



201 California Street, Suite 630, San Francisco, CA 94111
www.srectrade.com | 415.763.7732

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SENT VIA ELETRONIC SUMBISSION

Mr. Sam Wade
Chief, Transportation Fuels Branch
California Air Resources Board
Industrial Strategies Division
P.O. Box 2815
Sacramento, CA 95812

RE: 2018 Amendments to the LCFS

Dear Mr. Wade,

Thank you very much for the opportunity to submit comments on the 2018 Amendments to the LCFS and ADF Regulations. Similar to SRECTrade's previous comments submitted in December 2017 and February 2018, these comments will focus on electricity as a transportation fuel in the LCFS market.

Background

SRECTrade is one of the largest solar renewable energy credit ("SREC") transaction and management firms in the industry. SRECTrade provides aggregation, management, and technology solutions to more than 1.3 GW of solar assets across more than 125,000 projects. SRECTrade works in an agency capacity to help renewable energy asset owners with all aspects of project registration and certification, generation reporting, and certificate transactions and settlement. Since 2008, SRECTrade has been one of the leading sources for information regarding SREC price trends and legislative updates, bringing a wealth of knowledge and transparency to some of the fastest growing state markets in the solar industry. We exist to accelerate the adoption and participation in these state incentive programs by providing services and technology that minimize the time, cost, and risk associated with achieving benefits and compliance in environmental commodity markets.

SRECTrade is active in state markets throughout the Northeast, the Mid-Atlantic and the Midwest. Our comments reflect our experience in solar markets in Massachusetts, New Jersey, Pennsylvania, Ohio, Delaware, Maryland, Illinois and D.C. in the hopes that we can contribute to the ongoing development of the California Low Carbon Fuel Standard. We provide support and services to market stakeholders including residential home owners, small and medium businesses, institutional asset owners, competitive electricity suppliers, energy utilities, tracking registries, and regulatory bodies. We hope to take our experience and apply it to the CA LCFS program, specifically with a focus on electricity and the distributed nature of electricity as a transportation fuel.

Our comments cover the following LCFS Regulation 2018 subject areas with a focus on electricity as a fuel: 1) Opt-In Fuel Reporting Entities and 2) Residential Electric Vehicle (EV) Charging for Multi-Family Properties.

1) Opt-in Fuel Reporting Entities

As defined in Section 95483.1(a)(1)(A), an entity who provides a fuel as specified in Section 95482(b) and meets the requirements of Section 95483 can opt into the LCFS program in the capacity of a Fuel Reporting Entity (FRE). In review of these sections, electricity as a fuel would qualify and Non-Residential EV Charging equipment would also qualify if the entity meets the Fuel Supply Equipment (FSE) registration requirements outlined in Section 95486.2(b)(8), reporting requirements in Section 95491, and recordkeeping and auditing

requirements outlined in Sections 95491.1, and no other entity is generating credits for the same Fuel Supply Equipment. Upon further review of FSE registration requirements under Section 95843.2(b)(8)(B), it appears that entities that do not own the equipment, but are registering on behalf of the owner, are eligible to act in an agency capacity on behalf of the owner. SRECTrade supports this structure to register FSE. We believe this is like the role SRECTrade plays in its existing markets as an agent aggregator. Allowing agent aggregators will enable participation from more eligible entities, regardless of resources and total financial value to the party owning the FSE. It is likely that eligible entities owning FSE may not necessarily have the capability, experience or sophistication necessary to participate in the CA LCFS market. Given the importance of this role in assisting the registration of entities and the FSE they own, we believe it would be valuable to define Agent Aggregators or Third-Party Managers as an Opt-In Fuel Reporting Entity under Section 95483.1, similarly to how Project Operators or Clearing Service Providers are defined. We believe this would provide transparency in the role companies like SRECTrade would be looking to provide in the CA LCFS program. This role could effectively be a subcategory of Fuel Reporting Entities that would help clarify that the entity is reporting on behalf of a variety of different underlying FSE owners. The distinguishing identifier for each piece of FSE would be the unique LCFS FSE ID. This would allow the Agent Aggregator to register the FSE of many different entity owners under a single account and would help facilitate management of these assets in LRT-CBTS. In lieu of an account registration form for LRT-CBTS for each entity owning FSE, SRECTrade would recommend CARB develop a document like the SCHEDULE A Generator Owner's Consent used by PJM Environmental Information Services for registration in the PJM GATS REC registry (see Exhibit A attached).

2) Residential Electric Vehicle (EV) Charging for Multi-Family Properties

Section 95483(c) describes who can qualify as a generator and Fuel Reporting Entity for electricity used as a transportation fuel. In 95483(c)(1) the regulation references that in both single- or multi-family residences the base credit generator is the EDU. SRECTrade would ask that CARB consider allowing the owner of the EV Charging Stations on site at a Multi-Family Property to opt-in, directly or through an agent, as the credit generator. We believe that the owner of the EV Charging Stations at a Multi-Family Property would be no different than the entity owning EV Charging Stations or FSE at a Non-Residential Property (i.e. a private workplace locations or commercial shopping centers). In many instances, the underlying owners of these properties responsible for initiating the investment in the FSE or EV Charging Stations could be the same entity. For example, many Real Estate Investment Trusts or other property owners maintain investments in both Multi-Family and Commercial or Industrial properties. It appears that allowing these property owners to be able to gain access to the same underlying incentive to make investments in EV Charging Stations and/or FSE should be available to them regardless of the type of property they own.

Thank you very much for your time and consideration as you review these comments and consider our recommendations. We welcome the opportunity for further clarification and discussion of our comments.

Best Regards,



Steven Eisenberg
Chief Executive Officer
SRECTrade, Inc.
201 California St. Suite 630
San Francisco, CA 94111
P: (415) 702-0863
steven.eisenberg@srectrade.com
www.srectrade.com