June 9, 2022

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

RE: NCGA Comments on the Proposed Advanced Clean Cars II Regulation

Dear Chair Randolph:

The National Corn Growers Association (NCGA) appreciates the opportunity to comment on the proposed Advanced Clean Cars II Regulation (ACC II) on behalf of more than 40,000 dues-paying corn farmers nationwide and the more than 300,000 corn growers who contribute to corn promotion programs in their states.

As producers of the sustainable, primary feedstock for low carbon ethanol, corn farmers are committed to continuous improvement in corn production. Our production improvements have reduced the carbon intensity of biofuels, which is currently half that of gasoline, and our continued progress will help achieve biofuels with net-zero GHG emissions.

NCGA believes CARB can secure greater GHG and air pollutant emission cuts by replacing more gasoline with clean, low carbon fuel, both in legacy vehicles and in new vehicles. Within ACC II, we see additional opportunities CARB can take to further reduce greenhouse gas GHG) emissions from new vehicles by using higher ethanol blends in hybrid vehicles and internal combustion (IC) vehicles.

In multiple instances, CARB staff have stated that despite the projected increase in zero emission vehicles (ZEVs) sales by 2050, plug-in hybrid electric vehicles (PHEVs) will still play an important role in helping the state decarbonize transportation. Even with the proposed 20 percent cap on the number of PHEVs allowed to fulfill obligations, CARB still projects an increase in PHEV sales through 2035. Additionally, CARB states that the continued sales of PHEVs will ensure increased consumer choice and model diversity, especially among lower income buyers where PHEVs have been preferred over battery electric vehicles (BEVs) in CARB's Clean Cars 4 All program. In our experience, policies that prescribe technology-specific goals are less successful than technology-neutral, target-based policies. As a result, we disagree with the proposed cap on PHEVs, as we would prefer a target-based approach.

NCGA agrees with CARB's proposals to help decrease the emissions coming from PHEVs, including the creation of a US06 standard for hybrids to help reduce cold start emissions. However, CARB has the opportunity to go one step further on its proposals to decrease emissions by requiring that all PHEVs MY 2026 and later be a flex fuel vehicle (FFV).

Under the proposed ACC II regulation, PHEVs sold in 2026 and beyond will still use gasoline. By requiring that PHEVs be FFVs, CARB would add the option to use no gasoline.

The benefits of FFVs are considerable compared to conventional PHEVs or conventional IC vehicles. FFVs utilizing higher blends of low carbon ethanol, such as E85, can provide the immediate CO2 and NOx reductions that CARB is seeking to eliminate in traditional PHEVs that use gasoline (i.e., cold starting issues), without tangibly altering the price of the vehicle and reducing fuel costs. E85 avoids use of toxic hydrocarbon aromatics in gasoline that are precursors to secondary organic aerosols that result in harmful fine particulate matter emissions causing serious respiratory, cardiovascular, and other health harm, including premature death, according to the American Lung Association.

WWW.NCGA.COM
NATIONAL OFFICE
632 Cepi Drive
Chesterfield, MO 63005
(636) 733-9004
WASHINGTON, DC OFFICE
20 F Street NW, Suite 900
Washington, DC 20001
(202) 628-7001

Even prior to current high fuel prices, E85 typically costs less than gasoline, offering consumers cost savings in addition to the significant air pollution and GHG savings. E85's lower cost is even more evident today as California consumers currently save approximately 40 percent at the pump with E85, which is more than $2 per gallon, a significant economic benefit.

E85 is a proven low carbon, high octane fuel with a large network of fueling stations across California and the United States. According to the Alternative Fuels Data Center, there are 274 publicly available retail E85 fueling stations across the state. Prior to the COVID-19 pandemic, California had experienced E85 consumption growth at an average compounded rate of 30 percent annually over the prior five years, with this growth backed by the stability of California's Low Carbon Fuel Standard. In 2021, E85 consumption grew to a record 62 million gallons, a 55 percent or 22 million gallon increase from 2020, as California E85 demand continues to increase.

California consumers are already taking advantage of the benefits of E85, and California is well positioned for a requirement that all PHEVs be FFVs beginning with MY2026, as well as a requirement that any new IC vehicles be FFVs under ACC II. In fact, some FFVs in California are powered by a blend of 15 percent renewable naphtha with 85 percent ethanol. These vehicles are using no fossil fuels, have improved air emissions profiles over other PHEVs, and have a low carbon intensity score.

Building on progress that has reduced ethanol's CI more than 20 percent since 2005, bringing ethanol's CI to about half of gasoline's, additional low-carbon production improvements on farms and in ethanol production can result in ethanol with up to 70 percent fewer GHG emissions than gasoline in the near term, according to 2018 analysis from the U.S. Department of Agriculture. With carbon capture and sequestration technology and soil carbon sequestration on farms, ethanol can reach net zero carbon emissions.

Ethanol can bridge the gap between petroleum-based fuels and electric vehicles. With Governor Newsom's Executive Order N-79-20 that creates a goal of 100 percent ZEV sales by 2035 and former Governor Brown's Executive Order B-55-18 that creates a goal to become carbon neutral by 2045, now more than ever it is important to find GHG reductions that can make an immediate impact. Ethanol can achieve those immediate reductions.

CARB should not constrain its vision of a zero-emission future based on today's vehicle limitations but should instead focus on setting targets and allowing innovation and more low and zero carbon options, additive to electric vehicles, to maximize emissions reductions while improving equity. By requiring that PHEVs be FFVs and requiring that new IC vehicles be FFVs, the state will further reduce its use of petroleum products, create fuel diversity and lower-cost consumer choices, provide immediate emission reductions, and move towards its aggressive economy-wide decarbonization goals.

Thank you for the consideration of our comments.

Sincerely,

Chris Edgington

Chris Edgington, President
National Corn Growers Association