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2021

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December 15, 2021

California Air Resources Board
1001 I Street
Sacramento, CA 95814

Re: Low Carbon Fuel Standard – Public Workshop: Potential Future Changes to the LCFS Program

Dear Air Resources Board Staff,

Thank you for the opportunity to provide comments on potential future changes to the LCFS Program. The San Francisco Bay Area Rapid Transit District (BART) is a strong supporter of the LCFS program. BART owns and operates an electrified fixed-guideway transit system and has participated as an opt-in entity within the LCFS since 2016.

We thank Air Resources Board (ARB) staff for conducting its recent Public Workshop on potential future changes to the LCFS program and soliciting feedback from stakeholders. As staff evaluate potential changes to the program, BART would respectfully reiterate its request for a minor amendment to the LCFS Guidance 20-03 Electricity Credit Proceeds Spending Requirements to clarify that the spending requirements in Guidance 20-03 apply to EV charging applications only and are not applicable to LCFS credit proceeds generated from electrified fixed-guideway system. Specifically, to avoid confusion and to clarify the scope of Guidance 20-03, BART respectfully requests that the first paragraph in the Background section of the Guidance 20-03 be revised as follows:

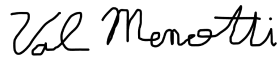
“The LCFS regulation requires entities generating credit for charging Electric Vehicles (EV) using electricity pathways (referred to as “EV charging electricity credit”) to use the resulting credit proceeds to benefit Electric Vehicle (EV) drivers and their customers, and generally invest in projects that promote transportation electrification in California. Paragraphs 2. through 7. in section 95491(d)(3)(A) of the LCFS regulation provide specific electricity credit proceeds spending requirements for Load-Serving Entities (LSEs) and non-LSEs. These spending requirements do not apply to transit agencies generating credits for electricity supplied as transportation fuel to a Fixed Guideway System or to credits resulting from ZEV Fueling Infrastructure pathways.”

While the most recent Public Workshop did not directly address this topic, LCFS credit proceeds remain a critical source of revenue to California’s fixed-guideway operators participating in the program. Now more than ever, nearly two years into a global pandemic, BART and other fixed-guideway operators are searching for dependable alternatives to farebox revenue to support continued investment in our fixed-guideway systems, as well as day-to-day operational expenditures required to maintain safe, reliable, and affordable transit service for Californians and its visitors.

Currently, BART's proceeds generated from LCFS credit sales are reinvested into the system consistent with BART's Board-adopted LCFS Policy. This includes direct support for sustainability-oriented capital projects and annual operating budgets. Given its role as an operator of public transit, and the vast majority of BART's passenger service is on electrified-rail using 100% greenhouse gas free electricity in 2020, BART's mission and function are closely aligned with the goals of the LCFS regulation and California's broader objectives to decarbonize its transportation sector and reduce vehicle miles traveled. We support continued eligibility of spending for these purposes and respectfully request further clarification of program requirements to ensure compliance by all participants as forthcoming amendments are considered.

Thank you for the opportunity to provide comments on potential changes to the LCFS program. We look forward to continuing our work together to support California's robust climate goals.

Sincerely,

A handwritten signature in black ink that reads "Val Menotti". The signature is written in a cursive, flowing style.

Val Joseph Menotti
Chief Planning & Development Officer