

Rajinder Sahota  
California Air Resources Board  
1001 I Street  
Sacramento, CA 95814

RE: Comments of Haddington Ventures, LLC on CARB's Potential Changes to the Low Carbon Fuel Standard

Dear Ms. Sahota:

Haddington Ventures, LLC ("HV") thanks the California Air Resources Board ("CARB") for the opportunity to provide comments on the Potential Changes to the Low Carbon Fuel Standard ("LCFS") as articulated in its November 9, 2022, Public Workshop. Founded in 1998, HV, oversees a growing portfolio of successful conventional and renewable energy businesses that are bringing innovative new infrastructure to the U.S. energy sector. HV, through its private equity funds, generally makes control-oriented investments in portfolio companies acquiring or developing energy infrastructure underwritten by long term contracts. HV is a private equity firm behind various renewable energy hubs designed to produce, store, and deliver green hydrogen to the Western United States.

HV respectfully offers the following comments on the Potential Changes to LCFS.

As an initial matter, HV supports CARB's continued efforts to decarbonize transportation emissions and achieve the State's long-term climate goals. We believe the underlying success of these efforts relies on robust long-term market signals to incent private investments. Further, any changes to the LCFS should consider the potential unintended consequences associated with certain fuel pathways that may be created via increasing LCFS credits and the shape that those changes in credits take over time.

Specifically:

Changes Incent Rapid ZEV Adoption – The proposed changes in Carbon Intensity ("CI") Targets are appropriate out to 2045, especially as indicated in Alternatives B and C, as they will likely incent the market to adopt ZEVs, including Fuel Cell Electric Vehicles ("FCEV"), more rapidly than the status quo or Alternative A. HV endorses the front-end loading in Alternatives B and C as it will stimulate and support the market to make early investments to achieve the decarbonization goals of California.

Nexus with the Federal Government's Inflation Reduction Act – HV believes that accelerating CI Targets within the LCFS, especially in light of the near-term green hydrogen goals specified in the Inflation Reduction Act (“IRA”), is appropriate – as one of the goals of the IRA is to accelerate the production of low-cost, renewable hydrogen. Clearly, the combination of increased CARB mandated CI Targets and low-cost renewable hydrogen resulting from the IRA are a powerful incentive for rapid adoption of FCEVs, provide truck OEMs additional assurances for timely development of reliable and abundant H2 supply and resulting in a more rapid achievement of California's carbon reduction objectives.

Level Playing Field – As CARB makes its decision regarding changes to the LCFS, it should ensure that various carbon reducing technologies for motor vehicles have an equal opportunity to provide California reductions in carbon emissions. Specifically, FCEV due to the coming low-cost and abundant renewable hydrogen as discussed above should not be disadvantaged in any way due to changes in the LCFS.

Thank you again for the opportunity to provide comments on CARB's Potential Changes to the Low Carbon Fuel Standard.

Sincerely,

A handwritten signature in black ink, appearing to read 'John A. Strom'.

John A Strom

Managing Director

Haddington Ventures, LLC