State of California Air Resources Board

Second Notice of Public Availability of Modified Text and Availability of Additional Documents and/or Information

Proposed Low Carbon Fuel Standard Amendments

Public Hearing Date: November 8, 2024 Public Availability Date: October 1, 2024 Deadline for Public Comment: October 16, 2024

The California Air Resources Board (CARB) staff has determined that additional modifications are appropriate for the proposed Low Carbon Fuel Standard (LCFS) amendments and has developed the proposed modifications (Second 15-Day Changes) as stated below in the "Summary of Proposed Modifications" section of this notice. The Attachments showing the specific proposed modifications to the text of the proposed regulation being made with these Second 15-Day Changes are shown in multiple ways in order to meet the requirements of the Administrative Procedure Act (APA) while also posting alternate/complementary versions that provide increased accessibility to view the modifications in multiple ways.

The Attachments are as follows:

Attachment A - Amendments to Sections 95481, 95482, 95483, 95483.1, 95484, 95486.1, 95486.3, 85486.4, 95488.3, 95488.8, 95488.9, 95500, and 95501, Title 17, California Code of Regulations

- Attachment A-1: Proposed Second 15-Day Modifications to Proposed Regulation Order (compared to version released for First 15-day comments)
- Attachment A-1.1: ~Alternative format to Attachment A-1 (Proposed Sections for Amendments)~
- Attachment A-1.2: Proposed Second 15-Day Modifications to Proposed Regulation Order (First and Second 15-Day Modifications and 45-Day Modifications combined and compared to existing regulatory text) in Alternative format
- Attachment A-2: Proposed Second 15-Day Modifications to Proposed Regulation Order (Proposed Sections for Adoption) (compared to version released for First 15-day comments)
- Attachment A-2.1: ~Alternative format to Attachment A-2 (Proposed Sections for Adoption)~

 Attachment A-2.2: Proposed First and Second 15-Day Modifications to Proposed Regulation Order (Proposed Sections for Adoption) (compared to version released for 45-day comments)

The Attachments showing the specific proposed modifications to the text of the proposed regulation orders available for comment with this Notice are provided in the two formats denoted with the suffixes "'-1," "-1.1," "-2," and "-2.1."

In the version denoted Attachment A-1 and A-2, the 45-Day Changes (proposed regulatory language as posted on December 19, 2023) and First 15-Day Changes (proposed regulatory language as posted on August 12, 2024) are shown in "normal type." The deletions and additions to the First 15-Day Changes that comprise the Second 15-day Changes that are being made public and available for comment with this Notice are shown in strikeout to indicate deletions and underline to indication additions.

In the version denoted Attachment A-1.1 and A-2.1, the 15-Day Changes are provided in a tracked-changes format to meet the requirement for accessible electronic documents. The 45-Day Changes and First 15-Day Changes are incorporated into this version as plain, clean text because they are not being made available for public comment by this Notice. The Proposed Second 15-day Changes are shown in tracked changes and are made public with this Notice and available for comment. To review this document in a clean format, without underline or strikeout to show changes, that shows all the proposed regulations being considered for adoption, please select "Simple Markup" or "No Markup," or accept all changes in Microsoft Word's Review menu. You can also change the view to the initially proposed First 15-Day Changes (originally proposed regulatory text prior to these proposed modifications) by selecting "Original" or rejecting all tracked changes. Additionally, "Advanced Track Changes Options" will allow for further options regarding color and other markings.

In the version denoted Attachment A-1.2, the existing, original regulatory language currently adopted into the California Code of Regulations (pre-45-Day Changes) is shown as plain, clean text, while the 45-Day Changes <u>and</u> the proposed First and Second 15-Day Changes are combined and shown in tracked changes. To review the net proposal in this document in a clean format (no underline or strikeout to show changes), please select "Simple Markup" or "No Markup" in Microsoft Word's Review menu or accept all changes. You can also change the view to the original (originally proposed regulatory text <u>prior</u> to any proposed modifications, or 45-Day Changes) by selecting "Original" or rejecting all tracked changes. By progressing through the changes and comparing them with the Second 15-Day Changes, the public can see the net and stepwise changes being proposed in relation to existing law. Please refer to the versions denoted A-1 and A-2 to review the 15-Day Changes available for comment and their companion/alternate versions A-1.1 and A-2.1 to view accessible versions showing the Second 15-Day Changes.

