



September 25, 2023

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

Re: Support for the Low Carbon Fuel Standard

Dear Chair Randolph and Members of the California Air Resources Board,

I am writing on behalf of NLC Energy, which is a developer, owner and operator of renewable natural gas (“RNG”) facilities and a registered supplier to the California Low Carbon Fuel Standard (“LCFS”) program. We appreciate the hard work the Board and the Staff have put into the ongoing review of the LCFS program and your efforts to ensure that it both drives aggressive CO₂ and Methane reductions and provides a strong, steady market signal to innovative clean fuel producers like NLC Energy to continue to invest the millions of dollars required to develop new zero carbon fuel supplies.

As the Board considers the staff recommendations, we would like to provide the following comments for your consideration.

New 2030 Target: While the SRIA considered an increase to a 30% reduction target by 2030, the continued surplus of credits over deficits, the State’s aggressive electrification goals, and the global need to front load methane emissions to accelerate bending the emissions curve, all suggest that the Board can and should consider a tighter 2030 standard. We note that the American Biogas Council provided a study from ICF that demonstrated that with projected supply and expected demand decline, a 40% reduction, or more, by 2030 is feasible.

Step Down: We support the step down included in the SRIA and encourage the Board to keep the current proposal as part of the final changes.

Methane Abatement: We support the current CARB policy which encourages developers to accelerate and maximize methane reductions and urge the Board to allow avoided methane crediting through 2040 or even longer.

Biomethane Book & Claim: We do not support creating artificial, unique, and commercially impractical restrictions on using the common carrier pipelines, mass balance, book and claim and other mechanisms to deliver RNG to the California market.

Implementation Date: We strongly encourage CARB to complete its amendment process and target an implementation date of July 1, 2024.

Changes to RNG Crediting: The GREET model is backed by science and is the most widely accepted carbon accounting methodology. It should continue to be used by CARB to determine project crediting.

We look forward to working with CARB to ensure a workable LCFS program that delivers on California's climate goals and continues to drive the development of new zero emissions transportation fuel solutions.

Sincerely,

A handwritten signature in black ink that reads "BRAD PETERSEN". The signature is written in a cursive style with a large, stylized initial "B".

Brad Petersen
Executive Vice President
NLC Energy

CC:

Steve Cliff, Executive Director

Rajinder Sahota, Deputy Executive Director for Climate Change and Research

Matt Botill, Division Chief