



April 21, 2025

Chair Liane Randolph
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Re: Comments on the 3rd 15-day Package

Submitted via email: <https://ww2.arb.ca.gov/lispub/comm/bclist.php>

Dear Chair Randolph and members of the California Air Resources Board:

The Clean Fuels Alliance America (Clean Fuels)¹ and California Advanced Biofuels Alliance (CABA)² appreciate the opportunity to provide comments on the third 15-day package (3rd 15-day Notice) that was published on April 4, 2025. Clean Fuels and CABA have been longtime supporters of the state's overall climate and air quality improvement goals and have collaborated frequently with CARB staff toward achieving those goals. We have been strong partners with California in its long-term efforts to decarbonize its transportation sector, with its vast portfolio of policies, regulations and incentives that target high priority zero emission technologies and the hugely successful Low Carbon Fuel Standards (LCFS) – the hallmark policy that champions a market-based approach to decarbonizing transportation fuels by being science-driven, fuel-neutral, technology-agnostic, and performance-based. CARB set out a lofty goal to reduce GHG emissions and the members of Clean Fuels and CABA responded swiftly and overwhelmingly to that call...with innovation and investment throughout the supply chain.

Overview

On April 4, 2025, CARB released a Third Notice of Public Availability of Modified Text and Availability of Additional Documents and/or Information (third 15-day package) that addresses the issues raised by the Office of Administrative Law's Decision of Disapproval of Regulatory Action (OAL decision) dated February 25, 2025. Clean Fuels and CABA

¹ Clean Fuels Alliance America (Clean Fuels) is the U.S. trade association representing the entire biodiesel, renewable diesel, and sustainable aviation fuel supply chains including producers, feedstock suppliers, and fuel distributors serving the on- and off-road applications, rail, marine, and heating oil markets. Made from an increasingly diverse mix of resources such as recycled cooking oil, soybean oil, and animal fats, the clean fuels industry is a proven, integral part of America's clean energy future.

² California Advanced Biofuels Alliance is a not-for-profit trade association promoting the increased use and production of advanced biofuels in California. CABA represents biomass-based diesel (BMBD) feedstock suppliers, producers, distributors, retailers, and fleets on state and federal legislative and regulatory issues.

appreciate CARB's quick response to the OAL decision and its efforts towards ensuring a path towards implementing the rule package for 2025.

Clean Fuels and CABA have been strong supporters of the updated CI targets, the Automatic Acceleration Mechanism, and other provisions that are designed to bolster the low credit prices in the LCFS over the last few years. The clean fuels industry needs the regulatory certainty provided by this rulemaking to ensure continued investment to provide lower carbon liquid fuels into the future. In addition, many believe that recent federal actions will delay the transition to zero emissions technologies provide the biomass-based diesel industry with a greater opportunity to contribute domestically-produced low-cost alternatives that can be deployed immediately.

Past Comments

Clean Fuels and CABA would also like to reiterate our significant concerns that we have previously shared with you throughout the rulemaking (including multiple workshops, the ISOR and both 15-day notices) regarding the new provisions that aim to penalize crop-based biofuels, specifically the limit on credit generation from soy, canola and sunflower oil; the land use change values; and the sustainability provisions. In aggregate, these new requirements will create significant barriers to these affected fuels from participating in the future and continue the attack on the fuel-neutral aspect of the LCFS that it was designed to address. We believe that implementing these provisions will:

- Substantially constrain the supply of feedstocks needed to provide California with lower carbon options, leading to the return of fossil diesel as discussed by CARB staff at their April 10, 2024 workshop.
- Delay decarbonization – for every 5 years of delay, 13 times more emissions reductions will be required to have the same climate impact³.
- Work against efforts to promote sustainable and climate smart farming practices under development by the agricultural community.

New Comments

- 1) In subsection 95488(d), staff proposes to change “may choose not to” to “shall not” in order to clarify that the Executive Officer will not accept new fuel pathway applications for biomass-based diesel if the specified conditions are met. The proposed language is:

“Beginning January 1, 2031, the Executive Officer ~~may choose not to~~ shall not accept new fuel pathway applications for biomass-based diesel, if the number of unique Class 3–8 ZEVs reported or registered in California exceeds 132,000 ZEVs or NZEVs on December 31, 2029. The Executive Officer shall provide a notification on the LCFS website by August 31, 2030 if

³ Joos et al, Carbon dioxide and climate impulse response functions for the computation of greenhouse gas metrics: a multi-model analysis, [acp-13-2793-2013.pdf \(copernicus.org\)](https://www.copernicus.org/publications/2013/13/2793-2013.pdf).

this condition has been met. The Executive Officer will determine whether the condition has been met based on the following evaluation:

(1) The number of unique Class 3–8 zero-emission vehicles and near-zero emission vehicles (NZEVs), as defined in title 13, CCR, section 1963, reported or registered:

(A) In CARB's Truck Regulation Upload, Compliance, and Reporting System;

(B) Pursuant to the California requirements of the Advanced Clean Trucks regulation, as defined in title 13, CCR, section 1963; and

(C) With the California Department of Motor Vehicles."

Changing this provision from a "may" to a "shall" is of great concern to Clean Fuels and CABA. We question the perceived connection between Class 3 – 8 (medium- and heavy-duty or MHD) vehicles and biomass-based diesel (BMBD) pathways. While we understand that theoretical connection between the electrification of MHD vehicles and the consumption of biomass-based diesel, it does not reason to have this provision in this regulation. CARB staff have publicly acknowledged the need for low-carbon BMBD even when electrification becomes the primary pathway to decarbonization in the MHD sector in California. And why would CARB not approve even lower-carbon BMBD pathways in the future? That seems to be counter to the continuing effort to decarbonize all of California's transportation fuels. In addition, many of the Class 3 – 6 (medium-duty) vehicles are gasoline-fueled and have no impact on the consumption of diesel fuels. If anything, it would make more sense if this provision were restricted to just diesel-fueled vehicles or just Class 7 – 8 vehicles.

2) Given the additional time that it has taken CARB to respond to the OAL decision, Clean Fuels and CABA are seeking clarification regarding the next steps for implementation. Our understanding is that CARB must respond to the comments of this 3rd 15-day notice then re-submit the proposed regulation to OAL. OAL then has 30 working days to approve the submission and establish an effective date.

- Is it possible that different parts of the regulation may have different effective dates or will there be a single effective date for the entire regulation?
- If the effective date is after June 30, 2025, then how is the step-down of the 2025 carbon intensity reduction targets going to be implemented?
- If the effective date is retroactive to January 1, then how will the following be implemented?
 - the requirements for existing certified pathways in subsection 95488.9(g)(5)(A)
 - the requirements for chain-of-custody evidence, feedstock transfer documents, and feedstock attestation letters in subsection 95488.8(g)(1)

Summary

Clean Fuels and CABA thank CARB staff for their continued efforts to strengthen the LCFS and provide the vision for the program to meet California's carbon neutrality goals. We look forward to OAL approval of this rulemaking in a timely fashion and collaborating with staff on its implementation. Thank you for your consideration of these comments.

Sincerely,

A handwritten signature in black ink that reads "Cory-Ann Wind". The script is cursive and fluid.

Cory-Ann Wind
Director of State Regulatory Affairs
Clean Fuels Alliance America

A handwritten signature in blue ink that reads "Carlos Gutierrez". The script is cursive and fluid.

Carlos Gutierrez
Executive Director
California Advanced Biofuels Alliance