In the version denoted Attachment A-2.2, the 45-Day Changes is shown as plain, clean text, while the proposed First and Second 15-Day Changes are combined and shown in tracked changes. To review the net proposal in this document in a clean format (no underline or strikeout to show changes), please select "Simple Markup" or "No Markup" in Microsoft Word's Review menu or accept all changes. You can also change the view to the original (originally proposed regulatory text *prior* to any proposed modifications, or First 15-Day Changes) by selecting "Original" or rejecting all tracked changes. By progressing through the changes and comparing them with the Second 15-Day Changes, the public can see the net and stepwise changes being proposed in relation to existing law. Please refer to the versions denoted A-1

and A-2 to review the 15-Day Changes available for comment and their companion/alternate versions A-1.1 and A-2.1 to view accessible versions showing the Second 15-Day Changes.

In the Final Statement of Reasons, staff will respond to all comments received on the record during the comment periods. The APA requires that CARB respond to comments received regarding all noticed changes. Therefore, staff will only address comments received during this 15-day comment period that are responsive to this notice, documents added to the record, or the changes detailed in Attachments A-1 and A-2.

The modifications being proposed as of this Second 15-Day Notice, as well as the First 15-Day documents, original Notice, Initial Statement of Reasons, and all subsequent regulatory documents are available on CARB's Rulemaking webpage: https://ww2.arb.ca.gov/rulemaking/2024/lcfs2024

Summary of Proposed Modifications

The following summary does not include all modifications to correct typographical or grammatical errors, changes in numbering or formatting, nor does it include all of the non-substantive revisions made to improve clarity.

Modifications to Section 95481. Definitions and Acronyms.

 In section 95481(a), staff proposes to add, delete, or modify a number of definitions, including, but not limited to: "Clean Fuel Reward," "Commercial Vehicle," "Electrical Distribution Utility," "Ineligible Specified Source Feedstocks," "Recovered Organics," "Residue," "Shared HD-FCI Charging Site," and "Shared HD-HRI Charging Station."

Modifications to Section 95482. Fuels Subject to Regulation.

- 1. In section 95482(h), staff proposes to require that hydrogen produced using fossil gas as a feedstock will become ineligible for LCFS credit generation beginning January 1, 2035, instead of January 1, 2030. In 2030, hydrogen dispensed as a vehicle fuel would need to be at least 80 percent renewable, to match the requirement listed in sections 95486.3(a)(4)(F) and 95486.4(a)(4)(G) for hydrogen refueling infrastructure (HRI) crediting. The proposed change improves alignment of hydrogen renewable content requirements across the LCFS regulation, better aligns with the renewable requirements for the electricity grid, and gives more time for non-fossil hydrogen to scale up and effectively displace fossil hydrogen used in California.
- 2. In section 95482(i), staff proposes to modify the twenty percent crediting eligibility limitation on certain virgin crop-based feedstocks used to produce biomass-based diesel. This provision will now include sunflower oil in addition to soybean and canola oil, such that biomass-based diesel from virgin soybean, canola, and sunflower oil in excess of twenty percent will be assigned the carbon intensity of the applicable diesel pool benchmark for that year, or the certified carbon intensity of the applicable fuel pathway; whichever is greater. These limitations are consistent with the rulemaking's objective to provide guardrails on crop-based biofuels to prevent potential adverse impacts. Further, adding sunflower oil is also responsive to public feedback that limiting this provision to soy and canola could lead to incentives to increase use of other oilseeds for biofuel production. The proposed modification also clarifies that this provision applies to the following transaction types: production in California, produced for import, and import. This clarifies that the provision applies to transactions for

transportation fuels used by vehicles in California. Additionally, staff proposes to specify that the provision will not apply to any biomass-based diesel pathway certification applications submitted before the effective date of the regulation until January 1, 2028. This adjustment provides appropriate time for existing fuel producers to meet the twenty percent eligibility limitation and adjust their operations and/or feedstock supplies.

Modifications to Section 95483. Fuel Reporting Entities.

