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November 22, 2021

VIA ELECTRONIC SUBMISSION

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

RE: Proposed Small Off-Road Engine Regulation Amendments: Transition to Zero Emissions

Dear Chairwoman Randolph:

Suburban Propane Partners, L.P. ("Suburban Propane") writes in regards to the proposed amendments to the Small Off-Road Engine ("SORE") regulations. Suburban Propane has been serving customers for more than 90 years and is the nation's third-largest propane retailer with operations in 41 states. In California, Suburban Propane distributes propane and renewable propane to more than 60,000 residential, commercial, industrial, agricultural, and government customers. We employ over 200 people at 71 locations throughout the state. In 2020, we made a strategic investment in Oberon Fuels, a California company producing renewable dimethyl ether ("rDME"). With the support of Suburban Propane, Oberon Fuels became the world's first, and currently only, commercial producer of rDME. In the first quarter of 2022, we will begin commercially selling Propane+rDME, a revolutionary new fuel made of renewable propane blended with rDME that is remarkably low-carbon and has the potential to evolve into a carbonnegative fuel.

Suburban Propane supports the goal of reducing SORE equipment emissions. However, mandating the use of zero-emission equipment ("ZEE"), which prioritizes electricity over all other energy sources, ignores available and developing low-carbon and carbon-negative technologies that can achieve the State's goals using existing LPG infrastructure and without potentially harming small businesses along the way. The need to significantly and immediately reduce emissions means that California will need to rely on all available tools, including traditional propane, renewable propane, and rDME.

As currently drafted, the proposed amendments would require most new SORE equipment to emit zero exhaust and evaporative emissions for model year 2024 and all subsequent model years; exhaust emissions for portable generators will also be set to zero beginning in 2028. While not expressly stated in the proposed amendments, it clearly prioritizes electricity under the implied assumption that it will be the option with the lowest carbon intensity in 2024 and beyond. However, this assumption is incorrect. According to CARB's own analysis, grid electricity used as

transportation fuel has a carbon intensity ("CI") score of 75.93. Meanwhile, renewable propane has a range of CI scores from 43.5 to 20.5², and Propane+rDME is estimated to have an even lower CI score.

The Initial Statement of Reasons, published in conjunction with the proposed amendments, states that the goal is to transition SORE equipment to ZEEs, which are primarily electric. Electricity is one tool for reducing the state's carbon emissions, but rapid electrification of most SORE equipment is not the most efficient or productive way to lower carbon emissions as it neglects other currently available options, including traditional and renewable propane.

Further, landscaping companies, many of which qualify as small businesses, would suffer as ZEEs cost significantly more and require substantial investment in additional batteries to allow crews to use the equipment all day long. According to the National Association of Landscape Professionals, there are 604,163 landscaping service businesses in the United States³, and 51 percent of landscaping businesses had revenue of less than \$500,000 in 2019.⁴

We encourage the Board not to focus on promoting electric energy, but rather to take a technology-neutral approach that focuses on the end goal of reducing carbon emissions. The Board could incorporate SORE emissions into its highly successful Low Carbon Fuel Standard program. The regulatory framework and technical details of establishing a CI score are well tested and have led to a 10.9 percent reduction in transportation sector emissions from 2006.⁵

For the reasons above, we urge the Board to permit SORE equipment be powered by low carbon and carbon negative renewable fuels, such as traditional propane, renewable propane, and rDME. We would appreciate the opportunity to discuss with you how such energy sources can play a role in lowering California's carbon footprint. Thank you for your consideration.

Sincerely,

Michael A. Stivala

President & Chief Executive Officer Suburban Propane Partners, L.P.

¹ See https://ww2.arb.ca.gov/resources/documents/lcfs-pathway-certified-carbon-intensities (accessed November 22, 2021)

² Id.

³ See https://www.landscapeprofessionals.org/LP/About/Industry-Statistics/LP/Media/landscape-industry-statistics.aspx (accessed November 22, 2021)

⁴ See http://giecdn.blob.core.windows.net/fileuploads/document/2020/03/02/landscaper%20census march.pdf (accessed November 22, 2021)

⁵ See https://ww2.arb.ca.gov/applications/greenhouse-gas-emission-inventory-0 (accessed November 22, 2021)