YOSEMITE CLEAN ENERGY

June 14, 2023

Ms. Cheryl Laskowski, Director
Transportation Fuels Branch
California Air Resources Board
Sacramento, CA 95914

Re: Comments on Proposed Changes to the Low Carbon Fuel Standard

Yosemite Clean Energy appreciates the opportunity to comment on proposed changes to the Low Carbon Fuel Standard program presented at the February 22 staff workshop. YCE is committed to using forest and agricultural wood waste to create carbon-negative hydrogen through gasification of waste biomass and carbon sequestration here in the state of California, thus increasing energy security, decreasing the likelihood of catastrophic wildfire through forest conservation, and providing solutions for farmers. We are recipients of state grants both from the Department Of Conservation and Cal Fire, and are grateful for the state's support for using wood waste to produce renewable fuels.

We respectfully present several requests regarding the LCFS. First, YCE asks CARB to adopt a clear method of lifecycle analysis that includes avoided emissions for biofuels created through forestry waste, so the LCFS reflects the true lifecycle benefits biofuels have on the environment. We further request for the carbon intensity reduction of 20% by 2030 to be increased to 30% or preferably 40% in accordance with carbon reductions required by SB32 and SB1383. Lastly, we request that CARB prioritize energy produced in, or delivered to the state.

I. Adopting a Clear Lifecycle Analysis, Including Avoided Emissions, is Crucial to California's Climate Progress

Currently, credits are not awarded for avoided emissions. Our process, used state-wide, would reduce carbon emissions by millions of tonnes by removing forestry waste that would otherwise decompose or burn, releasing greenhouse gases and particulates into our atmosphere. The Lawrence-Livermore National Lab study "Getting to Neutral" highlights how crucial prioritizing waste biomass conversion is to California's decarbonisation goals, as hydrogen produced through this process is the only legitimate way to create carbon-negative energy. Considering avoided emissions is a critical component of accounting for the legitimate carbon negativity of bio-hydrogen.

Furthermore, YCE strongly objects to the phaseout of avoided methane emissions from the LCFS as it would move the LCFS program away from a lifecycle analysis-based program, which has been one of the biggest strengths of the program overall. At minimum, the Air Board should not phase out avoided methane emissions until there is a proven market to move biomethane to other end uses.

II. CARB Should Increase Carbon Intensity Target to Align with SB 32 and SB1383

YCE requests for the carbon intensity reduction of 20% by 2030 to be increased to 30% or preferably 40% in accordance with carbon reductions required by SB32, AB1279 and SB1383. SB 32 requires a 40 percent reduction in statewide carbon emissions by 2030 and AB 1279 requires carbon neutrality by 2045. Since the transportation sector is the largest source of greenhouse gas emissions in California, it will be difficult to achieve these requirements without aligning the carbon reductions required by the LCFS program. It will also make the path from 2030 to 2045 much steeper and harder to achieve, as the staff presentation on February 22 made clear.[14] If the 2030 target is only 25 or 30 percent, fuel providers will have only 15 years to reduce carbon intensity another 60 or 65 percent. In other words, California will have to reduce carbon intensity at more than three times the pace between 2030 and 2045 than between now and 2030. If California is serious about carbon reduction and preventing climate change, our goals must be drastically increased. The industry is capable of meeting this demand, but we are aware that 40% is a large ask, so are prepared to provide for this or any lesser goal.

III. CARB Should Continue the Prioritization of Energy Produced in or Delivered to the State

YCE requests CARB prioritize energy produced in, or delivered to the state. We are producing hydrogen locally here in California, along major transport routes. Prioritizing local energy sources further reduces CI score by minimizing carbon produced via energy transportation. It also keeps the co-benefits of biofuels in state, including avoided emissions, wildfire reduction, watershed health, etcetera.

[1] Air Board LCFS Staff Presentation, February 22, 2023, slide 22.

Considering avoided emissions, increased CI reduction, and localized production will ensure California is on track to decarbonization. Further, promoting tested hydrogen production from wood waste will have numerous co-benefits, most importantly promoting forestry health.

Thank you for your consideration of these comments.

Sincerely,

Thomas Hobby
CEO & Managing Member