



March 15, 2022

California Air Resources Board
1001 I Street
Sacramento, CA 95814

Submitted electronically to https://www.arb.ca.gov/lispub/comm2/bcsubform.php?listname=lcfs-wkshp-feb23-ws&comm_period=1

Subject: PMSA Comments on February 2023 Workshop

Thank you for the opportunity to provide comments on the latest draft Low Carbon Fuel Standard (LCFS) program. As you know, the Pacific Merchant Shipping Association (PMSA) supports the current LCFS program and is actively facilitating credit generation activity by its member companies. We are proud that as a result of the broad and comprehensive participation of the maritime sector in the LCFS program. PMSA submits these comments in support of and to facilitate the successful continuation of high levels of participation in the LCFS program by the maritime sector.

Third-party Verification

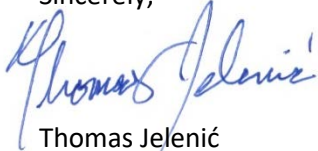
During the workshop, California Air Resources Board (CARB) staff discussed a proposal to expand third-party verification requirements to categories including eCHE, eOGV, and eTRU. PMSA is concerned that expansion of third-party verification requirements will increase costs of participating in the LCFS program without meaningfully improving the quality of the data gathered. In most instances, PMSA members utilize reliable meter readings for equipment on dedicated circuits provided by the utility. In the few instances, where utility meter data is not available, PMSA members collect power consumption data directly from on-board equipment systems. All data collected over the course of the program is available for CARB audit review upon request. Third-party verification of these data sources would not improve data quality or availability to CARB staff.

There are also concerns about timing and frequency of reviews. In many instances, utility data is made available with very limited time remaining prior to submittal to CARB. If an additional review is required for quarterly submittals, there may be insufficient time for a third party to complete their review to meet LCFS' reporting deadlines. For these reasons, PMSA recommends that CARB staff not propose to expand third-party verification to eCHE, eOGV, and eTRU.

If there are specific data reliability or audit issues that exist with the current program that CARB staff have identified and which require changes to the program in order to be remedied, PMSA would welcome a discussion of those issues. We would propose that PMSA facilitate a very specific conversation about any existing problems and how to adequately and effectively remedy those problems at a high-level of specificity with our participating member companies and our consulting team to resolve those issues.

We would like to thank LCFS staff for allowing us the opportunity to provide comments regarding the LCFS regulation and the discussed potential changes. Please feel free to reach out to us by email (tjelenic@pmsaship.com) or phone (562-432-4043) if you have any questions.

Sincerely,

A handwritten signature in blue ink, reading "Thomas Jelenić". The signature is stylized with a large, looped "T" and a cursive "Jelenić".

Thomas Jelenić
Vice President