State of California Air Resources Board

Executive Order R-25-001

Relating to Resubmittal Package to the Office of Administrative Law for the Proposed Low Carbon Fuel Standard Amendments

Whereas, on January 2, 2024, the California Air Resources Board (CARB or Board) released the Proposed Low Carbon Fuel Standard Amendments, as set forth in Appendices A-1 and A-2 to the Initial Statement of Reasons, including the Draft Environmental Impact Analysis (EIA), which was available for a 45-day public comment period starting on January 5, 2024, and closing on February 20, 2024;

Whereas, modified regulatory language and supporting documentation were circulated for two initial 15-day public comment periods, with the changes to the originally proposed text clearly indicated, according to provisions of California Code of Regulations, title 1, section 44 and Government Code section 11340.85, from August 12, 2024, through August 27, 2024, and October 1, 2024, through October 16, 2024;

Whereas, on August 16, 2024, CARB released the Recirculated Draft EIA for the Proposed Low Carbon Fuel Standard Regulation for a minimum 45-day comment period, closing on September 30, 2024;

Whereas, written comments were received during the initial 45-day comment period, supplemental 15-day comment periods, and subsequent 45-Day comment period on the Recirculated Draft EIA, and those comments were considered by the Board;

Whereas, on November 8, 2024, the Board conducted a public hearing to consider the Proposed Low Carbon Fuel Standard Amendments, as set forth in the Final Regulation Orders in conjunction with the Final EIA and Response to EIA Comments as posted on CARB's rulemaking webpage on November 6, 2024;

Whereas, following the public hearing on November 8, 2024, the Board adopted Resolution 24-14 in which the Board certified the Final EIA as being completed in compliance with CARB's certified regulatory program to meet the requirements of the California Environmental Quality Act (CEQA), and in consideration of the Final EIA, the Response to EIA Comments, and the entirety of the record, the Board adopted the Findings and Statement of Overriding Considerations and approved for adoption amendments to sections 95480, 95481, 95482, 95483, 95483.1, 95483.2, 95483.3, 95484, 95485, 95486, 95486.1, 95486.2, 95487, 95488, 95488.1, 95488.2, 95488.3, 95488.4, 95488.5, 95488.6, 95488.7, 95488.8, 95488.9, 95488.10, 95489, 95490, 95491, 95491.1, 95495, 95500, 95501, 95502, 95503, and adoption of new sections 95486.3, 95486.4, and 95491.2, title 17, California Code of Regulations, as set forth in the Final Regulation Orders;

Whereas, Resolution 24-14 contained language directing the Executive Officer to make any additional conforming modifications deemed appropriate available for public comment, with any additional supporting documents and information, for a period of at least 15 days. The Executive Officer was directed to consider written comments submitted during the public review period and make any additional appropriate conforming modifications available for public comment for at least 15 days, and to take final action to adopt the regulation after

addressing all appropriate modifications or present the regulation to the Board for further consideration if warranted;

Whereas, on January 3, 2025, CARB submitted the rulemaking package to the Office of Administrative Law (OAL) for review in accordance with the California Administrative Procedure Act;

Whereas, on February 18, 2025, OAL issued a Notice of Disapproval of Regulatory Action and on February 25, 2025, issued a Decision of Disapproval of Regulatory Action;

Whereas, CARB made modifications to regulatory language in order to correct the deficiencies specified in the February 25, 2025, Decision of Disapproval of Regulatory Action, along with other modifications to further improve alignment with the objectives of the rulemaking consistent with the requirements of Government Code subsection 11349.4(a);

Whereas, the modifications were made available for a third 15-day comment period, with the changes to the originally proposed text clearly indicated, according to provisions of California Code of Regulations, title 1, section 44 and Government Code section 11340.85, from April 4, 2025, through April 21, 2025;

Whereas, written comments were received during the third 15-day comment period and those comments were considered by the Executive Officer; and

Whereas, staff prepared an addendum to the Final EIA analyzing the proposed modifications and determined that for the proposed modifications, CARB can rely on the environmental analysis prepared under its certified regulatory program included in the Final EIA for the proposed amendments to the Low Carbon Fuel Standard Regulation, certified by the Board in Resolution 24-14. As explained in Attachment B to Executive Order R-25-001, no additional environmental review is required because the record evidence shows that the modifications will not result in new significant adverse environmental impacts, or a substantial increase in severity of previously identified significant adverse impacts; create a substantial change that would require major revisions to the EIA involving new significant environmental effects or substantial increases in the severity of previously identified effects; or new information of substantial importance that would change the conclusions of the Final EIA;

Now, Therefore, It Is Ordered that the recitals and findings contained in Resolution 24-14 are It Is Further Ordered that amendments to sections 95480, 95481, 95482, 95483, 95483.1, 95483.2, 95483.3, 95484, 95485, 95486, 95486.1, 95486.2, 95487, 95488, 95488.1, 95488.2, 95488.3, 95488.4, 95488.5, 95488.6, 95488.7, 95488.8, 95488.9, 95488.10, 95489, 95490, 95491, 95491.1, 95495, 95500, 95501, 95502, 95503, and adoption of new sections 95486.3, 95486.4, and 95491.2, title 17, California Code of Regulations, are adopted as set forth in the "Final Regulation Order" documents attached to this Order.

It is Further Ordered that the adopted regulatory text may be further revised with nonsubstantial or grammatical changes, which will be added to the rulemaking record and indicated as such.

Executed this <u>16th</u> day of <u>May</u> at Sacramento, California.

Steven S. Cliff, Ph.D., Executive Officer

Attachments