



December 28, 2023

Anil Prabhu, Ph.D.  
Manager, Fuels Evaluation Section  
Transportation Fuels Branch  
California Air Resources Board  
1001 I street  
Sacramento, CA 95814

**Re: Diamond Green Diesel LCFS Tier 2 Pathway Application No. B0540 Response to Comment**

Dear Mr. Prabhu:

Diamond Green Diesel (DGD) provides this response to the comment letter submitted by Biofuelwatch. This comment raises concerns about the indirect effects of using waste oils and fats for renewable fuel production as well as instances of alleged fraud and theft within the used cooking oil supply chain.

The concerns related to indirect effects of exports of oils from their countries of origin are more appropriately addressed by economists and policy experts at CARB (and by the LCFS program as a whole) than by individual applicants for pathways. DGD has fully complied with the Tier 2 Pathway Application requirements, providing all requisite data and documentation under § 95488.7 and § 95488.8.

The comment posted by Biofuelwatch also questions whether there is fraud and/or theft in DGD's supply chain. § 95488.8(g)(1)(B) of the LCFS provides chain-of-custody requirements for all specified source feedstocks, including used cooking oil, regardless of whether the feedstock originates domestically or internationally. This provision requires fuel pathway applicants to maintain records supporting feedstock type and quantity for each feedstock transaction as well as ensure verifier access to audit feedstock suppliers. Chain-of-custody evidence must also demonstrate the relationship between inputs and outputs at all relevant points along the feedstock supply chain.

DGD satisfies all of these requirements, as most recently demonstrated during the third-party validation of this application. During the validation, DGD provided supporting documentation for each of the feedstocks in the application in accordance with pathway validation requirements. The provided documentation included information from DGD's suppliers which

establishes chain-of-custody back to the point of origin. The third-party verifier also interviewed suppliers to review their records and data management systems. DGD's third-party verifier issued a positive verification statement upon completion of the review. CARB subsequently reviewed the application and the results of the validation and recommended the application for certification.

In addition to demonstrating compliance with the LCFS requirements, Diamond Green Diesel has additional upstream supply chain oversight processes in place on a voluntary basis.

In addition to maintaining an LCFS Monitoring Plan as required under § 95491.1(c), DGD also maintains a Feedstock Sustainability Practices document, which identifies requirements for feedstock suppliers, feedstock chain-of-custody, feedstock quality assurance, and the responsibilities of DGD personnel with respect to feedstock acquisition.

DGD maintains internal quality assurance controls for each feedstock transaction, whether domestic or international. These include requirements for sampling and analysis to verify the feedstock's physical properties, supplier due diligence processes, and internal and external audit obligations. DGD's Feedstock Sustainability Practices also describes the documentation that must accompany each load entering the facility as well as DGD's random testing program.

DGD's personnel are also trained to obtain and monitor the traceability data received from its suppliers. In addition to receiving annual LCFS training as specified in DGD's LCFS Monitoring Plan, all staff members are trained in their specific job responsibilities, including those that relate to traceability and chain-of-custody, as applicable.

Finally, in addition to the notifications and corrective actions required by the regulatory programs DGD participates in, DGD's Feedstock Sustainability Practices outlines additional procedures if a feedstock supplier is found to be in non-compliance with either the Feedstock Sustainability Practices or a regulated or voluntary low carbon program. These procedures include investigation and imposition of remedies in accordance with DGD's General Terms and Conditions.

DGD appreciates the opportunity to respond to this comment. We respectfully request that CARB certify the fuel pathways listed in application No. B0540.

Sincerely,



Neil Fox  
Executive Director, Commercial  
Diamond Green Diesel