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September 12, 2024

Clerk of the Board
California Air Resources Board and AB 32 Environmental Justice Advisory Committee
P.O. Box 2815
Sacramento, CA 95812

Submitted electronically via: <https://ww2.arb.ca.gov/applications/public-comments>

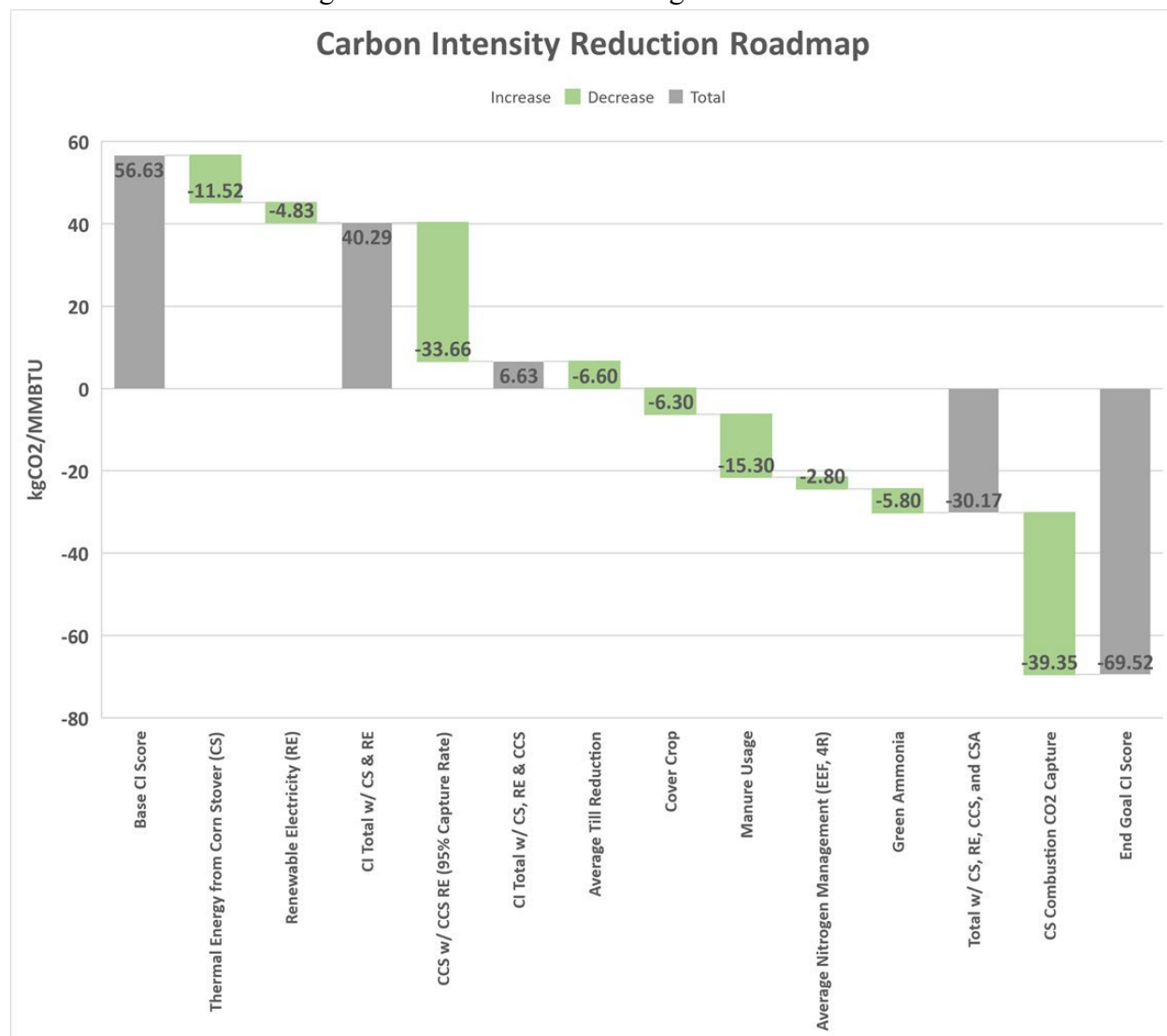
**RE: POET COMMENTS ON SEPTEMBER 12, 2024, JOINT MEETING OF THE
CALIFORNIA RESOURCES BOARD AND THE ASSEMBLY BILL 32
ENVIRONMENTAL JUSTICE ADVISORY COMMITTEE**

