

DOCKETED	
Docket Number:	17-ALT-01
Project Title:	2018-2019 Investment Plan Update for the Alternative and Renewable Fuel and Vehicle Technology Program
TN #:	224721
Document Title:	Biofuels Coalition Comments Re. \$25 Million for Low-Carbon Fuel Production and Supply
Description:	The coalition consists of the following: Western Propane Gas Association, California Advanced Biofuels Alliance, Aemetis, Coalition for Renewable Natural Gas, Clean Energy, Pacific Ethanol, California Natural Gas Vehicle Coalition, Bioenergy Association of California, Calgren and Biodico, Inc.
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Comment Received From: Biofuels Coalition
Submitted On: 9/14/2018
Docket Number: 17-ALT-01

Re: \$25 Million for Low-Carbon Fuel Production and Supply

Please find attached comments from those in California's biofuels industry concerning the Investment Plan modification for Low-Carbon Fuel Production and Supply.

Additional submitted attachment is included below.



The Honorable Robert B. Weisenmiller
 Chair, California Energy Commission
 1516 9th Street
 Sacramento, CA 95814

September 14, 2018

RE: Docket No. 17-ALT-01: \$25 Million for Low-Carbon Fuel Production and Supply

Dear Chair Weisenmiller:

The signatories to this letter support the proposed modification to the *2018-19 Investment Plan* for a total of \$25 million to be allocated for Low-Carbon Fuel Production and Supply in the *Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP)*. However, we remain gravely concerned that a future attempt to cut funding for biofuels or change the statute from fuel and technology neutrality could occur. We urge the state to continue this current program in perpetuity, and it should be fully funded by ARFVTP and not by politically volatile GGRF.

ARFVTP provides competitive grants, revolving loans, loan guarantees and other much-needed funds for the production and deployment of low carbon fuels and innovative near-zero and zero-emission vehicle technologies to help attain the state's climate change policies. It is technology and fuel neutral, and is making a positive contribution to the state's climate and clean air goals. Any change to favor one technology or fuel would go against the intent of the bill which established the program. Please consider:

- ARFVTP provides approximately \$25 million per year for biofuels that clean up our transportation sector;
- Biofuels are the most cost-effective means of immediately meeting petroleum and greenhouse gas reduction goals and provide 89 percent of all LCFS fuels sold in California;
- Any proposal to not make the program fuel and technology neutral would harm many private companies, wastewater and air quality agencies, utilities, labor, waste haulers and agencies, and others working to produce low carbon fuels in California;
- In-state biofuels production has the potential to create over 360,000 clean energy jobs in the state, and attract many investors interested in our market because of the huge demand that exists. Those investments will only happen if there is certainty in the marketplace;
- According to the Air Resources Board's 2030 Climate Change Scoping Plan, biofuels are displacing fossil fuels as quickly as renewable power is under the state's Renewable Portfolio Standard;
- In-state biofuels production saves Californians billions of dollars in reduced health care costs and reduced costs of petroleum consumption¹;

¹ *Driving California Forward.*

- Carbon reduction: most biofuels emit less carbon than electric vehicles running on the California electricity grid². Biofuels from organic waste and dairy waste have carbon intensities of negative 31 and negative 256 while electric vehicles running on the California power grid have carbon intensities in the 40s;
- Clean trucks and cars exist now for using these biofuels;
- Biofuels production generates economic development and jobs in both disadvantaged and rural communities;
- Biofuels production from organic waste helps California meet landfill reduction and Short-Lived Climate Pollutant goals.

For these reasons, we support the recommended modification, and must remain hyper-vigilant against any attempts to reduce funding or change the program in the future.

Sincerely,

Joy Alafia, Western Propane Gas Association

Rebecca Baskins, California Advanced Biofuels Alliance

Andy Foster, Aemetis

Nina Kapoor, Coalition for Renewable Natural Gas

Ryan Kenny, Clean Energy

Tom Koehler, Pacific Ethanol

Thomas Lawson, California Natural Gas Vehicle Coalition

Julia Levin, Bioenergy Association of California

Lyle Schlyer, Calgren

Russell Teall, JD, Biodico, Inc.

² Source: California Low Carbon Fuel Standard