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ARFVTP Advisory Committee California Energy Commission Sacramento, CA 95814 **California Energy Commission**

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Re: Need to Increase ARFVTP Funding for Alternative Fuel Production

Dear ARFVTP Advisory Committee,

CleanWorld respectfully urges you to increase funding for the Alternative Fuel Production category for the ARFVTP 2015-16 budget. Biofuels, as the 2015-16 Investment Plan Update puts it, "represent both an immediate and long-term opportunity to reduce GHG emissions and petroleum dependence" as well as have the potential to "displace roughly 13 billion gallons of gasoline" used per year in California. The Air Resources Board has recognized biomethane as one of the lowest carbon transportation fuels in existence, possessing a negative carbon intensity 115% below diesel.

There is significant demand to produce low carbon transportation fuels, biomethane especially. CalRecycle's Organics Grant Program became oversubscribed in its first round of funding, with 51 applications requesting \$118 million in funds. Their program only had a \$15 million allocation. This extraordinarily high demand reflects the need and capacity to produce this kind of fuel. Thus, this industry can be better served with more financial support.

While we recognize that the Energy Commission supports an all-the-above strategy to reduce GHG emissions, the ARB this year was allocated \$200 million in cap-and-trade revenues to invest in zero emission vehicles, which will be used primarily for hydrogen fuel cell and plug-in electric vehicles. The ARB is already giving this alternative fuel significant attention and support while only \$25 million is invested in waste diversion, a fraction of which will be used for biomethane production.

For these reasons, we respectfully urge the advisory committee to increase funding for Alternative Fuel Production to help California maximize GHG emission reductions. We thank the committee for their continued leadership to help California develop sustainable fuel options.

Sincerely.

Mary Javille

VP Marketing & Public Affairs

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