

August 27, 2024

California Air Resources Board
1001 I Street
Sacramento, CA 95814
Via electronic submission

RE: 15-Day Changes to CARB's LCFS Proposed Amendment

Dear California Air Resources Board,

Christianson PLLP, a full-service public accounting firm based in Willmar, Minnesota, has proudly served the renewable fuels industry for over 30 years. We specialize in providing technical assistance and professional services that ensure industry compliance and promote sustainable practices.

As a trusted and chosen third-party verification body for several biofuel producers participating in California's Low Carbon Fuel Standard (LCFS) program, we are writing to provide our insights on two areas related to the recent 15-Day Changes to the LCFS proposed amendment: Sustainability Certification and the inclusion of auditing Social Practices.

Sustainability Certification

The concept of sustainability requirements for biofuels has recently emerged as a potential safeguard against land conversion for agricultural use. This mirrors the sustainability initiatives implemented into Canada's Clean Fuel Regulations (CFR), which imposes stringent criteria on land-use changes. However, it is essential to recognize that U.S. feedstock is exempted from Canada's Crops-Excluded Land criteria due to the U.S. Environmental Protection Agency's (EPA) aggregate compliance approach, citing that "the U.S. Code of Federal Regulations provides a sufficient level of environmental protection with respect to the land on which the feedstock is harvested."

Furthermore, the USDA's 2022 Census of Agriculture, released in February, highlights a significant decrease of 14 million-acres (4%) in U.S. cropland since 2017, continuing a longstanding trend of declining cropland area. This data underscores the limited need for additional safeguards for U.S. cropland, as the decline in agricultural land suggests that existing regulations sufficiently protect against unwarranted land conversion.

Given the limited availability of accredited third-party verification bodies and the stringent qualifications already required by the U.S. EPA's Renewable Fuel Standard aggregate compliance, we believe imposing additional sustainability guardrails on U.S.-

produced renewable fuels is unnecessary.

Social Practices Audit

The proposed sustainability audit introduces social audit requirements that apply exclusively to crop-based biofuels. According to Staff's April 10th presentation, this audit process would mandate the verification of social practices.

While the aim of promoting social responsibility is commendable, it is important to recognize that social criteria do not directly contribute to greenhouse gas (GHG) reductions—the primary focus of the LCFS. Implementing this requirement would place the onus on verification bodies, like ours, to enforce these standards solely on crop-based biofuels, thereby imposing an uneven regulatory burden across the industry.

At Christianson PLLP, we are committed to supporting the goals of the LCFS while ensuring that regulatory requirements remain focused on their core objectives. We respectfully request that the California Air Resources Board consider the shortage of verification bodies and the current state of U.S. agriculture when evaluating the necessity of these additional sustainability and social practices requirements.

We appreciate your time and consideration of our perspective. Should you have any questions or need further clarification, please reach out.

Sincerely,



Kari Battenhoff, CPA
Partner, Christianson PLLP

Christianson PLLP
302 5th St. SW
Willmar, MN 56201