- 1. In subsection 95483(c)(1)(A), staff proposes the following changes:
 - a. Specify that base credit proceeds funds previously allocated to the Clean Fuel Reward program by Electrical Distribution Utilities (EDUs) that remain unspent will be returned to those EDUs if base credits are allocated to the original equipment manufacturers (OEMs). This modification is designed to ensure that those funds are accurately accounted for and utilized to promote transportation electrification.
 - b. Clarify that non-large or medium-sized investor-owned EDUs are required to spend 50 percent of holdback credit proceeds on equity projects, as opposed to 75 percent for large- or medium-sized investor-owned EDUs. This modification is necessary for consistency with the initial amendment proposals released with the Initial Statement of Reasons.
 - c. Specify that if an EDU does not spend the required percentage on equity projects in a calendar year, the shortfall of spending will roll over to their total equity spending requirement for the following year. This proposed change is designed to provide reasonable flexibility while ensuring the spending requirements are still met over time.
 - d. Specify that panel and service upgrades are included as an acceptable holdback equity spending category, within the broader umbrella of installing EV charging infrastructure in residences.
 - e. Clarify that charging equipment or infrastructure that directly supports public transit and other clean mobility solutions listed in section 95483(c)(1)(A)5.a.v. is an acceptable use of holdback credit spending.
 - f. Specify that re-skilling and workforce development projects may also be developed in coordination with a community-based organization or a California Community College, in addition to the California Workforce Development Board.
 - g. Clarify that projects approved by the Executive Officer pursuant to subsection 95483(c)(1)(A)(5)a.ix. comply with the LCFS regulation. This does not change the existing practice but clarifies what is meant by the Executive Officer's approval.
 - h. Increase the maximum administrative spending to 10 percent of total spending on holdback credit equity projects annually, in response to public comments that a 7 percent administrative cost limit would hold back the ability to implement projects.

- i. Specify that any unspent proceeds from non-opt-in EDU base credits that were allocated to the Large EDUs beginning with the deposit of Q2 2019 credits through the deposit of Q2 2024 credits and then transferred to the Clean Fuel Reward program may be transferred by the Clean Fuel Reward Program Administrator to small EDUs that opted in to the LCFS program by March 31, 2025. Base credit proceeds allocated in this manner are subject to the same spending requirements included for other utilities under sections 95491(e)(5) and 95483(c)(1)(A). This proposal is designed to provide additional support to small utilities to support their electrification efforts.
- 2. In subsection 95483(c)(1)(B), staff proposes to specify that OEMs eligible to receive base credits are OEMs of residential battery-electric or plug-in hybrid electric vehicles. In addition, staff proposes to clarify that the criteria for considering allocating base credits to OEMs is based on the statewide share of all new zero emission vehicle sales in aggregate, rather than any individual OEM's sales shares.
- 3. In subsection 95483(c)(1)(C), staff proposes to specify that OEMs potentially eligible to generate base credits must identify themselves to the CARB Executive Officer (EO) through LCFS data management system registration as an OEM of residential plug-in electric vehicles or plug-in hybrid electric vehicles and eligible opt-in entity under section 95483.1. Staff also proposes to specify that the EO must revoke an OEM's base credit generation eligibility if the OEM fails to spend the base credit proceeds within three years of base credit issuance. These proposed modifications add necessary specificity to eligibility, registration, and revocation criteria and procedures.
- 4. In subsection 95483(c)(1)(D), staff proposes to specify that installing EV charging infrastructure and providing subsidized EV charging plans are two separate (rather than a single combined) eligible OEM base credit project types. Staff also proposes to specify procedures and criteria for OEMs to request and receive advance approval to potentially exceed the limit of 7 percent of base credit proceeds that may be spent on administrative costs. These specified procedures and criteria are modeled on analogous criteria and procedures specified for the Clean Fuel Reward context in LCFS subsection 95483(c)(1)(A).

Modifications to Section 95483.1 Opt-in Entities.

1. In subsection 95483.1(a)(1), staff proposes to add OEMs of battery-electric or plug-in hybrid electric vehicles as opt-in entities, if the Executive Officer assigns a portion of base credits for residential charging to OEMs.

Modifications to Section 95484. Annual Carbon Intensity Benchmarks.

1. In subsection 95484(b), staff is proposing that the determination for whether the Automatic Acceleration Mechanism (AAM) is triggered will be based on data from the most recent four quarters of reporting. The previous proposal based this determination on data from the previous calendar year, and staff would have announced if the AAM was triggered on May 15 of each year. Under the proposed updates, staff will consider the most recent four quarters of reporting and make a quarterly announcement regarding whether or not the AAM was triggered, rather than an annual announcement. If triggered, the benchmark schedules would still be adjusted on the same frequency and timing as previously proposed; however, basing the trigger on the most recent four

quarters may provide earlier notice to stakeholders that the AAM has been triggered, providing further market certainty and lead time to LCFS participants.

