

February 20, 2024

Air Resources Board  
1001 I Street  
Sacramento, CA 95812

**Re: Notice of Public Hearing to Consider Proposed Low Carbon Fuel Standard Amendments**

We appreciate the opportunity to comment on the Proposed Amendments to the Low Carbon Fuel Standard Regulation.

Based in Sunnyvale, CA, Antora is a thermal energy storage company that converts low-cost, intermittent renewable electricity into reliable, on-demand, zero-emissions industrial heat and power. Specifically, we are working to decarbonize industrial process heating for facilities that produce fuels for sale in California.

Antora strongly supports the use of clean energy in renewable fuel production, as detailed in the accounting framework for *Renewable or Low-CI Process Energy* in Section 95488.8(h) of the existing and proposed regulations. Section 95488.8(h) is designed to ensure the integrity of renewable and low-CI process energy used in fuel production, including by ensuring that renewable energy certificates (RECs) and other environmental attributes are not double-counted, as detailed in Section 95488.8(h)(1)(A).

Such a safeguard against double-counting of RECs and similar attributes is important to the integrity of the LCFS's decarbonization impact, as it ensures that any unit of renewable energy that is used to produce low-CI fuel sold in the LCFS market is not also claimed in another marketplace or program. However, the proposed amendments include a wording change (highlighted below) that could inadvertently provide *less* clarity to developers and potentially disqualify renewable energy inputs that align with the intent of the regulations:

Any renewable energy certificates or other environmental attributes associated with the energy are not produced, **issued credits** or ~~are retired and not~~ claimed under any other voluntary or mandatory program with the exception of the federal RFS [95488.8(h)(1)(A)]

This language inserts additional ambiguity for project developers due to the nuances of REC issuance, making it unclear whether certain issuance structures qualify. Under the proposed language of the provision, it remains unclear whether “are not issued credits or claimed” is equivalent to (i) “are neither issued credits nor claimed” or (ii) “either are not issued credits or are not claimed.” That is, it is unclear whether both criteria must be met or either criteria alone is sufficient. In the former interpretation, a credit issued but not claimed (as described below)

would be ineligible, despite no double-counting occurring—slowing the deployment of renewable fuel production and invalidating currently-eligible projects.

Under the structures of certain renewable energy and renewable fuel projects, a credit may be *issued* but not *claimed, used, or sold* except by the load associated with the renewable generation and claimed for the sole purpose of reducing emissions under the LCFS program. The issuance and separate use of the credit is useful in scenarios where separate, affiliated entities may be generating and consuming the electricity and the issue and sale of the REC is useful for accounting purposes between affiliates. In this scenario, the credit is not used to account for emissions reductions under other programs and thus would not represent double-counting when claimed under the LCFS. This scenario is likely to arise for renewable energy assets that provide some energy to low-CI fuel producers and some energy to the grid.

It is therefore critical that Section 95488.8(h)(1)(A) accounts for electricity where a credit is issued but not claimed under any other program. Reverting the language or making an amendment such as the following (bold and underlined) would maintain the integrity of the regulation without inadvertently restricting renewable energy production used and claimed solely for low-CI fuel production:

Any renewable energy certificates or other environmental attributes associated with the energy **either** are not issued credits or **are not** claimed under any other voluntary or mandatory program with the exception of the federal RFS.

Thank you for the opportunity to comment. We look forward to working with CARB to further decarbonize the production of low-carbon fuels.

Sincerely,



Jordan Kearns  
VP of Project Development  
Antora Energy