Dear CARB and EJAC Members:

POET appreciates the opportunity to provide comments on the California Air Resources Board's ("CARB") August 12, 2024, Proposed Low Carbon Fuel Standard ("LCFS") Amendments ("Revised Proposed Amendments"). POET has participated actively in CARB's ongoing rulemaking and submitted detailed [comments](#) on its own behalf and as part of a [coalition](#) on February 20, 2024, regarding the Amendments initially proposed in December 2023 ("Original Proposed Amendments"). POET also attended the LCFS rulemaking workshop held on April 10, 2024, and submitted written [comments](#) regarding the matters discussed and presented during the workshop. And more recently, on August 27, 2024, POET submitted written [comments](#) regarding the Revised Proposed Amendments.

As articulated in POET's August 27 comments, CARB's Revised Proposed Amendments ignores the technology-neutral principles that underlie the LCFS and imposes unreasonable burdens on the bioethanol industry through its sustainability requirements. POET is especially concerned that the Revised Proposed Amendments would eliminate paths to decarbonization and mandate large-scale changes in the bioethanol supply chain without recognizing the carbon reductions that accompany CARB's mandate. The practical effect of the Revised Proposed Amendments will be to discourage decarbonization of biofuels and increase the cost of ethanol blended into California's transportation fuel supply, both of which run counter to the goals of the LCFS. As such, POET once again urges CARB to refrain from adopting the sustainability requirements in the Revised Proposed Amendment, and to conduct further proceedings that will allow CARB to develop a better factual record and adopt a rule more narrowly tailored to address actual concerns regarding feedstock sourcing.

Of particular concern is CARB’s failure to recognize recent science, highlighted in our August 27, 2024 comments, showing the significant carbon-reduction opportunities associated with lower carbon sources of process energy at bioprocessing plants and climate-smart agriculture (“CSA”) procurement. Contrary to the Biden Administration’s approach to biofuel sustainability, which will leverage a United States Department of Agriculture (“USDA”) program to incentivize CSA, lower the carbon impact of biofuels, and create alcohol-based pathways for sustainable aviation fuel (“SAF”),¹ CARB plans to impose sustainability measures that require — but fail to credit — on-farm carbon reductions, and discourage the use of biomass-based waste to provide process heat at bioethanol plants. As shown in the chart below, showing R&D GREET 2023-modeled carbon reductions possible at POET’s Emmetsburg, Iowa plant, CARB’s proposed rule is leaving reductions of close to 50kgCO₂/MMBTU on the cutting room floor.



¹ See Department of the Treasury and IRS, *Sustainable Aviation Fuel Credit; Lifecycle Greenhouse Gas Emissions Reduction Percentage and Certification of Requirements Related to the Clean Air Act; Climate Smart Agriculture; Safe Harbors*, Notice 2024-37, at Section 4.01 (Apr. 30, 2024), <https://www.irs.gov/pub/irs-drop/n-24-37.pdf>

POET once again urges CARB to reconsider and abandon its proposed sustainability requirements in favor of a more science-driven approach that, at minimum, credits the carbon reductions that its proposed sustainability requirements require.

CONCLUSION

POET appreciates the opportunity to comment and looks forward to working with CARB to make the LCFS a continued success for California. If you have any questions, please contact me at Josh.Wilson@POET.com or (202)756-5612.

Sincerely,

A handwritten signature in black ink, appearing to read 'JPW', followed by a horizontal line.

Joshua P. Wilson
Senior Regulatory Counsel