Modifications to Section 95486.3. Generating and Calculating Credits for ZEV Fueling Infrastructure Pathways for Light- and Medium-Duty Vehicles.

- 1. In subsection 95486.3(a)(2)(F), staff proposes to modify the derating factor and maximum creditable capacity for light and medium-duty (LMD) hydrogen refueling stations under the hydrogen refueling infrastructure (HRI) provision. Public feedback on the first 15-day change proposal stated that the HRI capacity factor of 50% of LMD station capacity would not provide sufficient revenue to promote investment in station development. Staff proposes to increase the public LMD station HRI capacity factor from 50% to 100%, aligned with the existing HRI provision, and to increase the HRI capacity factor for private LMD stations from 25% to 50%. In concert, staff is also proposing to change the maximum HRI capacity for LMD stations to 1,200 kilograms of hydrogen per day, which aligns with the existing HRI provision in the LCFS regulation and was the basis for the majority of the existing funding for hydrogen refueling stations.
- 2. In subsection 95486.3(a)(2)(J), staff proposes to add the station owner and publicly accessible hours of approved stations to the public data available on the LCFS website listed in the attestation. These additions to the public data available are expected to provide useful information to the public regarding hydrogen stations that service light-and medium-duty vehicles and receive credits through the HRI pathway.
- 3. In subsection 95486.3(b)(2)(K), staff proposes to add the site owner and publicly accessible hours of approved charging sites to the public data listed in the attestation to be available on the LCFS website, and to remove the no longer relevant effective simultaneous power of the chargers from that list. The additions to the public data available are expected to provide useful information to the public regarding charging sites that service light- and medium-duty vehicles and receive credits through the FCI pathway.

Modifications to Section 95486.4. Generating and Calculating Credits for ZEV Fueling Infrastructure Pathways for Heavy-Duty Vehicles.

- 1. In subsection 95486.4(a)(1)(B)3., staff proposes to add local grants to the capital funding criterion for HD-HRI pathway eligibility. If a station receives a local government grant that requires location evaluation as a part of the condition for funding, then the location of that station is automatically eligible for HRI crediting. This provision creates additional flexibility in the HRI eligibility requirements.
- 2. In subsection 95486.4(a)(2)(J), staff proposes to add the station owner and accessible hours of approved stations to the public data available on the LCFS website listed in the attestation. These additions to the public data available are expected to provide useful information to the public regarding hydrogen stations that service heavy-duty vehicles and receive credits through the HRI pathway.
- 3. In subsection 95486.4(a)(4)(D), staff proposes to revise the language to clarify that only shared HD-HRI sites whose owners or applicants also own a fleet of vehicles are restricted to reserving the site for that fleet for 12 hours each day. A HD-HRI station that is open to multiple fleets without a site owner's fleet is still considered a shared HD-HRI station even if only one third-party fleet uses the station.

- 4. In subsection 95486.4(b)(1)(B)3., staff proposes to add local grants to the capital funding criterion for HD-FCI pathway eligibility. If a station receives a local government grant that requires location evaluation as a part of the condition for funding, then the location of that station is automatically eligible for FCI crediting. This provision creates additional flexibility in the FCI eligibility requirements.
- 5. In subsection 95486.4(b)(2)(K), staff proposes to add the site owner and publicly accessible hours of approved charging sites to the public data listed in the attestation to be available on the LCFS website, and to remove the no longer relevant effective simultaneous power of the chargers from that list. The additions to the public data available are expected to provide useful information to the public regarding charging sites that service light- and medium-duty vehicles and receive credits through the FCI pathway.
- 6. In subsection 95486.4(b)(3)(A)1., staff proposes to add language to clarify that only the estimated potential credits of approved HD-FCI FSEs are considered to determine if new applications for HD-FCI FSEs will be accepted.
- 7. In subsection 95486.4(b)(3)(B), staff proposes to revise language to clarify that the equation to calculate estimated potential credits is for HD-FCI FSEs, in alignment with the rest of subsection 95486.4(b).
- 8. In subsection 95486.4(b)(4)(D), staff proposes to revise the language to specify that only shared HD-FCI sites whose owners or applicants also own a fleet of vehicles are restricted to reserving the site for that fleet for 12 hours each day. A HD-FCI station that is open to multiple fleets without a site owner's fleet is still considered a shared HD-FCI station even if only one third-party fleet uses the station.

