

16 September 2019

Anil Prahbu Manager, Fuels Evaluation Section California Air Resources Board **Electronically submitted**

Re: Comments on the Proposed New Temporary Pathway for Alternative Jet Fuel (Posted Date: 31 July 2019)

Dear Mr. Prahbu

Neste, as a producer of low-carbon, sustainable aviation fuel, strongly supports ARB's continued efforts to reduce the greenhouse gas emissions associated with air transportation. Approving a new Temporary pathway for alternative jet, also known as sustainable aviation fuel (SAF), is an important first step in recognizing the important and positive climate impacts of SAF and to supporting SAF producers' entry into the California market.

Neste believes that the staff methodology to utilize conservative data from existing certified renewable diesel production pathways and adding a conservative margin to determine the Temporary CI values is appropriate and provides adequate temporary values to account for the CI reductions from SAF.

Specifically, the temporary CI score adequately accounts for greenhouse gas emissions associated with SAF produced in any global hydrotreating facility (whether in the US, Europe, or Asia). It also is conservative enough to adequately include carbon emissions from an additional distillation step, if needed, to separate out the SAF fraction (whether such distillation is completed at the same facility or a secondary, off-site distillation facility) including emissions associated with shipping commercial volumes via ocean-going tanker among the production locations to California.

Three distinct temporary pathways distinguished by feedstock are also adequate. Fats/Oils/Grease residues do not have any indirect land use change impacts and have a carbon intensity at least 50% lower than fossil-based aviation fuel. The proposed temporary value of 50 gCO2e/MJ provides a conservative "worst case scenario" for the emissions associated with SAF from these feedstocks. Additionally, setting the "any other feedstock" CI value equal to the 2010

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baseline CI value for ULSD is also adequate as sustainable, and renewable feedstocks provide CI emissions equal to or lower than the alternative fossil-based, on-road CI impacts.

Accordingly, <u>Neste supports certification of the Temporary CI values for Alternative Jet Fuel</u> (also known as Sustainable Aviation Fuel) and adding those values to Table 1 for use by SAF producers.

Neste appreciates the opportunity to comment on the proposed new Temporary fuel pathways for Alternative Jet Fuel. Like California, Neste is proud of its leadership in producing clean transportation fuel. We look forward to continued participation in the California fuel market, the introduction of growing commercial volumes of SAF, and the continued success of the Low Carbon Fuel Standard. As always, do not hesitate to contact me at 281.788.1662 or Dayne.Delahoussaye (at) neste.com if you have any questions regarding the foregoing.

Respectfully submitted

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