

California Ethanol Vehicle Coalition

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April 13, 2009

Mary D. Nichols, Chairwoman
California Air Resources Board
Headquarters Building
1001 "I" Street
Sacramento, CA 95812

RE: Low Carbon Fuel Standard – April 23, 2009 Board Item For Consideration

Chairwoman Nichols:

The California Ethanol Vehicle Coalition strongly supports the efforts of the California Air Resources Board (ARB) to tackle the challenges of reducing greenhouse gas (GHG) emissions. The process and results from this journey will resonate throughout the country and the planet.

California's leadership at the forefront of the environmental movement is undeniable, and has produced positive change, led by dramatically improved air quality. During the Board's 50 years of policymaking, a key ingredient in decision-making has and continues to be research – even as opposing forces warned of disastrous consequences, getting the hard facts and consensus conclusions proved vital to securing cleaner fuels, engines, and the environment.

Now as the Board tackles the Low Carbon Fuel Standard regulation, I write to support in principle the proposal, but to urge restraint with respect to making a final determination about energy sources and carbon intensity based on the indirect land use change (ILUC) calculations as they pertain to corn-based ethanol production.

Clearly, our organization supports the increased use of biofuels like ethanol. We do so for these chief reasons: environmentally friendly potential; reducing reliance on foreign energy sources; and the economic benefits this industry represents for the Golden State.

I am sure you are already aware of the main arguments against including assumptions regarding ILUC in the final LCFS regulation. Simply put, we do not believe the issue has been fully explored and understood, and that the model applied in determining California's LCF standard is flawed.

Further, it does not appear that these assumptions have been equally applied across the board to other fuels – and if indeed that is the case, this would jeopardize the validity of any adopted standard.

I am also deeply concerned for the future success of a California-based biofuels industry. Major production facilities have been built or stand ready – but are now idle or stalled due to market imbalances; some E85 stations have been built, but others are stymied by inconsistent regulations or the whims of local permit processes; and flex-fuel vehicles continue to roll out of car dealerships, but consume only gasoline while awaiting a viable retail station infrastructure.

Like the old saying goes, the perfect must not become the enemy of the good – in this case, the promising start made by ethanol producers needs more than ever to be nurtured and incentivized so that California can zoom to the top of the leaderboard for advanced biofuels production.

I'd like to encourage the ARB to look through at least a three to five year window, whereby staff can work with industry and allocate resources aimed at a thorough research deployment plan that is capable of examining the ILUC theory from all angles, across all fuel types, in as transparent a means as possible. We fully support a research deployment plan that plays out over a time period that is appropriate to answer the questions that still exist among the scientific community with regard to the ILUC theory and to achieve these vitally important goals for a truly sound and effective Low Carbon Fuel Standard.

Thank you for the opportunity to comment, and best wishes in your deliberations to create a fuel standard that drives the world toward a lower carbon impact, while diversifying our energy sources.

Sincerely,

A handwritten signature in black ink, appearing to read "Joseph Irvin". The signature is fluid and cursive, with a long horizontal stroke at the end.

Joseph Irvin
Executive Director,
California Ethanol Vehicle Coalition