

Marc Ventura Fuel Issues Advisor Fuels, Sustainability & Regulatory Affairs

Phillips 66 Company 1380 San Pablo Avenue Rodeo, California 94572 Phone: (1) 510-245-4405 Email: marc.v.ventura@p66.com

California LCFS – H2 Calculator Page 1 of 2

May 31, 2023

To California Air Resources Board Staff

Submitted Electronically via On-Line Public Comment Form

## California LCFS 2023 Rulemaking – Hydrogen Calculator

Dear CARB Staff,

Phillips 66 Company (Phillips 66) appreciates the opportunity to comment on the proposed CARB Hydrogen Carbon Intensity (CI) Calculator.

Phillips 66 produces and supplies petroleum fuels and renewable fuels. Phillips 66 is expanding the production of renewable fuels at its Rodeo facility near San Francisco. Phillips 66 also operates a petroleum refinery in Los Angles and several fuel terminals in the state, and markets products under the 76<sup>®</sup> brand. Phillips 66 is a member of the Western Petroleum States Association (WSPA).

Phillips 66 supports the development of a new hydrogen calculator.

Phillips 66 recommends that CARB include options in the Calculator for additional renewable hydrocarbon feedstocks, such as renewable propane and other renewable hydrocarbon and hydrocarbon mixtures (such as renewable ethane, renewable propane, renewable butane, renewable pentane and renewable naphtha). Such renewable feedstocks may be produced as co-products of a renewable diesel fuel or renewable jet fuel facility.

Furthermore, CARB needs to expand the definition of renewable hydrogen in the LCFS regulation. The current definition of renewable hydrogen in the LCFS limits the feedstocks to biomethane for the catalytic cracking pathway. See section 95481(a)(131) subitem (2) below.

"Renewable Hydrogen" means hydrogen derived from (1) electrolysis of water or aqueous solutions using renewable electricity; (2) catalytic cracking or steam methane reforming of biomethane; or (3) thermochemical conversion of biomass, including the organic portion of municipal solid waste (MSW). Renewable electricity, for the purpose of renewable hydrogen production by electrolysis, means electricity derived from sources that qualify as eligible renewable energy resources as defined in California Public Utilities Code sections 399.11-399.36.

Below is proposed updated language for section 95481(a)(131) subitem (2):

(2) catalytic cracking or steam methane reforming of biomethane, or any renewable feedstocks such as renewable ethane, renewable propane, renewable butane, renewable pentane, or renewable naphtha.



Marc Ventura Fuel Issues Advisor Fuels, Sustainability & Regulatory Affairs

Phillips 66 Company 1380 San Pablo Avenue Rodeo, California 94572 Phone: (1) 510-245-4405 Email: <u>marc.v.ventura@p66.com</u>

California LCFS – H2 Calculator Page 2 of 2

The expanded definition of renewable hydrogen would allow more opportunities to increase the supply of hydrogen fuel under the hydrogen infrastructure crediting provision of the LCFS regulation, section 95486.2(a).

Thank you for your consideration.

Sincerely,

Marc Pentura

Marc Ventura Fuel Issues Advisor Fuels, Sustainability & Regulatory Affairs Phillips 66 Company