



October 29th, 2020

Comments on Potential Amendments to the Alternative Diesel Fuels Regulation

Dear Chairwoman Nichols and Members of the Board,

Thank you for providing us with the opportunity to comment on the proposed amendments to the Alternative Diesel Fuels Regulation (ADF).

Since 2012, Targray's biofuels division has been actively engaged in the sourcing, transportation, storage, and distribution of biodiesel fuel throughout the state of California. We have been a staunch supporter of CARB initiatives over the years. However, we cannot support the latest ADF amendments as presented.

We are deeply concerned by the potential negative impacts that these amendments will have on California's low-carbon fuel suppliers, and on the state's efforts to achieve its carbon emissions reduction objectives.

Keys Concerns with the Current Proposed Amendments

The proposed re-certification protocol is cost-prohibitive and will further hamper an industry already struggling with the demand destruction brought about by COVID-19

The proposed re-certification protocol presents technical and logistical challenges that will be extremely difficult to overcome for many industry participants. These are compounded by CARB's fast-approaching implementation date, which we deem to be completely unrealistic.

The uncertainty surrounding the implementation date of the sunset provision for on-road fuel makes it difficult for us to build a business case to go ahead with re-certification. At time of writing, CARB has yet to provide any guidance on when the sunset provision will be activated. We encourage CARB to examine DMV's latest fleet characterization data - and all other resources available - so it can make an informed decision and publicly announce a timeline for the provision. Doing so will provide much-needed clarity to the market in these times of great uncertainty.

We thank you for your consideration.

Sincerely,

Brett Maclean
Targray