

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

May 10, 2024

**RE: Comment on Draft Amendments to the Low Carbon Fuel Standard (LCFS) Regulation**

Dear Chair Randolph,

We appreciate the opportunity to provide comments on the Draft Amendments to the LCFS Regulation. We support the overall objectives of the LCFS program and would like to express our specific recommendations.

**General Comments:**

- We recommend CARB implement an immediate 9% step-down. This approach is most likely of those presented on May 10<sup>th</sup> to rebalance the LCFS credit bank.
- The AAM remains crucial. We suggest triggering it when the credit bank exceeds quarterly deficits by 2.5 times within a year, as recommended by ICF.

**Sustainability Requirements:**

We acknowledge the importance of establishing sustainability requirements for crop-based and forestry-based feedstocks under §95488.9.g to safeguard environmental integrity within the LCFS program:

*All crop-based and forestry-based feedstocks used for LCFS fuel pathways must meet the following sustainability requirement:*

- (1) *Maintain continuous third-party sustainability certification under an Executive Officer approved certification system.*
  - (A) *All feedstocks at the point-of-origin must be certified by January 1, 2028. Fuel quantities reported under fuel pathways utilizing feedstocks not certified by January 1, 2028 must be assigned the ULSD carbon intensity found in Table 7-1 of the LCFS regulation.*
  - (B) *The Executive Officer will review and may approve certification systems based on the following criteria:*

However, the current language regarding certification creates uncertainty for fuel developers. We recommend the following minor changes and clarification:

- We request clarification regarding §95488.9.g.1.A. As written, it is unclear whether projects initiated after January 1<sup>st</sup> 2028 can use crop or forestry feedstocks without being assigned the ULSD carbon intensity as the timing limitation could be interpreted to apply to future projects. We recommend changing the rule language to specifically outline the requirements for currently

certified pathways, pathways certified between 2025-2027, and pathways certified after January 1, 2028.

**We recommend that CARB recognize three categories of eligible feedstocks:**

- The current ambiguity around approved certification systems raises concerns for fuel developers. As a starting point, CARB should provide an initial list of acceptable verification schemes before regulation approval, allowing fuel producers to plan effectively. This can include the list that CARB suggested leveraging April-10 (RED, ISCC, RSB, and Bonsucro), but should still allow flexibility for other schemes if approved by CARB.
- CARB should recognize the alignment between LCFS and RFS programs and ensure their goals are not conflicting. We recommend any RFS-compliant forestry feedstock be recognized as CARB compliant, however CARB should not limit feedstocks to RFS-compliant material.
- Finally, the regulation should accommodate the use of woody biomass from forest fire abatement residues, as it aligns with the scoping plan and broader state goals, such as the Roadmap to a Million Acres, which call for the State of California to treat a minimum of 1 million acres of forested land annually by 2025. This material, not from managed forests, may be too complex for producers to certify under the verification schemes proposed on April 10. If this material will qualify as a waste, and thus not subject to sustainability requirements, that should be clearly stated.

Thank you for your consideration. We look forward to working together to strengthen the LCFS program.

Sincerely,

Stefan Unnasch  
Managing Director  
LIFE CYCLE ASSOCIATES

Anna Redmond  
Project Manager  
LIFE CYCLE ASSOCIATES