



April 23, 2020

Clerk of the Board  
California Air Resources Board  
1001 I Street  
Sacramento, CA 95814

**RE: CABA Opposition to Proposed Amendments to the Alternative Diesel Fuels Regulation**

Dear Chairwoman Nichols and Members of the Board:

Thank you for the opportunity to comment on the proposed amendments to the Alternative Diesel Fuels (ADF) regulation. CABA is a not-for-profit trade association promoting the increased use and production of advanced biofuels in California. CABA has represented biomass-based diesel (BMBD) feedstock suppliers, producers, distributors, retailers, and fleets on state and federal legislative and regulatory issues since 2006. Due to the technical issues laid out in the National Biodiesel Board's (NBB) comments and the current state of the California biomass-based diesel industry, we must regrettably oppose the proposed amendments to the Alternative Diesel Fuels Regulation.

The costs associated with the proposed amendments are exacerbated by the impacts of COVID-19 and current state of the California BMBD industry. The past weeks have proven difficult across most economic sectors, but especially difficult for the state's BMBD industry. As most of the feedstock used in the state is waste oils from the restaurant industry, such as used cooking oil (UCO) and animal tallow, viable feedstock for the low-carbon fuels produced in-state is virtually unavailable. While the long-term effects are still unknown, UCO collection for California biodiesel plants is down roughly 50-70%. The UCO that is collected is expensive and poor quality, resulting in poor yields and slow production. The lack of feedstock has resulted in a decline in production, with plants running at 65-70% capacity. If the amendments are passed as is, California's BMBD industry could face devastating consequences.

As an industry we have always been able to reach acceptable amendments with CARB staff, but we have found this regulation process to be rushed and with little input from stakeholders. While we oppose the ADF amendments in their current form, we believe that along with the NBB, we can come to an agreement with 15-day changes to the amendments and the related actions as follows (see also attachment I):

- (A) Revise "Approved ADF Formulations" to "Blends consisting ~~solely~~ of renewable hydrocarbon diesel (RHD) at not less than 75 percent by volume, and biodiesel (BD) with 2.75 parts RHD to 1 part BD, on a volume basis, with the remainder comprising CARB diesel, and CARB diesel, where the total biodiesel content of the blend does not exceed 20 percent by volume, or blends with a lower RHD to BD ratio determined by the Executive Officer as producing NOx emissions equivalent to CARB diesel. Compliance with the 2.75 to 1 ratio or



- alternative ratio approved by the Executive Officer shall be determined through LCFS data and/or monthly delivery receipts for stations selling biodiesel blends greater than B10.
- (B) Direct staff to work with NBB, CABA and other interested stakeholders to review current emissions testing data in support of a RHD to BD ratio alternative ratio(s) shown to achieve NOx neutrality relative to CARB diesel;
  - (C) Direct staff to work with NBB, CABA and other interested stakeholders to develop a protocol for implementing the RHD to BD ratio or alternative ratio on a system-wide, aggregate basis;
  - (D) Delete or suspend the 2-lab certification procedure and related requirements, as discussed in Attachment I, pending completion of the suggested round-robin testing. Direct staff to work with NBB, CABA, qualified emissions testing labs, and other interested stakeholders to develop and conduct the suggested round-robin testing; and
  - (E) Permit continued sale of currently certified formulations pending completion of the suggested round-robin testing.

We appreciate the opportunity to comment on the proposed ADF amendments. We understand these are difficult and challenging times for all, but if given more time, we are confident we can work with CARB to find a solution suitable for all parties. The biomass-based diesel industry is a vital part to California's low-carbon future, and we look forward to continuing our cooperative and productive relationship with CARB.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tyson Keever".

Tyson Keever  
Chair  
California Advanced Biofuels Alliance



## Attachment I

### NBB and CABA Proposed Changes to Resolution 20-02



BE IT FURTHER RESOLVED that the Board hereby approves for adoption amendments to section 2293.3 and Appendix 1 of Subarticle 2, title 13, California Code of Regulations, as set forth in Attachment A and modified in Attachment B.

BE IT FURTHER RESOLVED that the Board hereby directs the Executive Officer to convene a working group with stakeholders within 30 days of this hearing to develop recommendations for addressing the interlaboratory variability concerns raised by stakeholders and their suggested round-robin testing program. The Executive Officer is further directed to report back to the Board on the recommendations by the working group within 30 days of the completion of the working group's efforts.

BE IT FURTHER RESOLVED that the Board directs the Executive Officer to work with stakeholders through a public process to address concerns raised at the April 23, 2020 hearing and determine if additional conforming modifications to the regulation are appropriate. If no additional modifications are appropriate, the Executive Officer shall take final action to adopt the regulation, as set forth in Attachment A. If the Executive Officer determines that additional conforming modifications are appropriate, the modified regulatory language shall be made available for public comment, with any additional supporting documents and information. The Executive Officer shall consider written comments submitted during the public review period and make any further modifications that are appropriate available for public comment for at least 15 days. The Executive Officer may present the regulation to the Board for further consideration if warranted, and if not, the Executive Officer shall take final action to adopt the regulation after addressing all appropriate conforming modifications.



## Attachment B

Proposed 15-Day Changes to the Amendments in Attachment A [proposed 15-day changes shown in ~~double-strikeout~~ and double underline to denote deletions and additions, respectively]

Appendix 1 of Subarticle 2, section (a)(1)(B), as follows:

(B) ~~{Reserved}~~Approved ADF Formulations

1. Blends consisting solely of renewable hydrocarbon diesel (RHD) at not less than 75 percent by volume, and biodiesel (BD) with 2.75 parts RHD to 1 part BD, on a volume basis, with the remainder comprising CARB diesel, and CARB diesel, where the total biodiesel content of the blend does not exceed 20 percent by volume, or blends with a lower RHD to BD ratio determined by the Executive Officer as producing NOx emissions equivalent to CARB diesel. Compliance with the 2.75 to 1 ratio or alternative ratio approved by the Executive Officer shall be determined through LCFS data and/or monthly delivery receipts for stations selling biodiesel blends greater than B10.