



**Rondo Energy, Inc.**  
4200 Park Blvd #282  
Oakland, CA 94602  
[rondo.energy](http://rondo.energy)

Clerk of the Board  
California Air Resources Board  
*Via electronic submittal*

Re: Low Carbon Fuel Standard Public Workshop to Discuss Potential Regulation Revisions

Rondo Energy, Inc. (Rondo) appreciates and supports CARB's efforts to administer and update the Low Carbon Fuel Standard (LCFS). We are pleased to provide these comments on the October 14 and 15, 2020 workshop presentations.

Rondo is a California company developing energy storage and delivery systems which replace natural gas with solar energy in industrial processes. Our technology is expected to enable an economical transition to lower-carbon production of liquid fuels, including biofuels and petroleum fuels. The Low Carbon Fuel Standard's provisions for refinery, biorefinery, and oilfield process energy have created a practical, workable framework under which investments can be made which repower fuel production facilities with 100% renewable energy.

We wish to express our concerns regarding some points of the discussion and the regulatory changes that were proposed during the workshop regarding the Innovative Crude provisions. Rondo appreciates ARB's understanding of the potential value of innovative crude production methods and the effort that has gone into creating workable, science-based provisions. While changes are coming in the vehicle fleet, California will continue to use liquid fuels in transportation for several decades to come. The replacement of fossil energy with renewable energy in producing those liquid fuels is an important opportunity to deliver incremental reductions in total emissions quickly. Today's LCFS regulatory and market conditions can drive major investments building renewable energy generation, energy storage, and carbon capture facilities to deliver large, durable emissions reductions. However, marketplace understanding of the stability and durability of the LCFS regulation and innovative crude provisions is essential. All wind and solar energy projects require many years of stable operation to attract investments. New energy storage and carbon capture technologies will decline in cost rapidly with deployment, but early projects require substantial capital outlays. The Innovative Crude provisions are poised to create projects that deliver large GHG reductions in the transportation sector and will, critically, bring down the costs of those technologies to position them for economical deployment economy-wide, and play a key role in California's carbon-neutral goals.

Prior rulemakings have included discussions of regulatory stability and have thus encouraged investments in emissions-reduction projects. Some of the discussion and materials presented in the workshop raised major questions regarding this regulatory stability. Of particular concern were matters affecting allocations of GHG reductions in carbon capture processes, and changes in Innovative Crude provisions which would complicate the process of application and reporting, without delivering material benefits in impact assessment. Also of major concern, the durability of the Innovative Crude provisions as a whole was raised in staff discussion.

Rondo respectfully suggests that ARB reconsider some of these matters and looks forward to working with ARB to build a lower-carbon infrastructure for California.

Sincerely,  
/s/

John O'Donnell  
Chief Executive Officer