Modifications to Section 95488.3. Calculation of Fuel Pathway Carbon Intensities.

- In subsection 95488.3(b), staff proposes to specify that the "associated data sources" of the CA-GREET4.0 model referenced are the data sources specified in the CA-GREET4.0 Model Documentation, which is incorporated by reference into the regulation.
- 2. In subsection 95488.3(d)(2), staff proposes to remove the word "crop" in the context of feedstocks not listed in Table 6. This clarification ensures that non-crop feedstocks, such as woody biomass, may also be assessed by the Executive Officer to determine and assign an appropriate land use change value, based upon empirical land cover data, yields, and emission factors.

Modifications to Section 95488.8. Fuel Pathway Application Requirements Applying to All Classifications.

1. In subsection 95488.8(g)(1)(A), staff proposes to modify the description of forest biomass waste based on public feedback and to support alignment with forest biomass waste generated from activities consistent with existing local, State, and Federal requirements. Staff also proposes to specify that corn stover would be considered a specified source feedstock, subject to chain of custody requirements, rather than the sustainability certification requirements identified in section 95488.9(g). Corn stover is considered a waste/residue product and aligns best with the specified source feedstock

- requirements, rather than the requirements applicable to crop feedstocks primarily grown for biofuel consumption.
- 2. In subsection 95488.8(i)(1)(C), staff proposes to remove the word "electrolytic" to clarify that indirect accounting of low-CI electricity used as process energy may be used for hydrogen produced through other production methods besides electrolysis (steam methane reformation, gasification, and more). Staff also proposes to clarify that the matching period is three quarters, consistent with updates to subsection 95488.8(i)(1)(C)(4) in the first 15-day change period.
- 3. In subsection 95488.8(i)(2), staff proposes to allow for book-and-claim accounting of biomethane to produce electricity for electric vehicle charging, provided the electricity is generated using a fuel cell. This proposal increases flexibility for biomethane projects to produce low-CI electricity and supports California's zero emission vehicle goals, while also prioritizing electricity generated using non-combustion technology. Staff also proposes to align the conditional acceleration from 2041 to 2037 of the deliverability requirements with a CARB determination of full implementation of the State's medium and heavy duty zero emission vehicle regulations on December 31, 2029. This determination of whether the number of unique Class 3-8 ZEVs reported or registered in California exceeds 132,000 ZEVs or NZEVs on December 31, 2029, would be based on the evaluation and notification specified by subsection 95488(d)(1) (proposed with the First 15-Day Changes). The determination would show that acceleration of the deliverability requirement would be appropriate because California would be on track to transition to zero emission vehicles and need less combustion vehicle fuels.

Modifications to Section 95488.9. Special Circumstances for Fuel Pathway Applications.

- 1. In subsection 95488.9(b), staff proposes to add a new temporary CI for low-CI electricity produced by fuel cell from biomethane from dairy and swine manure, based on existing program data. Staff also proposes to remove text related to biomethane from the natural gas hydrogen temporary CI, because it is not relevant. Lastly, staff proposes to update the temporary fuel pathway for hydrogen produced from biomethane from dairy and swine manure to -40. The sign was inadvertently left out in the previous iteration of the proposed regulation.
- 2. In subsection 95488.9(f)(3)(A), staff proposes to update the requirements for crediting periods for avoided methane emissions in response to public comment. If a project is certified before the effective date of the regulation, staff proposes that it will be allowed three consecutive 10-year crediting periods. If it is certified on or after the effective date of the regulation and before January 1, 2030, then it will be limited to two consecutive 10-year crediting periods. The Executive Officer may renew crediting periods for fuel pathways that were certified before the effective date of the regulation, for up to three consecutive 10-year crediting periods, as well as fuel pathways representing projects that have broken ground on or after the effective date of the regulation and before January 1, 2030, for up to two consecutive 10-year crediting periods. These provisions maintain the rules for crediting periods described under the current regulation while providing clarity for projects developed between the effective date and January 1, 2030.
- 3. In subsection 95488.9(f)(3)(B), the existing regulation states that if a law, regulation, or legally binding mandate requiring either greenhouse gas emission reductions from manure methane emissions from livestock and dairy projects or diversion of organic

material from landfill disposal, comes into effect in California during a project's crediting period, then the project is only eligible to continue to receive LCFS credits for those greenhouse gas emission reductions for the remainder of the project's current crediting period and may not request any subsequent crediting periods. Staff is proposing to focus this provision on fuel pathways associated with biomethane projects that break ground after December 31, 2029. This proposed change supports California's SB 1383 methane reduction goals by providing incentive certainty for project developers for methane capture projects.

