



Rajinder Sahota
Division Chief, Industrial Strategies Division
California Air Resources Board
1001 I Street
Sacramento, CA 95814

November 5, 2020

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

Dear Ms. Sahota,

White Energy would like to thank the California Air Resources Board (CARB) for the opportunity to comment on the recent workshop on Potential Regulation Revisions to the Low Carbon Fuel Standard (LCFS). As a low carbon fuel provider to the California market, White Energy is keenly aware of the care to which CARB has shepherded the LCFS program and has developed it over the last decade to the premier program for reductions of Green House Gas Emissions (GHG) in the transportation fuel sector. The recent workshop sought stakeholder feedback on proposed changes as well as comment from stakeholders on suggestions to improve the LCFS program.

With regard to CARB staff's proposal on specifying meter accuracy requirements for fuel transaction data White Energy would like to request that any language regarding these specifications allow for defaulting to sales/transaction meter regulatory regimes of the fuel producer. We feel that this is appropriate as the accuracy of transaction meters is generally governed by specific agencies that already prescribe stringent tolerances on the measurement points for financial transactions. Any proposal by CARB's staff must take into consideration the requirements of these agencies as to not invalidate the transaction meter for its primary purpose.

White Energy would like to voice support for certain concepts presented by stakeholders involving tracking and certifying lower carbon agricultural practices. As a biofuel producer that sources feedstock from several states located across the Midwest, we welcome a way to incentivize low carbon and more sustainable farming practices that will result in a well-to-wheels GHG reduction. We realize that with the inclusion of the third-party validation and verification regulation in the 2018 rulemaking for the LCFS, that there is a need insure that any production facility utilizing a feedstock tracking system as proposed by POET under their Gradable system will need to be accredited by CARB. We ask that CARB look further into making modifications to the regulation that would allow for accreditation of such systems and would therefore not place additional burden on the fuel producers that will depend on the systems integrity. We feel that an accreditation of a system by the agency should be good enough to represent accuracy for validation and verification of feedstock GHG.

Marathon Petroleum and Virent presented a proposal for Novel Technology Investment Credit (NTIC) to be included into regulation as a way to incentivize investment into new technologies. White Energy is not opposed conceptually to CARB creating such a program as long as it is technology neutral. Additionally, the credits should be advanced to fuel producers that are producing a traditional fuel but adding new carbon reduction and mitigation technologies to existing facilities. This would allow for fast adoption of GHG reduction technologies across a wide array of fuel production. We also feel that credits advanced for this purpose should be identified as such as to not have them intermingled with LCFS credits from actual reductions since these credits are advances on potential future reductions from the proposed facility.

White Energy looks forward to partnering with CARB staff on continued improvements to the program and will continue to assist the state in meeting its GHG reduction targets through the production of our low carbon transportation fuel.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kim Do", is written over a horizontal line.

Kim Do
Director of FP & A
White Energy Holding Company, LLC