May 9, 2024

Chair Liane M. Randolph
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Via electronic submission Re: Proposed Low Carbon Fuel Standard Amendments

Dear Chair Randolph:

Thank you for the opportunity to comment in response to the California Air Resources Board's (CARB) public workshop on April 10, 2024, and to provide additional insights on the proposed amendments to the Low Carbon Fuel Standard (LCFS).

Shell Rock Soy Processing, LLC (SRSP) is an oilseed processing company based in northeast Iowa. Throughout 2021 and 2022 we constructed a new, state of the art, efficient soybean processing facility. We commissioned and became operational in January of 2023, producing protein feed for the livestock industry and vegetable oil for the food and renewable fuels industries. Importantly, SRSP is the first of several new independent entrants in the US, and part of the $6B in planned capital committed to the growth of capacity for our industry to continue to meet food, feed and fuel needs in our country and abroad. Our investors and lenders committed more than $300 million to be a part of the large addition of capacity that will continue to connect US grown soybeans to the food and fuels supply chains.

Our oilseed processing operations yield protein-rich meal for human and animal nutrition, as well as vegetable oil that is used as an ingredient in food manufacturing and as a feedstock for renewable fuels such as biodiesel, renewable diesel and sustainable aviation fuel (SAF). These sustainably produced biofuels help reduce carbon dioxide equivalent (CO_2e) greenhouse gas emissions and the carbon intensity of transportation fuels in use today. Between 2015 and 2021, the soybean industry has seen a 19% decrease in carbon footprint for U.S. soybeans by improving soil health and water quality, increasing yields by 24% while reducing chemical application and implementing no till and expanding cover crops.

We encourage CARB to support the role of agriculture in diversifying the fuel supply through more sustainable feedstocks. The most effective way to do this is by continuing to oppose a cap on vegetable oils.

CARB's additional analysis and remarks delivered at the April 10 workshop rightly recognized a cap or limitation on crop-based oil feedstocks is unwarranted. CARB's findings that renewable diesel and biodiesel have a positive impact on both consumers and the environment clearly underscores the importance of continuing to promote their use as part of California's efforts to achieve its sustainability and air quality goals.

As CARB staff pointed out, biomass-based diesel (BBD) has displaced 60% of fossil diesel in California, reducing greenhouse gases, Particulate Matter (PM2.5) and Nitrous Oxide (NOx) emissions.

Placing a cap on crop-based feedstocks used to make BBD and other renewable fuels will undo this progress, increasing public health risks and driving up consumer fuel costs. Further, implementing a cap would undercut the necessary investments that are being made to support low carbon feedstocks and further industry expansion.

Internal combustion engines – particularly in the heavy-duty sector – will be on our roads for decades to come. As CARB staff stated during the workshop, California should take advantage of a low carbon fuel that is being produced today at scale by implementing policies that encourage the responsible production and use of renewable feedstocks.

Additionally, as CARB has previously acknowledged, a targeted, risk-based approach to sustainability requirements is encouraged. By accurately assessing deforestation risk, leveraging existing sustainability frameworks such as the Renewable Fuel Standard (RFS), and implementing targeted measures for high-risk regions, CARB can achieve its environmental objectives while also supporting a sustainable and resilient biofuels industry.

Thank you for the opportunity to comment on this important issue.

Sincerely,

Corey Jorgenson

Corey Jorgenson
CEO
Shell Rock Soy Processing, LLC