

August 27, 2024

Liane M. Randolph, Chair California Air Resources Board (CARB) 1001 I Street Sacramento, California 95814

Dear Chair Randolph,

As a stakeholder who recognizes the value that renewable diesel (RD), sustainable aviation fuel (SAF), and other liquid renewable fuels provide in reducing greenhouse gas (GHG) and air pollutant emissions, and delivering reliable, sustainable energy to California's economy, Mahoney Environmental Solutions, LLC (Mahoney) strongly urges CARB to adopt revisions to the Low Carbon Fuel Standard (LCFS) as soon as possible.

The current regulatory targets for carbon intensity (CI) reduction are outdated and must be strengthened to realize the maximum amount of GHG and pollutant emission reductions possible and send a strong signal to investors that California wants to remain a leader in generating jobs and economic development in sustainable energy.

The new draft regulatory proposal contains several elements to strengthen the program and maintain the incentives for renewable fuel producers to continue reducing the CI of their fuels and the resources used to make them. There are, however, some improvements that must be included in the final updated regulation to allow the state to reach its climate goals.

A robust and stable market for LCFS credits is critical in achieving the environmental and economic benefits for Californians. The following change is critical for the state to move forward with the best technologies needed to continue decarbonizing the transportation sector while protecting businesses, jobs, and the beautiful natural resources California has to offer.

Modifications to Section 95488(d)- Proposal to Stop Accepting RD Pathway Applications:

- Mahoney has concerns about the proposed sustainability certification requirements.
 CARB is requiring certifications for well-established and previously recognized waste biomass unless specifically enumerated in 95488(d).
- The proposed rules could preclude the use of used cooking oil (UCO) as a feedstock, despite the fact that UCO has been one of the cleanest and most reliable waste feedstocks for both RD and SAF supplies. SAF is produced <u>alongside</u> RD, and any limits on RD production inevitably will result in less SAF production. The phase out of these pathways would be detrimental to emissions reductions in the transportation sector and would potentially limit UCO for RD and SAF production in the future.

Below you will further context regarding Mahoney and the importance of UCO collection and processing.

Background on Mahoney and UCO Collection

Since 1953, Mahoney Environmental® has helped foodservice establishments turn UCO and other waste products into useful products like renewable fuels. Mahoney manages the entire recycling process — from equipment set-up to collection, and processing. We share the benefit of UCO and pass that added value onto restaurant operators. We are a licensed EPA recycler, and all of our facilities recycle nearly 100% of the materials processed. Mahoney's goal is to be



the premier back-of-the-house service provider to foodservice operators nationwide — from national and regional chains to independent restaurants to airports throughout the United States.

Environmental & Economic Benefits

Mahoney is proud to service approximately 80,000 food service facilities nationwide, and approximately 13,400 in California. We also proudly employ over 100 employees in California, and we collect about 66,980,000 lbs. of UCO and recycle it. Our environmental impact from recycling UCO we collect in California is equivalent to:

- 73,452.10 Tons of Waste Diverted from a Landfill;
- 11,300,328 Trees Planted;
- 12,830 Cars Made Zero Emission; and
- 146,986,272 lbs. of CO2 Prevented from Entering the Atmosphere.

Mahoney is also committed to transparency and good business practices throughout our value chain. We provide customers reports on the amount of UCO collected and the value of the product. This is extremely important, as we are then able to prove traceability records for where all of our UCO is derived and where it is delivered after our recycling process. This ensures both quality and safety for our customers and ensures UCO we collect is from a reliable and vetted source. Most importantly, this ensures that waste products are not thrown into landfills or polluting our water systems, thus protecting our most valuable natural resources. Our goal is simple: to make kitchens and the environment safer for future generations.

The potential for UCO has never been higher. This valued commodity has helped to transform the transportation sector in California and throughout the world, as it serves as a prime waste feedstock to create RD and SAF.

In closing, we urge you to adopt a strengthened proposal that includes the removal of the phase out of RD pathways as soon as possible. Thank you for your efforts to update the regulation.

Sincerely,

David Kimball, President and CEO

MAHONEY ENVIRONMENTAL SOLUTIONS, LLC