



August 27, 2024

Liane Randolph  
Chair  
California Air Resources Board  
P.O. Box 2815  
Sacramento, CA 95812  
*Via electronic submission*

Chair Randolph:

The Indiana Ethanol Producers Association represents six of Indiana's bioethanol producers. Our members have approved Tier 2 pathways for participation in the Low Carbon Fuel Standard (LCFS). We are proud to be partners in the California Air Resources Board's efforts to lower greenhouse gas emissions in the state and look forward to continuing to do so.

Aside from the proposed LCFS amendments, CARB can help immediately lower GHG emissions in the state by approving E15 for sale. E15 is a fuel that contains up to 15% bioethanol compared to most gasoline sold in California that has 10%. It can be used in nearly every gas-powered car in the state and does not require any modification for those cars to do so. We strongly encourage CARB to approve E15 so that the millions of gas-powered vehicles that will remain on the road for several decades can contribute to GHG reductions.

### **Sustainability Certification Requirements**

With respect to the proposed amendments to the LCFS, the proposed sustainability certification provisions will make participation in California's fuel market and carbon reduction efforts more difficult for bioethanol producers, more costly for California drivers, and could result in an increase in GHG emissions as less bioethanol is blended into California's gasoline supply.

We have a series of concerns with respect to the sustainability certification proposal:

- Worries about land use change concerning corn starch ethanol are without merit. Corn acreage has remained steady for nearly a century. Improved yields are responsible for the increase in our corn crop, not an expansion of acres farmed or harvested.
- Additionally, this concern, unfounded as it is, has been addressed by CARB. Corn starch ethanol's carbon intensity score is given a 19.8-point penalty. Adding a sustainability requirement effectively becomes a second penalty on a non-existent problem that is already addressed.
- While the proposed sustainability certification would add onerous obligations for biofuel producers and feedstock production requirements for farmers, it omits the potential on-farm climate-smart practices when calculating the carbon intensity (CI) score. If specific

carbon reduction practices are being mandated for biofuels producers and corn growers, those practices should also be eligible for carbon reduction crediting in the LCFS.

- Certain elements highlighted in the audit aren't pertinent to a carbon-reduction agenda. Factors like farm labor practices or a farm's profitability have no influence on a feedstock's CI score.
- Moreover, these new audit conditions unrelated to CI would only impact crop-based feedstocks, leaving other fuel sources free from similar scrutiny.

### **Classify Corn Stover and Corn Kernel Fiber as a Specified Source Feedstock**

Biofuel producers are continuously innovating to maximize the use of every part of the corn crop. We appreciate CARB's acknowledgment of utilizing various "waste, residue, by-product or similar material in a fuel pathway," especially the inclusion of distiller's corn oil as a recognized feedstock. Although corn stover and corn kernel fiber were once considered waste, they are increasingly being utilized as feedstocks for bioethanol production. Given their role as byproducts of corn bioethanol production, we strongly urge CARB to recognize and add corn stover and corn kernel fiber to the list of approved feedstocks.

### **Expand Low Carbon Intensity Power Sourcing**

In terms of Low-Carbon Intensity (Low-CI) power sourcing, the current proposal overlooks its significant potential to reduce carbon emissions in biofuel production. At present, this mechanism is restricted to hydrogen used as a transportation fuel, Direct Air Capture initiatives, and electricity employed for transportation. This limitation contradicts the LCFS's primary objective of decreasing the carbon intensity of transportation fuels within California. Permitting bioethanol producers to obtain newly contracted Low-CI power through power purchase agreements, which are not part of a utility's resource plan, does not affect overall electricity demand. Additionally, because the vast majority of biofuel production occurs outside California, excluding biofuels from this provision prevents the state from encouraging other regions to enhance their Low-CI power generation capabilities.

We respectfully request CARB reconsider the inclusion of these provisions in the 2024 rulemaking, as it is unnecessary relative to corn starch ethanol and is likely to exacerbate fuel prices for California consumers while failing to deliver the ultimate goal of carbon emissions reductions.

We thank you for your time in review our comments and your commitment to California's GHG reduction efforts.

Sincerely,



Tim Phelps

Indiana Ethanol Producers Association