



April 23, 2018

Members of the California Air Resources Board
1001 I St
Sacramento, CA 95814

Coalition for Clean Air Comments on Low Carbon Fuel Standard Amendments

Dear Board Members:

The Coalition for Clean Air, as an organization deeply committed to supporting California's clean air and climate goals, provides the following comments to improve the effectiveness of the Low Carbon Fuel Standard. We support amending the LCFS with higher targets through 2030. The LCFS is already helping to reduce greenhouse gas emissions and air pollution by starting the process of diversifying our transportation fuel mix, and needs to be ramped up to maximize progress toward that goal. The LCFS increases the use of alternative vehicle fuels like electricity, hydrogen, renewable diesel and renewable methane, reducing our reliance on petroleum.

2030 Carbon Intensity Target

We support a 2030 target for reducing the carbon intensity of transportation fuels by 22% or more. Such a target is achievable by continuing the growth of alternative fuels. The LCFS will make a major contribution to California's efforts to reach its 2030 standard of reducing greenhouse gas emissions by 40% from 1990 levels by 2030. In addition, a strong LCFS will reduce the localized air pollution, caused primarily by combustion of fossil fuels for transportation, that continues to damage the health of millions of Californians.

Inclusion of Alternative Jet Fuels

We support the inclusion of alternative jet fuels in the LCFS as a way to address this significant and growing source of GHG emissions. Reducing emissions from aviation has been difficult, and inclusion in the LCFS would help to shift jet fuels toward more sustainable alternatives to petroleum.

Point-of-Sale Incentive for Zero-Emission Vehicles

The electricity pathway within the LCFS is an important tool to support the Governor's goals of placing more than 1.5 million Zero-Emission Vehicles (ZEVs) on California roads by 2025 and 5 million by 2030. But the current program does not fully utilize the LCFS' potential to create incentives for the purchase of ZEVs. We support the creation a statewide point-of-sale

incentive for new EV buyers, which would be administered by EV manufacturers, subject to approval by CARB, based on residential charging data recorded by the vehicles. Point-of-sale incentives are the most effective way to drive consumer ZEV adoption, especially for non-affluent buyers.

This approach provides significant consumer benefits and improves upon the existing program design:

- Automakers can market the incentive to all California EV buyers. This improves upon the current program design, which has resulted in a fragmented portfolio of incentives based on utility territory.
- The incentive would reduce the upfront cost of EVs at the point-of-sale, ensuring that funds are effectively deployed to motivate sustainable purchase decisions. In contrast, under the current program design, potential EV buyers may not be aware of available incentives in their utility territory when considering an EV purchase. Furthermore, current programs allow consumers to apply for rebates long after their purchase decisions were made, making it unclear whether the rebate funds were ever a driving factor in the decision to go electric.
- Automakers would generate credits based on actual charging data versus estimates, which is the current program methodology. This enhances the integrity of the program and addresses some of the concerns raised by obligated parties.
- Automakers can support EV adoption in low-income or disadvantaged communities by offering an additional incentive to qualifying buyers.

In addition to the creation of a statewide point-of-sale EV incentive, we recommend that CARB proceed with allowing credit generators to match actual EV charging data with renewable energy generation to generate credits using a zero Carbon Intensity value. This will boost credit generation, increase incentive values for consumers and support continued deployment of renewable energy in California.

We urge CARB to take action this year to implement these changes so that California can accelerate progress toward our bold targets for EV adoption, low carbon fuel use and air quality improvements.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Bill Magavern".

Bill Magavern
Policy Director