

May 10, 2024

Attention:

Matthew Botill
Division Chief, Industrial Strategies Division
California Air Resources Board
1001 I Street
Sacramento, California 95814

Submitted electronically.

RE: California Low Carbon Fuel Standard Workshop – April 10, 2024

Dear Mr. Botill,

On behalf of the Canola Council of Canada (CCC) and Canadian Oilseed Processors Association (COPA) we welcome the opportunity to provide feedback on the *California Low Carbon Fuel Standard Workshop – April 10, 2024 (the Workshop)*.

The CCC and COPA are non-profit industry associations that work collaboratively to help address issues impacting the value chain and oilseed processing sector in Canada.

The canola industry in Canada appreciates CARB's analysis provided in *the Workshop* that further supports the that a cap on crop-based biofuel is unwarranted.

However, an important item missing from the analysis was information previously provided by the canola industry and other stakeholders that shows crop-based feedstock produced in Canada and the United States (U.S.) are sustainable. We reiterate our position that CARB adopt an approach in the updated rule that recognizes crop-based biofuels as meeting sustainability requirements on aggregate (in lieu of certification) if a jurisdiction can provide the necessary evidence to demonstrate there is no detrimental impact on land use change, including deforestation. This approach is consistent with existing biofuel programs, including the U.S. Renewable Fuel Standard and Canada's Clean Fuel Regulation, and has been proven to address sustainability concerns while limiting regulatory burden on market participants.

Please find below our detailed feedback on *the Workshop*.

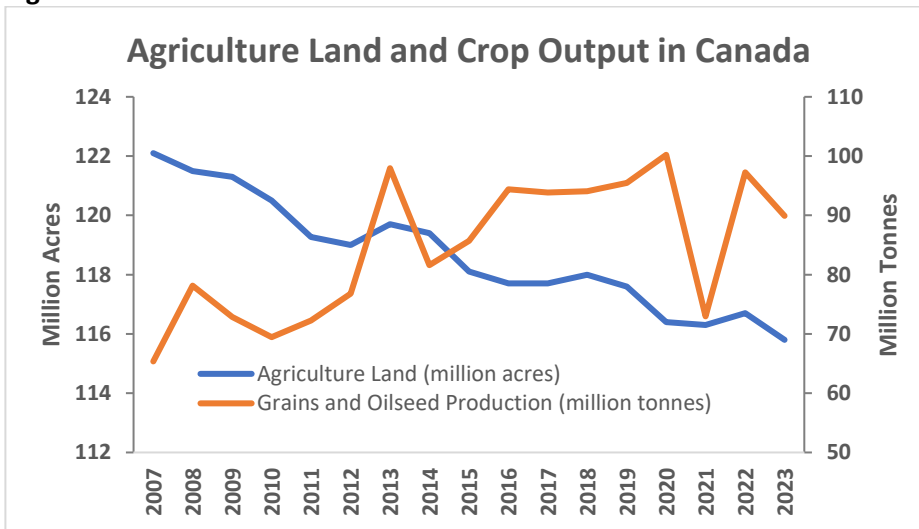
I. Cap on Crop-based Biofuels

The canola industry in Canada appreciates CARB's analysis provided in *the Workshop* that further supports a cap on crop-based biofuel is unwarranted. The data and examples presented during the *Workshop* clearly demonstrate the oilseed supply chain's ability to increase feedstock supplies through a combination of improved yields and investments in crush capacity, supporting demand for food, feed and fuel. We concur with CARB's analysis and reiterate the position that imposing a cap on vegetable oil feedstocks could hinder the development and adoption of renewable fuels and limit the availability of low-carbon options for consumers.

II. Sustainability Criteria

An important item missing from the analysis provided at *the Workshop* was information that shows crop-based feedstock produced in the U.S. and Canada are sustainable, with no detrimental impact on land use change, including deforestation. The data that the canola industry and other stakeholders shared in response to the *Proposed Amendments* released in December 2023, demonstrated that agriculture land in Canada and U.S. is shrinking, yet crop output continues to grow. Figure 1 is an example of this trend, clearly indicating that crops grown and harvested in Canada do not contribute to deforestation or any associated adverse land use impacts. Furthermore, growing more crops with less available land is a testament to the innovation of crop production, with farmers deploying enhanced plant genetics and applying sustainable growing practices.

Figure 1.



Source: Statistics Canada

We reiterate our position that CARB adopt an approach in the updated rule that would allow biofuels produced from crop-based feedstock to comply with sustainability requirements on aggregate in lieu of certification. While we respect the importance of sustainability criteria in the development of low carbon fuel markets, the certification requirements proposed appears to be a ‘one size fits all’ approach, placing unnecessary obligations and burden on the supply chain from jurisdictions like the U.S. and Canada that have already demonstrated crop production has no adverse impact on land use, deforestation, or biodiversity. Indeed, both the U.S. Renewable Fuel Standard and Canada’s Clean Fuel Regulation already recognize crop production in U.S. and Canada as meeting sustainability requirements.

An aggregate approach to demonstrate compliance with sustainability requirements carries clear advantages for both CARB and market participants including:

1. It opens the door to a wider compliance option for CARB and allows for recognition of similar anti-deforestation efforts taken in partner jurisdictions (i.e. encourage efforts similar to U.S. and Canadian governments).
2. It encourages jurisdictions (not just individual entities) to demonstrate that their supply chains can and do meet sustainability criteria on key issues such as land clearance and deforestation.

3. Where sustainability equivalency can be demonstrated on aggregate across a jurisdiction, it will reduce the administrative burden and costs of feedstock supplies from those jurisdictions that are already fully meeting sustainability requirements under the rule.

III. Indirect Land Use Change

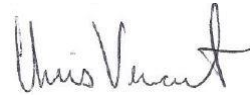
Similar to our comments above that a “one size fits all” approach to address sustainability requirements isn’t appropriate, any determination on ILUC must also take a nuanced approach, using best available science and data. In this regard, we appreciate that CARB intends to consider higher LUC values to high-risk crop-based feedstocks entering the LCFS.

On behalf of the CCC and COPA, we appreciate this opportunity to comment, and look forward to an ongoing dialogue with CARB and other relevant stakeholders to enact changes to the LCFS that will address climate change while creating economic opportunities for those in the low carbon fuel value chain.

Sincerely,



Chris Davison
President and CEO
CCC



Chris Vervae
Executive Director
COPA