



August 8, 2022

Edie Chang
California Air Resources Board
1001 I Street
Sacramento, CA 95814

RE: Potential Changes to the California Low Carbon Fuel Standard

Dear Ms. Chang:

The Alliance for Automotive Innovation (“Auto Innovators”)¹ appreciates the opportunity to provide comments on the California Air Resources Board (CARB) public workshop on potential changes to the low carbon fuel standard (LCFS),² and support further reductions in transportation fuel carbon intensity by 2030.

Auto Innovators and its predecessor organizations have long supported the LCFS in California as a policy that not only supports EVs but can also further reduce emissions from every vehicle on the road. As CARB staff indicated in the LCFS public workshop on July 7, the California LCFS has acted as an incentive to reduce and replace fossil fuels and accelerate investment in low-carbon fuel production (Figure 1). Auto Innovators continues to support this innovative policy, which not only reduces carbon intensity, but also provides sources of funding to encourage and support further reductions and technology transitions, such as rebates through the Clean Fuel Reward Program. We believe that the LCFS should be adopted by other states, particularly those that have adopted California regulations for vehicles and fuels.

¹ Formed in 2020, the Alliance for Automotive Innovation is the singular, authoritative, and respected voice of the automotive industry. Focused on creating a safe and transformative path for sustainable industry growth, the Alliance for Automotive Innovation represents the manufacturers producing nearly 98 percent of cars and light trucks sold in the U.S. The newly established organization, a combination of the Association of Global Automakers and the Alliance of Automobile Manufacturers, is directly involved in regulatory and policy matters impacting the light-duty vehicle market across the country.

² Public workshop held on July 7, 2022; https://ww2.arb.ca.gov/sites/default/files/2022-07/LCFSWorkshop_Presentation.pdf

LCFS Continues to Increase Diversity and Volume of Low-Carbon Fuels

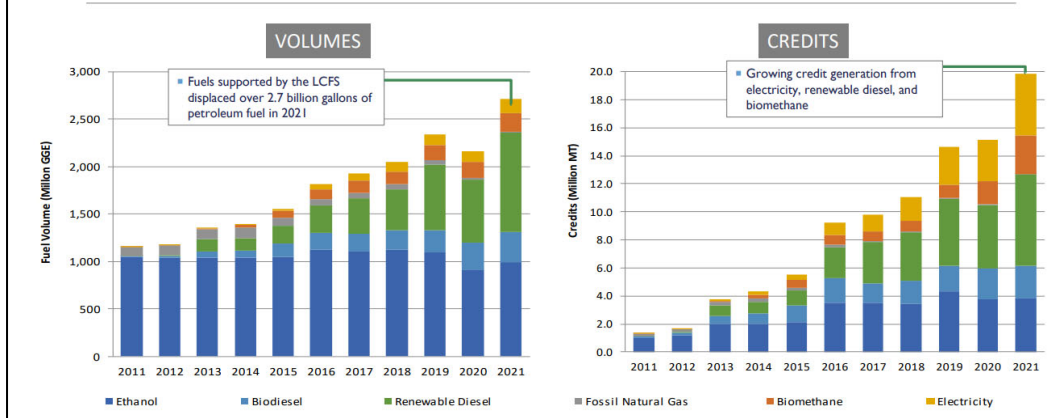


Figure 1 July 7, 2022 CARB Public Workshop on Potential Changes to LCFS³

As shown in Figure 2, with the increase in vehicle electrification and usage of other low-carbon fuels, California has largely met or exceeded its LCFS targets.

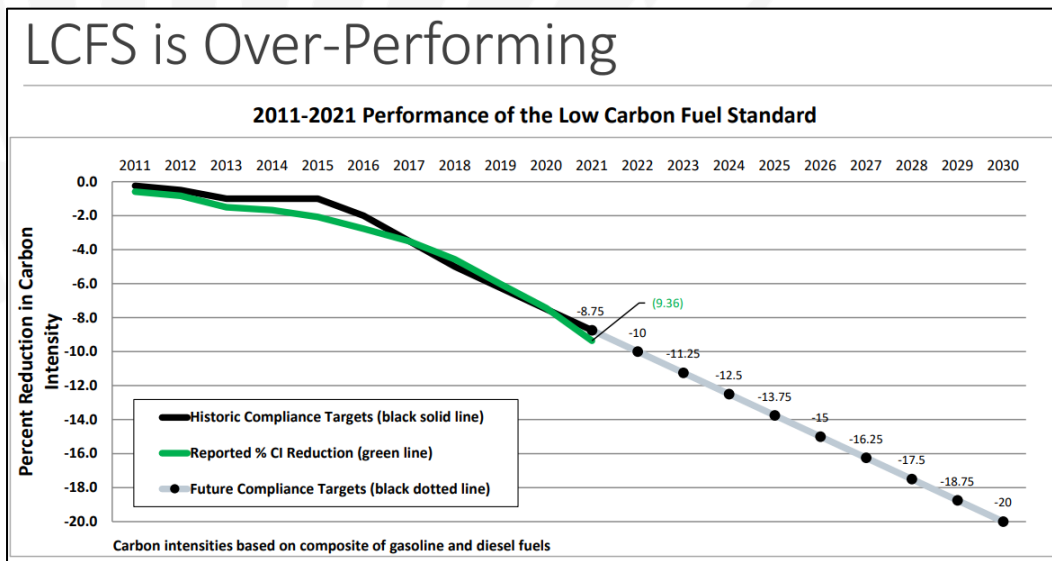


Figure 2 July 7, 2022 CARB Public Workshop on Potential Changes to LCFS⁴

³ Id.

⁴ Id.

Meeting the LCFS carbon reductions through last year is commendable. Yet, to meet Governor Newsom's goal to achieve carbon neutrality by no later than 2045,⁵ further reductions by 2030 are necessary. In the recent CARB workshop, staff presented two scenarios – 25% and 30% - to further carbon intensity reductions beyond those already required by 2030.⁶ Auto Innovators and our member companies support these types of carbon intensity reductions and welcome the opportunity to work with CARB to identify the appropriate percentage.

With an over \$515 billion investment in electrified transportation by the end of the decade and an increase of light-duty EV model availability from nearly 80 today to over 130 by 2025, the auto industry is committed to an electrified future, and as such, is in its most transformative period. Additionally, in the coming month, the CARB Board will vote on the most sweeping regulations in the history of the auto industry, with an accelerated ramp up to the requirement of 100 percent EV sales by 2035.⁷ As we have stated in previous comments regarding Advanced Clean Cars 2 (ACC II), Auto Innovators and its members are committed to this vision and share the ambition of California to converge upon a future mobility system of zero-emission vehicles. However, to be effective, these sweeping regulations must be aligned with other agency regulatory activities, such as the LCFS, and can best be successful through a coordinated set of policies that complement, encourage, and support the goal of sector-wide carbon neutrality.

Again, we appreciate the opportunity to provide comments to CARB on potential changes to the LCFS. We look forward to working with CARB staff on aligning program goals, LCFS, ACC II, etc., to achieve net carbon neutrality by 2045.

Respectfully submitted,



Dan Bowerson
Sr. Director, Energy & Environment

⁵ Governor Newsom Executive Order, N-79-20. September 23, 2020. <https://www.gov.ca.gov/wp-content/uploads/2020/09/9.23.20-EO-N-79-20-Climate.pdf>

⁶ Current 2030 LCFS carbon intensity reduction target is 20%.

⁷ As part of the ACC II item at the June 25, 2022 board meeting, numerous CARB board members discussed the need to further improvements under the LCFS as a necessary and supportive measure for ACC II.