COALITION FOR CLEAN AIR

August 27, 2024

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

Re: Comments on Proposed 15-day Changes, Proposed Amendments to the Low Carbon Fuel Standard (LCFS) Regulation

Dear Chair Randolph and Board Members:

The Coalition for Clean Air has long supported the Low Carbon Fuel Standard as an essential tool for reducing harmful emissions from the transportation sector, California's largest source of both air and climate pollution. The LCFS supports both the end goal of achieving zero-emission transportation and the interim goal of substituting low carbon renewable fuels for gasoline and diesel during the current period when we still have combustion vehicles on the road. Meeting California's greenhouse gas emission caps under SB 32 and AB 1279 will require more rapid progress in phasing out petroleum fuels in the transportation sector, our largest source of climate-changing emissions. Alongside CARB's regulations and incentives for deploying cleaner engines, and the state's as-yet unrealized targets for reducing vehicle miles travelled, the LCFS provides a vital tool for curbing transportation emissions, as reiterated by the 2022 Scoping Plan Update, which calls for a 94% reduction in petroleum use and identifies the LCFS as a key route to that goal. Because of the magnitude of our air pollution and climate crises, we now need the LCFS to both work harder, through greater stringency, and work smarter, by incenting the cleanest fuels and avoiding harms to communities.

We recommend the following:

Further limit crediting of crop-based biofuels.
CARB should establish additional guardrails to prevent incentivizing conversion of crop lands to fuel production, which exacerbates already-existing food shortages in much of the world. While biofuels made from wastes can provide a net climate benefit, using productive land to produce fuel is detrimental to the climate, because carbon-absorbing natural land elsewhere will be converted into crop production.

We agree with the new proposals to increase stringency, enable an end to new bio-based diesel pathways after 2030 and to allow the Executive Officer to assign more conservative LUC values when warranted by empirical data. But these measures and the proposed 20% limit on bio-based diesel from soy and canola, while they go in the right direction, are unlikely to be sufficient to prevent the LCFS from being swamped with soy-based diesel fuels that are shuffled in from other states, depressing LCFS credit values and providing no additional benefit to our climate, because they are already required for compliance with the Federal Renewable Fuel Standard. Ultimately, these fuels should be phased out of the LCFS.

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Remove the exemption for aviation fuel by 2026 for both intrastate and interstate flights.
After previous proposals to remove the exemption for aviation fuel received resounding support from both the public and the Board, it is deeply disappointing to suddenly see a proposal to backtrack and continue exempting fossil jet fuel. Conventional jet fuel should be held to the same standard as other petroleum-based transportation fuels. California currently lacks a comprehensive plan for decarbonizing aviation fuels, and including conventional aviation fuel as a deficit generator under the LCFS would help to spur innovation in cleaner fuels and equipment. Cleaning up aviation fuels and equipment will also help protect the health of workers and communities who are most exposed to the emissions from this sector.

Allow crediting in the marine sector.
We urge CARB to allow credits for zero-emission transportation fuels used for ocean-going vessels, and to simplify the process for credits for shore power installations serving electrified harbor craft and for dispensing green hydrogen. The marine sector is a substantial source of emissions in much of the state, and the LCFS can spur conversion to cleaner fuels and support CARB's regulations of ocean going vessels and commercial harbor craft.

Include Plastics in the Definition of Petroleum Product.
We support the proposed change in the definition of "Petroleum Product" that would strike the exemption for plastics and plastic products. Global plastic production is a major driver of climate change. Therefore, it is important that the LCFS not incent the production of plastic or plastic waste.

Regulate methane emissions from large dairies.
This issue is not included within the four corners of the LCFS rulemaking but is related. Dairies are the largest California source of methane, a potent short-lived climate pollutant. CARB should require the large dairies to reduce their emissions of both manure and enteric methane. The regulations should also strive to protect local communities from the adverse impacts of large-scale dairy production.

Use credits representing non-metered residential electric vehicle (EV) charging to benefit our disadvantaged and low-income communities that have suffered the greatest impacts of transportation pollution.
These communities also face the greatest barriers to adopting clean transportation. The 15-day changes would not serve those communities as well as the previous proposal, so we recommend the following:

1. The majority of the statewide program's funding should be directed toward speeding the transition to zero-emission transportation in the medium and heavy-duty sectors. Pollution and adverse health effects from heavy-duty transportation are primarily and disproportionately borne by low-income communities and communities of color. The transition to zero-emissions (ZE) transportation in those sectors is essential to meeting our air quality and climate standards; this transition is well behind the pace of the light-duty sector, so prioritizing medium and heavy-duty is appropriate.

2. Any light-duty EV incentives funded by LCFS credits, whether administered by Electricity Distribution Utilities (EDUs) or Original Equipment Manufacturers (OEMs),

should be targeted only to low and moderate-income Californians. Achieving air quality and climate standards requires a focus on equity, so that all our residents benefit from access to clean transportation. Credits should go to assuring that successful existing programs like Clean Cars 4 All are fully funded, as well as supporting innovative new approaches.

3. CARB should retain and enhance the existing category of "Multilingual marketing, education and outreach" within the list of pre-approved projects eligible for funding by holdback credits. Equity-focused community groups and stakeholders participating in CARB work groups are consistently asking for greater investment in this area, and specifically for investments that directly fund local community-based organizations (CBOs) who are trusted in priority communities and are best able to support Californians facing the highest barriers to transitioning to EVs. This would also align with how the proposed 15 day changes explicitly add “marketing and outreach programs” as an approved use of base credit proceeds by the OEMs, and create critical opportunities for coordination and collaboration. We recommend that this category be retained in the revised regulations and amended to explicitly pre-approve investments in outreach through CBOs.

Thank you for your consideration.

Respectfully,

Bill Magavern

Bill Magavern
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Coalition for Clean Air