ehlers
Manager, Regulatory Affairs