



Sophie Ellinghouse
Director, California Policy

November 19, 2021

Submitted via email to: Rajinder.Sahota@arb.ca.gov

Ms. Rajinder Sahota
California Air Resources Board
1001 I Street,
Sacramento, CA 95814

Re: Comments on 2022 Scoping Plan Update – October 29, 2021 Technical Workshop

Dear Ms. Sahota,

The Western States Petroleum Association (WSPA) appreciates the opportunity to comment on the October 29, 2021 California Air Resources Board (CARB) 2022 Scoping Plan Update – Draft Scenario Inputs Technical Workshop. WSPA is a non-profit trade association that represents companies that export for, produce, refine, transport and market petroleum, petroleum products, natural gas and other energy supplies in California and four other western states, and has been an active participant in air quality planning issues for over 30 years.

WSPA continues to be committed to being part of this critical planning process. WSPA submitted comments to CARB staff pursuant the first Draft Scenario Inputs Technical Workshop held on September 30, 2021¹. In addition to the comments raised in our previous letter, WSPA has the following comments regarding the CARB staff presentation during the October 29, 2021 Workshop:

Slide 7 of 21 – Draft Scenario Overview

CARB staff presented four alternative scenarios to serve as the basis for the PATHWAYS modeling. A number of stakeholders commented during the Workshop that CARB staff should consider additional scenarios (or iterations of existing scenarios) to better reflect future technological and logistical realities. WSPA agrees with this suggestion. We believe that the 2017 Scoping Plan “Alternative 3 – All Cap and Trade” scenario could serve as a model on which to base a “least cost” alternative. WSPA urges CARB to model an alternative that relies more heavily on market-based approaches, such as cap and trade, to achieve emission reductions.

Specifically, WSPA requests the inclusion of an “Alternative 5” that prioritizes “least cost” emissions reductions across the economy, inclusive of certain policy constraints. As detailed in our October 22, 2021 comment letter, “Alternative 5” would evaluate the potential roles (and additional benefits) that market mechanisms and a price on carbon could contribute (in place of bans and mandates) to pursuing carbon neutrality. Market-driven approaches have shown to achieve greenhouse gas reductions across the board at a lower cost with California, through CARB’s Cap-and-Trade program, established as a leader in supporting market-based programs.

¹ WSPA comment letter to Ms. Rajinder Sahota, CARB, dated October 22, 2021.

Slide 12 of 21 – Biofuels

WSPA believes that biofuels should hold a more prominent role in the Scoping Plan (particularly beyond 2035), as a carbon emissions-reducing tool. Growth of these fuels has been and will continue to be essential to meeting the mandates of CARB's own Low Carbon Fuel Standard (LCFS). We encourage CARB to include in the PATHWAYS modeling assumptions greater use of biofuels in multiple applications (e.g., light-duty vehicles, medium and heavy-duty vehicles, off-road engines, railroad, aviation, etc.), and that the volumetric use increase with time as supply grows and the LCFS carbon intensity targets become more stringent (as noted in previous WSPA comment letters). This additional consideration will highlight the need for and benefits of these fuels in every sector addressed in the PATHWAYS modelling.

Slide 14 of 21 – Role of Engineered Carbon Removal

Several stakeholders including EJAC representatives expressed interest during the Workshop in learning more about carbon capture and storage (CCS). WSPA strongly supports further education on the application of CCS and other carbon removal technologies such as direct air capture (DAC) and their important role in the Scoping Plan.

In addition to and as noted in our previous comment letter, WSPA recommends that CARB consider in the PATHWAYS modeling different rates of implementation CCS over the time periods identified in CARB's Alternatives 1-4. This effort will better quantify the beneficial impact of CCS projects over time. Alternative 4 should allow up to 100 MMT/year at \$200/tonne.

WSPA appreciates the opportunity to provide feedback on the October 29, 2021 workshop and look forward to participating in future stakeholder meeting regarding the PATHWAYS modeling. If you have any questions, please contact me at (916) 803-7674 or via email at sellinghouse@wspa.org.

Sincerely,



Sophie R. Ellinghouse