

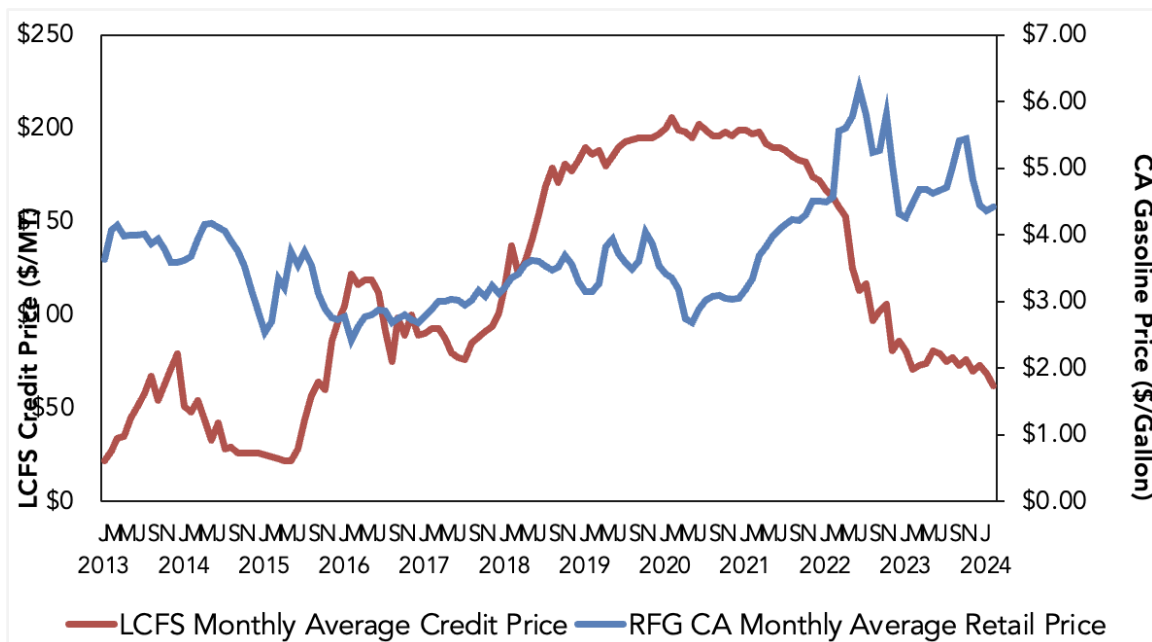
# LCFS

## Saving Californians Money & Cutting Pollution

California's *Low Carbon Fuel Standard (LCFS) Program* has drastically increased the production and use of cleaner fuels to cut pollution. As of 2022, **greenhouse gas emissions were cut by 20%** since 2000 - with the biggest drop coming from transportation. Since 2011 it has helped to replace more than **25 billion gallons of liquid petroleum fuel**. Now, the LCFS program is being amended to further incentivize cleaner fuels and cut pollution in a cost-effective manner.

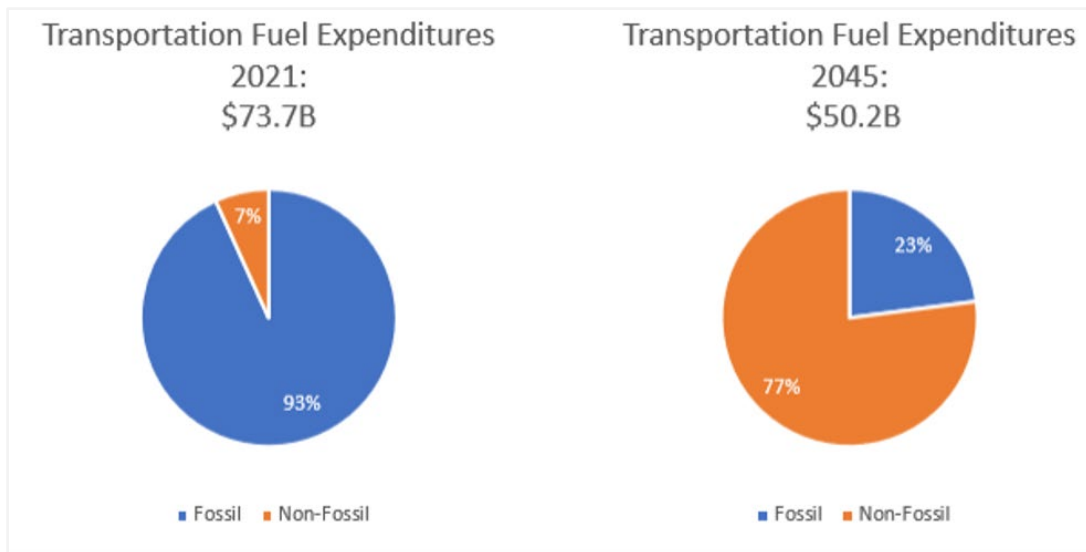
### No relationship between Low Carbon Fuel Standard credit prices and gas prices

The *graphic* below shows the changes in the LCFS credit prices and fuel prices for gasoline, showing no relationship between the two.



### LCFS will save Californians billions of dollars

- In health cost savings, Californians are expected to save *almost \$5 billion* by avoiding the impacts of pollution.
- Californians will be saving 42% in fuel costs per mile, paying \$0.12 per mile traveled - translating to *savings of over \$20 billion in fuel expenditures every year*. For the light-duty sector, the savings will be even more pronounced, with costs going from \$0.19 per mile to \$0.08 per mile by 2045, a reduction of over 50%.



## More clean transit, ZEVs, and cleaner fuels

- \$300 million has gone to support more public transit projects.
- Nearly \$1 billion has gone towards light duty zero emission vehicles (ZEVs).
- LCFS has displaced fossil diesel with cleaner fuels for over 70% of the demand in the state. Moving forward, it is expected *supercharge investment in clean fuels and infrastructure* into the billions.

## Previous \$0.47 price does not represent estimate of price-at-the-pump

The Standardized Regulatory Impact Assessment (SRIA) included estimated LCFS credit prices based on various scenarios modeled via the California Transportation Supply model (CATS), these should not be misconstrued as a prediction of the future credit price nor as a direct impact on prices at the pump. The SRIA is also incomplete since it doesn't show the benefits to clean air, a cleaner grid, EV infrastructure, savings from broader competition, benefits to public health or the environment.

Currently, data from third party commodities markets experts shows a \$0.10 LCFS cost pass through per gallon of gasoline. That's consistent with the self-reported data by the fuel producers which reflects an LCFS cost pass through of \$0.08 to \$0.10 per gallon of gasoline.

## Protecting Californians from gas price spikes

Over 80% of the increase in gas prices has been due to oil refiners. Federal, State and local taxes and fees account for 12%, and environmental requirements are the smallest fraction (6%) of the total. The state has also taken action to hold oil refiners accountable for *gas price spikes* and *increase transparency*, with more tools to ensure that refiners maintain supplies to help avoid increased costs on consumers.