



March 19, 2018

California Air Resources Board
California

Re: Public Meeting to Consider Approval of the Funding Agricultural Replacement Measures for Emission Reductions Program Guidelines. Comments by Sylvatex.

Dear CARB members,

We support the California State's goals to displace petroleum, reduce pollutants, and improve air quality. It is stated that CARB intends to accelerate development and early commercial deployment in order to meet these goals. However, there is no mention of CARB allocated funds towards the development and demonstration of new liquid fuels that are currently being commercialized.

The state wants to ensure the availability of funding and opportunities that support the development and demonstration of early-stage, **liquid alternative diesel fuels (ADF)** such as **microemulsions** that can serve as drop-in replacement for diesel fuel **in existing engines and other fuels** that are still in early stages of regulatory approval and commercialization (such as **low emission diesel, dimethyl ether, and concentrations of biodiesel >20%**, etc.). To meet growing air quality mandates (AB 32) as part of CARB's Air Quality Improvement Program (AB 118, Chapter 750) support for these alternatives is needed to have transitional liquid fuels that produce lower tailpipe emissions while reducing the carbon content of the fuel.

1) In September 2017, CARB received ~\$135M (AB 134 & AB 109) to reduce emissions in the agricultural sector and is now in the process of developing their Funding Agricultural Replacement Measures for Emission Reductions (FARMER) program- essentially an extension of the Carl Moyer program that targets vehicle trade-ups and technologies around zero emission agricultural vehicles. There is no funding allocated towards demonstration scale or pilot scale projects for liquid alternative diesel fuels. We request that CARB allocate some budget to **support in-use demonstration projects of early-stage, liquid, alternative diesel fuels including microemulsions as well as pilot production opportunities** since in-use demonstration funding for early-stage commercial low emissions biofuels is **limited or** not available through existing CARB, CEC, or other state funding opportunities.



- 2) Based on feedback gathered from farmers and agricultural equipment users at a CARB FARMER program workshop, there is a **need for solutions to reduce emissions and not incentives to trade up the equipment**. Certain owners whose equipment is barely used (~20-30 hrs/year) throughout the year would rather have practical solutions to reduce their equipment carbon emissions than being forced to trade up their almost unused equipment.

We thank CARB for considering our requests and hope this would be reflected in the FARMER program by supporting emerging liquid alternative diesel fuel technologies like Sylvatex.

Sincerely,

A handwritten signature in black ink, appearing to read "Virginia", is written over a thin horizontal line. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Virginia Klausmeier
CEO & President
Sylvatex, Inc