- 4. In subsections 95488.9(g), staff proposes to clarify that crop or forestry feedstocks are subject to either the specified source feedstock requirements in Section 95488.8(g)(1)(A) or the Sustainability Requirements in 95488.9(g). Staff also proposes in subsection 95488.9(g)(1)(B) to allow forestry biomass, as an alternative to third-party certification, that is sourced from land harvested and managed according to the sustainable forestry management practices included in CARB's US Forest Offset Protocol.
- 5. In subsection 95488.9(g)(7), staff proposes to update a cross-reference for consistency with changes proposed in the first 15-day change release.
- 6. In subsections 95488.9(g)(5), staff proposes to include additional attestation language to align with the option proposed in 95488.9(g)(1)(B) for forestry biomass from land meeting the sustainable forestry management practices included in CARB's US Forest Offset Protocol.
- 7. In subsections 95488.9(g)(5)(A), (6)(A), and (7)(A), staff proposes to clarify the data period that is captured in the 2026 and 2028 AFPRs, with respect to the proposed sustainability requirements. For example, the 2026 AFPR includes data from the 2026 data year, and is submitted in 2027.
- 8. In subsection 95488.9(g)(5)(A), staff proposes to clarify that pathway holders of pathways utilizing biomass pursuant to section 95488.9(g)(1) must submit to CARB geographical shapefiles or coordinates of plot boundaries (farm, plantation or forest) that are managed to produce the biomass with the annual fuel pathway report and subsequent reporting years. This was staff's original intent, but the proposed change clarifies this as a requirement in the regulation.
- 9. In subsection 95488.9(g)(7)(H), staff proposes to add an additional basis for adjusting certifications. The addition specifies that CARB may modify certifications if appropriate for consistency with the removal or suspension of certification systems in other programs such as the European Union Renewable Energy Directive, or Environment and Climate Change Canada's Clean Fuels Regulations.

Modifications to Section 95491.1. Recordkeeping and Auditing.

1. In subsection 95491.1(c)(1)(G), staff proposes to remove the inadvertently retained exception for EV charging data to the described requirements. This modification is necessary for consistency with proposed amendments to add verification requirements for EV charging reporting.

Modifications to Section 95500. Requirements for Validation of Fuel Pathway Applications; and Verification of Annual Fuel Pathway Reports, Quarterly Fuel

Transactions Reports, Crude Oil Quarterly and Annual Volumes Reports, Project Reports, and Low-Complexity/Low-Energy-Use Refinery Reports.

- 1. In subsection 95500(b)(2)(B), staff proposes to increase the threshold for verification deferral for hydrogen and electricity-based transactions from 6,000 credits to 10,000 credits. In response to public comments, this provision helps to reduce over administration burden for annual verification by giving hydrogen and electricity reporting entities a higher threshold for deferring verification, given hydrogen and electricity transactions are more likely to have high numbers of smaller volume entities than liquid fuel providers.
- 2. In subsection 95500(c)(1)(E), staff proposes to delay the implementation of the verification requirement for hydrogen and electricity-based transactions by one year. In response to public comment, this provision gives reporting entities additional time to obtain verification services.

Modifications to Section 95501. Requirements for Validation and Verification Services.

1. In subsection 95501(b)(3), staff proposes to clarify the site visit requirement for verification services by explicitly stating that in order to verify a Quarterly Fuel Transactions Report, a verifier must visit the central records location annually, which may be the company headquarters. When necessary, verifiers are expected to conduct risk-based site visits to fueling supply equipment (FSE) or fuel dispensing facilities based on the verifiers' professional judgment, but in many cases will only need to visit the central records facility. These clarifications will provide reporting entities with more flexibility while maintaining the integrity of the LCFS verification process. Verification is critical to maintaining the integrity of the LCFS program and provides a high level of confidence in reported data. While this proposed clarification provides additional flexibility for complying with the verification requirements, the requirement to obtain verification services for all fuels used in the program stands.

In addition to the modifications described above, additional modifications correcting grammar, punctuation and spelling have been made throughout the proposed changes. These changes are non-substantive.

