



250 Hamilton Avenue, 3rd Floor
Palo Alto, CA 94301
650 329 2241

February 20, 2024

Honorable Chair Liane Randolph and Honorable Board Members California Air Resources Board 1001 I Street
P.O. Box 2815
Sacramento, CA 95812

Re: City of Palo Alto Comments on California Air Resources Board's Amendments to the Low Carbon Fuel Standard Regulations

Dear Chair Randolph and Honorable Board Members:

The City of Palo Alto ("Palo Alto") respectfully submits these comments to the California Air Resources Board ("CARB") regarding amendments to the Low Carbon Fuel Standard ("LCFS") regulation as drafted in the Proposed Regulation Order posted on December 19, 2023.

City of Palo Alto provides a broad array of city services to the residents and businesses in Palo Alto, including the operation of a Compressed Natural Gas (CNG) fueling station that serves the community. This station is registered with the CARB under the LCFS regulation.

Even though it is small station, dispensing ~200,000 terms/year, the LCFS regulation requires Palo Alto to contract with a CARB accredited Verifier to provide verification of services for fuel dispensed by the CNG station. The cost of this verification services is ~\$8,000, plus staff time to manage the verification process; we have received verifier quotes as high as \$19,000. We believe this level of cost and effort is not commensurate with the value, especially for small station that is expected to receive just 40 LCFS credits in 2023, currently valued at ~\$3,000. As such, we would like to request CARB consider exempting small CNG dispensers like Palo Alto from need for verification.

Palo Alto would like to hereby earnestly request CARB to consider exempting smaller CNG stations operated by governmental entities from the verification process, as the costs largely outweigh the benefit when applied to these small and not-for-profit entities dispensing standard fuel such as CNG.

We appreciate the Board's consideration of our request.

Respectfully submitted,

Shiva Swaminathan

Shiva Swaminathan

Senior Resource Planner

shiva.swaminathan@cityofpaloalto.org

Copy: Danitra Bahlman, Fleet Manager