

2023

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September 12th, 2023

Cheryl Laskowski, Ph.D. California Air Resources Board 1001 I Street Sacramento, CA 95814

RE: Potential Updates to the Low Carbon Fuel Standard Program

Dear Dr. Laskowski,

Thank you for the opportunity to provide comments on potential changes to the LCFS Program. The San Francisco Bay Area Rapid Transit District (BART) is a strong and steadfast supporter of the LCFS Program. BART owns and operates an electrified fixed-guideway transit system along with electric vehicle charging at its parking facilities. It has participated as an opt-in entity in the LCFS since 2016.

BART runs 220,000 trains a year and operates in five counties (San Francisco, San Mateo, Alameda, Contra Costa, and Santa Clara) with 131 miles of track and 50 stations. The vast majority of BART trains are electric, with 100% of its electricity supplied by zero-carbon resources including solar, wind, and hydroelectric generators. Every weekday of 2022, BART prevented an estimated 40,000 car trips and reduced California greenhouse gas (GHG) emissions by 500,000 lbs. CO₂e.

The LCFS program is a powerful tool to meet the state's climate goals by incentivizing use of fuels with lower carbon intensity and switching to modes of travel such as public transit. The LCFS is one of California's best instruments to get passengers out of cars and reduce Vehicle Miles Traveled (VMT). BART appreciates that CARB is considering improvements to the program to increase its ability to reduce California's GHG emissions and provide a long-term stable price signal to reduce the carbon intensity of transportation.

As a long-time participant in the LCFS program, BART has generated credits and used the revenue from their sales to fund a variety of sustainability measures. Like other transit agencies, BART is experiencing a post-pandemic decrease in ridership and subsequent considerable budget deficit. BART is projected to have an approximately \$300 million deficit each fiscal year between 2025 and 2027.

Revenues from sales of LCFS credits now have an outsized importance on BART's sustainability measures, along with its ability to continue to provide its core train services. The recent steep decline in the value of LCFS credits has been severely detrimental to BART's already-troubled budget. We are encouraged that CARB is considering changes to support the price of LCFS credits.

In addition, BART is troubled by the inconsistent and disadvantageous treatment of existing train systems. Pre-2011 fixed guideways receive a fraction of the LCFS credits of post-2010 fixed guideways. BART's newer extensions are granted 4.6 times more credits than older ones, despite no such efficiency difference recorded in the actual operation of newer and older railways.

BART began operations in 1972 and almost 90% of its train system falls into the pre-2011 category. Fixed guideway systems are the only category to be penalized in this way in the LCFS program. We urge CARB to correct this unfair treatment. Although the railway has been built, it is expensive to maintain full train service, both in terms of frequency of trains and hours of operation. Electricity is BART's second largest operating expense. BART has so far avoided service cuts, but it is not yet clear how it will make up for the projected budget shortfall in the coming years. BART has continued to invest in clean power, supplying its system with 100% carbon-free electricity for the past three years. However, as the fiscal cliff looms, it will have to make difficult decisions about the type of power it purchases.

Public transit is essential to California's achievement of its climate goals. We urge CARB to correct the inequitable treatment of fixed guideway systems within the LCFS program. None of the amendments studied in the Standardized Regulatory Impact Assessment (SRIA) issued on September 8, 2023 address this issue.

In addition, we support LA Metro and Earthjustice recommendations to create credit multipliers for projects that advance key state and environmental justice priorities such as bus electrification. Passengers who take transit often use several modes by connecting bus and train trips. Each of those trips saves GHG emissions that would result from those passengers driving cars instead.

Thank you for the opportunity to provide comments on potential changes to the LCFS program. We look forward to continuing our work together to support California's robust climate goals.

Sincerely,

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