

California Fuels and Convenience Alliance 2520 Venture Oaks Way, Suite 100 Sacramento, CA 95833

October 29, 2020

Clerk of the Board California Air Resources Board P.O. Box 2815 1001 | Street Sacramento, CA 95814

Re: CFCA Comments on Proposed 15-Day Changes to Alternative Diesel Fuels Amendments

The California Fuels and Convenience Alliance (CFCA) is the state trade association representing 90% of all the independent petroleum marketers in the California and over half of the state's 12,000 service stations. Our members are small, family- and minority-owned businesses that provide services to nearly every family in California. Additionally, CFCA members fuel local governments, law enforcement, city and county fire departments, ambulances/emergency vehicles, school district bus fleets, construction firms, marinas, public and private transit companies, hospital emergency generators, trucking fleets, independent fuel retailers (small chains and mom-and-pop gas stations) and California agriculture, among many others.

Change in Renewable 75% and Biodiesel 20% Language – Support with Amendment

The California Fuels and Convenience Alliance appreciates the change to the R75/B20 language to R55/B20. This will ease some of the "shock" to the market this regulation will create. CFCA believes the R75, B20 language should be removed as it will cause confusion. The R55, B20 language is sufficient as it allows for blends at or above R55.

<u>2% NOx Reduction Requirement – Oppose</u>

The 2% NOx reduction requirement was not covered in the notice of proposed action and is a substantial change to the proposed regulation. Its inclusion in a 15-day change is inappropriate and should not be included.

Further, the ADF regulation is intended to be NOx-neutral. The 2% reduction mandate should not be included as it is at odds with the direction of the Board. This regulation is not the appropriate place for NOx rulemakings, particularly when it is a substantial change not addressed in the notice of proposed action.

Three Engine/Three Lab Screening and One Engine/One Lab Testing Procedure - Oppose

The Board has given clear direction that the ADF regulation should be simplified and these amendments directly contradict that direction. Adding confusion to this process will only harm the goals of this regulation and the goals of ARB. Adding high costs, longer procedures, and complexity does nothing to further the work of ARB and industry in the alternative diesel fuel market.

Rule Should Not Apply in Attainment Areas

This rule may make it more difficult to provide B20 blends in certain areas, mostly rural areas already in attainment. As these areas have achieved the goals laid out, those areas should be exempt from this amendment.

Additional Time for Transition – Support for Six Month Delay

As April 1, 2021 rapidly approaches, test procedures are not in place. Three months is far too little time for market participants to develop test and analysis procedures and apply for certification. CFCA asks additional time be given to avoid market disruptions for the most successful GHG reduction pathway in California. Nearly half of the reductions from the LCFS program are from biomass based products, ARB should be more hesitant to undo the hard work of program staff and industry. Biomass products continue to do the heavy lifting in the transportation fuel sector.

COVID-19 has caused uncertainty and budget issues for many companies. Requiring testing in triplicate will only further push those wary of biomass fuels further away and add to the cost of cleaner burning fuel.

Thank you for your consideration, the California Fuels and Convenience Alliance and its members are always available to provide real-world input on the use and sale of biomass based products.

Sincerely,

Sam Bayless Director of Policy California Fuels and Convenience Alliance