These modifications do not change implementation of the regulation in any way that affects the conclusions of the Draft Environmental Impact Analysis (Draft EIA) and the subsequent Recirculated Environmental Impact Analysis (Recirculated EIA). The modifications consist of revisions to provide programmatic consistency or more flexibility for regulated entities to comply with the existing proposed requirements, as well as definition, numbering, and provision clarifications that do not alter the compliance responses or associated impact conclusions. Where modifications are made that may affect compliance responses, they do not result in any new reasonably foreseeable significant environmental impacts or substantially increase the severity of an identified environmental impact. Therefore, no additional environmental analysis or recirculation of the EIA is required.

Additional Documents Added to the Record

In the interest of completeness and in accordance with Government Code section 11347.1, subdivision (a), staff has also added to the rulemaking record and invites comments on the following additional documents.

Documents Incorporated by Reference

1. California Air Resources Board. *CA-GREET4.0 Supplemental Document*. August 12, 2024. Available at https://ww2.arb.ca.gov/sites/default/files/classic/fuels/lcfs/ca-greet/cagreet4 documentation v08122024.pdf

Additional References and Supplemental Documents

- California Air Resources Board. California's Actions in Reducing Emissions from Airports and Aircraft. July 19, 2024. Available at https://ww2.arb.ca.gov/sites/default/files/2024-08/California%20Aircraft%20and%20Airports%20Fact%20Sheet%20-%20July%202024 0.pdf
- 2. National Renewable Energy Laboratory. *Hydrogen Fueling Capacity (HyCap) Model.* September 16, 2024.
- 3. California Air Resources Board, *Tier 1 Cl Calculator for Hydrogen*. Released October 1, 2024.
- 4. California Air Resources Board, *Tier 1 Cl Calculator for Hydrogen Instruction Manual*. Released October 1, 2024.
- 5. California Air Resources Board, *Tier 1 Cl Calculator for Hyrdoprocessed Ester and Fatty Acid Fuels Instruction Manual*. Released October 1, 2024.
- 6. California Air Resources Board, *Tier 1 Simplified CI Calculator for Organic Waste Biomethane Instruction Manual.* Released October 1, 2024.
- 7. California Air Resources Board, *Tier 1 Simplified CI Calculator for Dairy and Swine Manure Biomethane Instruction Manual.* Released October 1, 2024.

These documents are available for inspection at the California Air Resources Board, 1001 I Street, Sacramento, California, 95814, between the hours of 9:00am to 4:00pm, Monday through Friday (excluding holidays). To inspect these documents please contact Chris Hopkins, Regulations Coordinator, at (279) 208-7347.

Agency Contacts

Inquiries concerning the substance of the proposed regulation may be directed to Dillon Miner, Staff Air Pollution Specialist, Alternative Fuels Section, at (279) 208-7437 or (designated back-up contact) Jordan Ramalingam, Manager, Alternative Fuels Section, at (916) 277-0499.

Public Comments

Written comments will only be accepted on the modifications identified in this Notice. Comments may be submitted by postal mail or by electronic submittal no later than the due date to the following:

Postal mail: Clerks' Office, California Air Resources Board 1001 I Street, Sacramento, California 95814

Electronic submittal: https://ww2.arb.ca.gov/lispub/comm/bclist.php

Please note that under the California Public Records Act (Gov. Code § 7920.000 et seq.), your written and verbal comments, attachments, and associated contact information (e.g., your

address, phone, email, etc.) become part of the public record and can be released to the public upon request.

In order to be considered by the Executive Officer, comments must be directed to CARB in one of the two forms described above and received by CARB no later than the deadline date for public comment listed at the beginning of this notice. Only comments relating to the above-described modifications to the text of the regulations shall be considered by the Executive Officer.

If you need this document in an alternate format or another language, please contact the Clerks' Office at (916) 322-5594 or by facsimile at (916) 322-3928 no later than five (5) business days from the release date of this notice. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

Si necesita este documento en un formato alterno u otro idioma, por favor llame a la oficina del Secretario del Consejo de Recursos Atmosféricos al (916) 322-5594 o envíe un fax al (916) 322-3928 no menos de cinco (5) días laborales a partir de la fecha del lanzamiento de este aviso. Para el Servicio Telefónico de California para Personas con Problemas Auditivos, ó de teléfonos TDD pueden marcar al 711.

California Air Resources Board

Steven S. Cliff, Ph.D. Executive Officer

Date: October 1, 2024

Attachments

The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see CARB's website (ww2.arb.ca.gov).