



December 19, 2022

Ms. Cheryl Laskowski, Chief
Transportation Fuels Branch
California Air Resources Board
1001 I Street
Sacramento, CA 95812

Ms. Laskowski:

NextEra Energy Resources, LLC (NextEra Energy Resources) is California's largest renewable generation owner and operator and has been an electric generator in California since 1989. Our subsidiaries own and operate wind facilities, solar facilities, transmission assets, and battery energy storage systems in more than 20 counties across the state, representing approximately \$7.8 billion in capital investment in California. We are a leader in clean energy with our own Real Zero™ goal – an industry-leading goal to eliminate carbon emissions from our operations by no later than 2045, while leveraging low-cost renewables to drive energy affordability for customers.

NextEra Energy Resources appreciates the level of detail provided by CARB staff regarding the potential LCFS compliance scenarios at the November 9th public workshop and welcomes the opportunity to provide these comments for CARB consideration. NextEra has expanded its portfolio and now includes a significant number of investments in renewable hydrogen and renewable natural gas (RNG) due to the opportunities offered by the California LCFS among other programs. These clean fuels provide significant carbon benefits by capturing methane that would otherwise be released into the atmosphere and transforming it into transportation fuel and other reliable energy sources. In addition, the book-and-claim provisions allow for the much-needed flexibility when it comes to non-liquid fuel delivery and address the lack of infrastructure to efficiently deliver hydrogen and RNG. Thus, we urge CARB to pursue LCFS Compliance Scenario "C", which would continue providing credit for avoided methane and allow RNG to be delivered via book-and-claim both for hydrogen production and for transportation fuel use. Scenario "C" provides the most stringent reduction in the average carbon intensity by 2030 without changing credit generation mechanics that regulated entities rely on. This would, in turn, preserve confidence in the LCFS market and stabilize LCFS credit prices, while achieving the highest carbon reductions for the state.

Furthermore, to better help California achieve its 2030 short-lived climate pollutants emission reduction targets, we would like to propose a pathway expansion for the Tier 1 landfill gas (LFG)-to-biomethane fuel pathway and the inclusion of a Tier 1 LFG-to-electricity pathway. For the Tier 1 LFG-to-biomethane fuel pathway, we propose that it be expanded to account for the incremental avoided methane emissions associated with use of automated gas monitoring and collection technologies above and beyond the gas collection efficiency required by law. We also propose that CARB include LFG-to-electricity as Tier 1 fuel pathway given that electricity generation facilities equipped with automated monitoring and collection equipment are likely to increase in the coming years, and that these pathways are no more complex than LFG-to-biomethane pathways. Both of these changes can be easily made through straightforward updates to the Tier 1 Simplified CI Calculator for Biomethane from North American Landfills.

We appreciate your consideration of our comments. Should you have any questions regarding our position, please contact me at peter.colussy@nee.com, or 916-606-9727.

NextEra Energy Resources, LLC

Sincerely,

Peter Colussy
Executive Director, West Region Regulatory and Political Affairs
NextEra Energy Resources