



Union of Concerned Scientists

May 7, 2008

Re: Comments by the Union of Concerned Scientists (UCS) on CARB's Concept Outline for the Low Carbon Fuel Standard (LCFS) dated March 2008

To: Christina Zhang-Tillman, Dean Simeroth and John Courtis

From: Jeremy Martin and Patricia Monahan

Thank you for the opportunity to comment on the regulatory concepts for the LCFS, a new and innovative policy that has the potential to significantly reduce emissions from transportation fuels. There are no models to inform development of the LCFS, and we appreciate that CARB staff are working hard to develop these groundbreaking regulations under an aggressive timeline.

We have organized our comments according to the outline of the regulatory concepts. In addition to the specific points in CARB's proposal, we have elaborated on several additional areas:

- In Fuel Standards, Average Carbon Intensity (2.b-c), we provide technical support for maintaining separate gasoline and diesel standards, with no vehicle efficiency factor for diesel.
- In Compliance and Enforcement, Deficit Allowance (3.1.e), we do not support the current staff proposal, but instead recommend that the deficit allowance be capped, penalties assessed, and the deficit repaid in a timely manner.
- In Compliance and Enforcement, Default Values (3.3.2), we support the use of pessimistic default values for carbon intensity to encourage regulated entities to utilize real data.
- In Compliance and Enforcement, Tracking Biofuels (3.3.4), we strongly recommend that CARB go beyond the requirements of the federal Renewable Fuel Standard (RFS) to protect against shuffling and ensure the LCFS provides real emissions reductions.
- In Determination of Carbon Intensity Values, Land Use Change (5.3.5), UCS strongly supports the inclusion of lifecycle assessments of emissions associated with direct and indirect land use change.
- In Determination of Carbon Intensity Values, Sustainability (5.3.6), we recommend that, in addition to adopting the land protections in the federal RFS, the state expand the criteria to ensure our state resources are sufficiently protected, public health and the environment is safeguarded, and where possible, harmful impacts that may result from the LCFS are mitigated.

We look forward to working with you throughout the regulatory development and implementation of the low carbon fuel standard.