

October 22, 2021

California Air Resources Board
1001 I Street
Sacramento, CA 95814
Submitted via email

RE: POET COMMENTS ON CARB PUBLIC WORKSHOP: 2022 SCOPING PLAN UPDATE - SCENARIO INPUTS TECHNICAL WORKSHOP ON SEPTEMBER 30, 2021

Introduction

POET appreciates the opportunity to provide comments in response to the California Air Resources Board (CARB) 2022 Scoping Plan Update on Scenario Inputs Technical Workshop held on September 30, 2021. The workshop included staff presentations on four proposed alternatives that reflect existing laws to reach carbon neutrality by 2035 and 2045 as well as feedback from stakeholders from previous workshops.

POET is deeply committed to reducing emissions from the transportation sector and developing cleaner, affordable alternatives to fossil fuels in California and across the United States. California's air quality and climate challenges require fast and deep reductions from light, medium, and heavy-duty vehicles. Low-carbon liquid fuels align with and complement the strategy toward greater electrification and are crucial to enabling California to achieve climate and air quality goals. There is an important and ongoing role for biofuels as the state works toward achieving carbon neutrality pursuant to Executive Order B-55-18. The 2022 Scoping Plan update will play a pivotal role in defining state actions in the coming decades to reduce emissions from California's transportation sector. It must include a full range of emission reducing strategies to be successful.

About POET and What We Do

POET is the world's largest biofuels producer currently operating 33 biorefineries capable of producing three billion gallons of starch and cellulosic ethanol. Renewable clean-burning biofuels like those produced by POET cut carbon emissions by an average of 46 percent compared to gasoline, which can have an enormous impact on cutting the amount of greenhouse gas (GHG) in the atmosphere.

In addition, POET's energy-efficient biorefining processes allow carbon dioxide to be captured for commercial use. CO₂ captured by POET is put to use in everything from carbonated beverages like soda pop and beer to fire suppression systems. Due to this innovation, POET is now one of the fastest-growing distributors of practical CO₂ products in the US.

POET is continuing to innovate to further improve on the GHG benefits of its products. For example, we partnered with the Farmers Business Network (FBN) on a new initiative called Gradable to track and score the carbon footprint of farmers' production methods. The technology tracks emissions generated from power plants, factories, farms, vehicles, or other processes. The Gradable program positions the biofuels industry and growers to supply low-carbon fuel markets with ever-cleaner renewable fuels as an important component of California's efforts to decarbonize transportation and other sectors.

Comments in Response to the September 20, 2021 Scoping Plan Workshop

At the workshop, staff presented four proposed scenarios for the transition from fossil fuels to alternative fuels in order to reach carbon neutrality by 2035 and 2045. This included scenarios for various segments of the transportation sector as well as the commercial and residential building sector. Our comments focus on the transportation sector, specifically light and medium-duty vehicles.

The Scoping Plan must lay out a comprehensive plan to rapidly and cost-effectively drive down emissions across California's transportation sector and advanced biofuels have a key role to play in this effort. Advanced biofuels are readily available right now to affordably and significantly support the transportation sector decarbonization efforts. Analysis from [Environmental Health & Engineering](#) shows that corn ethanol has a 46 percent average lower carbon intensity than gasoline. Also, innovations across the biofuel production lifecycle have resulted in increasingly cleaner liquid biofuels. These innovations will only continue to further drive down the carbon intensity of conventional and advanced biofuels. Applied across the California light and medium-duty fleets, the emission benefits of displacing fossil fuels with clean-burning ethanol are significant. For example, **shifting from E10 to E15 in California would annually cut 1.8 million metric tons of GHG emissions from the state's transportation sector – the equivalent of removing 411,000 cars off the road each year.** Renewable fuel blends, like E15, can also provide meaningful [cost savings](#) to California drivers.

Recognizing this, POET urges CARB to examine and incorporate low carbon, affordable liquid fuels as part of the scenario planning to reach carbon neutrality. As CARB evaluates new requirements for plug-in hybrid electric vehicles

(PHEV), the agency should consider requiring PHEVs in California to be Flex Fuel-enabled as soon as possible as a key initial step toward ensuring that California's entire passenger vehicle fleet is equipped to be powered by the cleanest, lowest carbon liquid fuels available. Technologies like renewable gasoline and advanced ethanol with carbon capture and sequestration – both of which POET is actively exploring – can deliver zero and negative emission solutions in the transportation sector.

CARB is currently evaluating the benefits of modifying California fuel specifications to allow for the sale of E15 blends in the state. This is an important step to achieve immediate climate benefits, which should be further expanded upon through action to ensure California's vehicle fleet is equipped to perform on higher-level blends like E30 and E85 that will deliver even greater emission reductions. Additionally, technologies like renewable gasoline and advanced ethanol with carbon capture and sequestration – both of which POET is actively exploring – can deliver zero and negative emission solutions in the transportation sector.

Conclusion

At POET, our mission is to cultivate a world in harmony with nature, where everyone has equal access to affordable, environmentally conscious fuel choices. We are constantly innovating to make biofuel production more efficient while developing more renewable bioproducts that will pave the way to a smarter, more sustainable future.

POET has a key role to play in California's efforts to achieve carbon neutrality. The 2022 Scoping Plan update will set the direction California takes over the next several decades to meet its climate and air quality goals. Rapid and deep decarbonization in the transportation sector is central to this effort. The plan must include all available approaches to be successful.

We thank CARB for this opportunity to comment and look forward to working with CARB staff to make the 2022 Scoping Plan update a success.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Walz", with a stylized, flowing script.

Michael Walz
Director, Public Affairs/State Government Relations