



DEPARTMENT OF THE NAVY
COMMANDER NAVY REGION SOUTHWEST
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30 Apr 2024

The Honorable Gavin Newsom
Governor, State of California
1021 O Street, Suite 9000
Sacramento, CA 95814

Subj: PROPOSED LOW CARBON FUEL STANDARD AMENDMENTS – SUPPORT

Governor Newsom,

Navy Region Southwest is pleased to express its support for the proposed Low Carbon Fuel Standard (LCFS) Amendments as presented during the public workshop on August 16, 2023 and detailed in the Standardized Regulatory Impact Assessment of September 8, 2023. We appreciate the long-term certainty and benefits of future planning the LCFS provides to the Navy in support of our shared decarbonization goals.

Under the groundbreaking Intergovernmental Support Agreement (IGSA) between the Navy and the Port of San Diego in 2022, proceeds from the sale of LCFS credits are being used to improve and expand energy and utility infrastructure at Naval Base San Diego and the Port of San Diego. The Navy's partnership in this program is the first-ever participation by the Department of Defense in this type of carbon reduction effort.

Since the initial IGSA in 2022, more than \$14.5 million has been generated from the sale of LCFS credits. Commander, Navy Region Southwest plans to expand the IGSA to include two additional bases, Naval Base Coronado and Naval Base Point Loma. This innovative program strengthens the Navy's mission readiness and energy resilience, allows for a consistent funding stream to aide in future planning and execution of utility projects, helps reduce greenhouse gas emissions, and improves air quality around the San Diego Bay.

We appreciate your collaborative commitment to promoting environmental sustainability and your continued support of initiatives to enhance California's air quality. My point of contact for this issue is Veronica Badillo at (619) 247-4437 or veronica.badillo.civ@us.navy.mil.

Sincerely,



B. N. ROSEN
Rear Admiral, U.S. Navy
Commander, Navy Region Southwest

Copy to:
Dr. Liane Randolph, Chair, California Air Resource Board
Dr. Steven Cliff, Executive Officer, California Air Resource Board