

August 30th, 2018

Mary Nichols, Chairman
Members of the Board
California Air Resources Board
1001 I St.
Sacramento, CA 95814

Re: Comments on LCFS Notice of Public Availability of Modified Text

Dear Chairman Nichols and Board Members,

On behalf of our more than 75,000 supporters in California, the Union of Concerned Scientists strongly supports the 2018 Low Carbon Fuel Standard (LCFS) amendments proposed in the Initial Statement of Reasons. We were pleased that the Board resolved in April to advance the process of finalizing these amendments. We have a few comments on the 15-day changes posted on August 13th.

We are very pleased with the progress CARB, the utilities and automakers have made to develop a point-of-purchase (POP) rebate program and appreciate that the minimum utility contributions after 2022 were raised somewhat from the values presented at the workshop. Many details of this program are yet to be decided, and we urge CARB and the utilities to expeditiously develop a governance structure that gets rebates to EV buyers as quickly as possible and establishes a high level of accountability and transparency to ensure that program funds are being used to fund as large a rebate as possible. The governance structure should ensure that all key stakeholders have a voice, not just utilities and automakers but also public interest organizations that have expertise in EV regulation and incentive programs to represent the interests of EV buyers and drivers, as well as the broader community impacted by transportation pollution.

With respect to the hydrogen refueling infrastructure (HRI) provisions, we were surprised and disappointed that the proposal includes no cap on the total HRI credits available for a single station. The cap discussed at the August 8th workshop seemed like a straight-forward means to ensure that LCFS HRI credits do not provide a windfall to HRI developers far in excess of what is required to make HRI economically viable. Since the total number of HRI credits in the program is capped, offering too much to any one station reduces the number of stations that can be supported under the cap.

Notwithstanding our concern, we support the Board finalizing the LCFS amendments as presented. But we urge the Board to instruct staff in the re-adoption resolution to return to the HRI provisions to evaluate whether the level of support is well targeted and specifically

whether an appropriately calibrated cap on the total value of HRI credits would enhance the efficacy of this provision.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Martin", with a stylized flourish at the end.

Jeremy Martin, Ph.D.
Senior Scientist and Fuels Lead
Clean Vehicles Program