



September 28, 2023

Liane Randolph, Chair
Members of the Board
California Air Resources Board
1001 I Street Sacramento, CA 95814

Re: NRDC Comments on September 28 Board Meeting

It is difficult to uplift the need for LCFS reform beyond the powerful testimonies that the Board heard today from individuals who travelled hours to share their personal stories of living and working near refineries, airports, and dairies. But, on behalf of Natural Resources Defense Council (NRDC), I want to share our perspective on the critical need to cap the use of lipid-based biofuels and end avoided methane crediting for livestock biomethane in the LCFS in order to achieve California's climate targets.

First, the LCFS is directly supporting the development of massive biofuel projects in California that will harm not only communities, but the climate. As only one example, take the Phillips 66 Refinery, which recently obtained a permit to produce renewable diesel and has specifically justified this conversion based on the LCFS Program. The refinery is located in a community of color in the Bay Area, and, if it processed only soybean oil, it would consume about 40% of the nation's total soybean supply. It is difficult to overstate the devastating impact that biofuels will have on our food system and climate if they continue to grow at this scale. CARB should immediately cap the use of lipid biofuels and reevaluate their carbon intensities to avoid these outcomes.

Second, CARB cannot wait until 2040 to end avoided methane crediting for biomethane, which is distorting the LCFS program. Today, fuels produced from biomethane receive carbon intensities as low as negative 400, while the lowest carbon intensity for electric vehicles and green electrolytic hydrogen is zero. It's not hard to see how this is at odds with CARB's own policies, including the Advanced Clean Fleets Rule, which support zero-tailpipe-emissions

technologies like electric vehicles. The outsized “avoided methane” credit for biomethane is also not meaningfully tacking emissions from the agricultural sector. CARB needs to end this “agricultural exceptionalism” and instead directly regulate emissions from the agricultural sector, including the significant enteric emissions that are not being addressed by any state program today.

We urge you to act on these issues and the other issues raised in our [previous comment letter](#) on the LCFS Program. Thank you for the opportunity to comment.

Sincerely,

Kiki Velez
Equitable Gas Distribution Transition Advocate
Natural Resources Defense Council