February 5, 2024

California Air Resources Board

1001 Street

Sacramento, CA, 95814

**SUBJECT: California Air Resources Board (CARB): Low Carbon Fuel Standards: Elimination of Intrastate Fossil Jet Fuel Exemption – OPPOSE**

Dear Members of the California Air Resources Board,

The Valley Industry & Commerce Association (VICA) asserts its opposition to the proposed elimination of the Low Carbon Fuel Standard (LCFS) exemption for intrastate fossil jet fuel. We firmly believe that the current proposal, if implemented, would fall short of achieving its intended goal to increase Sustainable Aviation Fuel (SAF) production and mitigating greenhouse gas emissions, while inevitably leading to significant economic burdens on the aviation industry, travelers, and consumers.

VICA recognizes the aviation industry's commitment to voluntarily using cleaner alternatives in aviation fuel, as exemplified by the production of over 11.6 million gallons of Alternative Jet Fuel in 2022, working in alignment with California's environmental objectives to reduce greenhouse gas emissions. However, VICA contends that the proposed CARB regulation faces critical challenges to its feasibility that would, ultimately, undermine its core objective of enhancing SAF and Alternative Jet Fuel (AJF) utilization.

A core issue is the limits on AJF or SAF production. While SAF is being developed and provided, the technological landscape currently would not align with CARB’s stringent requirements, as there is currently a shortage of producers capable of meeting the demand for AJF and SAF. Technological limitations would also impede the industry's ability to scale up AJF and SAF production to meet proposed standards; therefore, imposing such regulations would be premature, undoubtedly harming the industry and leading to adverse consequences for the broader economy.

The anticipated escalation of costs for the aviation industry resulting from this CARB ruling would not only impact aviation providers, but also directly affect travelers in the form of substantial airfare and fee hikes. These economic burdens would impede the movement of travelers while increasing the cost for the shipment of goods and products, resulting in increased costs for individuals, families, and businesses.

Considering these substantial concerns, VICA strongly urges CARB to reconsider the proposed LCFS exemption elimination and instead focus on a collaborative approach with the aviation community that allows for necessary technological advancements and infrastructure development before stringent regulations are considered. This approach would ensure a seamless transition to cleaner aviation fuels without compromising our economic stability.

For these reasons, we staunchly oppose the proposed ruling.

Sincerely,

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Stuart Waldman

VICA President