



To: California Air Resources Board
From: Jeremy Martin
Date: November 8th, 2024
Subject: Comments on Low Carbon Fuel Standard Amendments

Thank you for the opportunity to share our views on this important but challenging regulation. UCS has been deeply involved in the development and implementation of the LCFS since its inception, and we recognize its importance today and in the future as a source of support for transportation electrification and as a driver of change in the production of liquid fuels.

I am disappointed with several elements of this final amendment package, and with the process that brought us here. I have been working closely with CARB staff on the LCFS for more than 15 years, and the last year has been one of the least collaborative. This was a lost opportunity and has weakened support for the policy in California and across the United States.

On the two issues where I have engaged most deeply, bio-based diesel and manure biomethane, CARB has done too little and kicked the can down the road where it should have acted now.

On bio-based diesel I appreciate that CARB has recognized that increasing the use of food for fuel is a problem that the state has a responsibility to address. Consumption of vegetable oil already exceeds sustainable levels and continues to rise. Placing a limit on the use of these feedstocks is necessary, but unfortunately the specific mechanisms implemented in these amendments are too little, too late and are poorly designed as well. They create a policy that imposes burdens on biofuel producers but does not provide a durable assurance that California will not contribute to global food price shocks, agricultural expansion, and deforestation. I ask the board to strengthen the existing safeguards before finalizing the regulation, by assigning the CI of ultra-low sulfur diesel to fuels above the 20 percent limit. However, this is just a band-aid, so I urge the board to instruct staff to continue to work towards durable and effective safeguards after these amendments go into effect.

On manure biomethane, the board signaled at the recent EJAC/Board meeting a recognition that crediting avoided methane emissions should end and be replaced by direct regulation of dairies. This is important, but the actual language in the amendments betrays this goal by introducing loopholes and exemptions that are not justified by economic analysis and undercut the idea that LCFS credits represent real science-based emission reductions. I urge the board to strip changes to subsections 95488.9(f)(3) (A) and (B) that extend crediting periods for avoided methane and introduce a last-minute grandfathering provision for manure digester projects that break ground before 2030, reverting to the version of these sections in the existing regulation.

These disappointing amendments missed several important opportunities to fix the LCFS in this rulemaking period. However, we can't go back, so I urge the board to make a few targeted changes before finalizing these amendments and to commit to the longer-term work of getting the LCFS in shape to steer California towards a clean transportation future. Learning from experience and improving the LCFS over time will serve California well and set an example that other jurisdictions can adapt to their own circumstances, which is ultimately how California's policies can have the greatest impact.