

**Comparison of 2023 EJAC LCFS Recommendations to the Board to CARB 2024 LCFS Proposed 15-day Changes
September 9, 2024**

CARB Responses for 9/12/2024 Joint EJAC/CARB Board Meeting

EJAC LCFS Recommendations <u>Resolution</u> August 2023	CARB Proposed Amendments to the LCFS August 2024 <u>Notice</u>
<p>Full Lifecycle Assessment of Emissions: <i>Recommendation #1. Conduct and incorporate a full life cycle assessment of all air pollution and greenhouse gas (GHG) emissions for all pathways, and their implications for environmental justice communities.</i></p>	<p>No changes to the GHG lifecycle assessment done for individual fuel pathways.</p>
<p>Accounting for Livestock and Dairy Manure: <i>Recommendation #2. Conduct a full accounting of GHG and air pollution emissions associated with pathways relying on the production of fuel from livestock and dairy manure.</i></p>	<p>No changes to the GHG lifecycle assessment done for individual fuel pathways.</p>
<p>Avoided Methane and Credit Generation: <i>Recommendation #3. Eliminate avoided methane credits effective January 1, 2024.</i></p> <p><i>Recommendation #4. Eliminate credit generation for pathways relying on the production of fuel from livestock and dairy manure for emissions reductions that otherwise would have occurred or were legally or contractually required to occur.</i></p>	<ul style="list-style-type: none"> • The proposal phases out avoided methane crediting in three ways: <ul style="list-style-type: none"> ○ 1) For pre-2030 projects for RNG to combustion, the crediting periods phase out avoided methane crediting by 2050, following no more than 2 crediting periods.¹ ○ 2) For post-2030 projects for RNG to combustion, the avoided methane crediting ends in 2040.² ○ 3) For post-2030 projects where RNG is used for hydrogen or electricity, avoided methane crediting ends in 2045.³ • While this does not eliminate avoided methane crediting by 1/1/24, the proposal reduces the long-term signal and

¹ Section 95488.9(f)(3)(A); page 170 of the [15-day proposal](#)

² Section 95488.9(f)(3)(A); page 170 of the [15-day proposal](#)

³ Section 95488.9(f)(3)(A); page 171 of the [15-day proposal](#)

	<p>opportunity for avoided methane credits for combustion vehicles.</p>
<p>Lipid Biofuels: <i>Recommendation #5. Cap the use of lipid biofuels at 2020 levels pending an updated risk assessment to determine phase out timelines for high-risk, crop-based feedstocks.</i></p>	<ul style="list-style-type: none"> • Proposal would require that biomass-based diesel produced from virgin soybean and canola oil is limited to LCFS credits for up to twenty percent combined of total crop and waste-based diesel annual production reporting, by company.⁴ • Proposal would apply sustainability requirements to all non-waste biomass, not just crops.⁵ • Would require attestation to no deforestation by 2026; certification for no deforestation by 2028;⁶ and full sustainability certification by 2031.⁷ • Proposal would allow CARB, starting in 2031, to stop accepting new biomass-based diesel fuel pathway applications, if in 2029 California achieves the level of ZEV and NZEV deployment set by the ACT regulation.⁸
<p>Enhanced Oil Recovery: <i>Recommendation #6. Prohibit enhanced oil recovery as an eligible sequestration method.</i></p>	<p>SB 905 prohibits enhanced oil recovery activities to be associated with a geological carbon sequestration project in California. Staff will have a separate process to workshop the requirements in SB 905 as part of future SB 905 rulemaking efforts.</p>
<p>LCFS Credits for CCUS and DAC: <i>Recommendation #7. Do not issue LCFS credits for carbon removal projects such as Direct Air Capture.</i></p>	<p>Direct Air Capture (DAC) is a key component of CARB’s plan to reduce greenhouse gas emissions and meet carbon neutrality by 2045. Eliminating credits for DAC projects would eliminate one of the key incentives to deploy this technology and jeopardizes the feasibility of achieving California’s long-term decarbonization targets and the 2045 carbon intensity target proposed under this project.</p>

⁴ Section 95482(i); page 37 of the [15-day proposal](#)

⁵ Section 95488.9(g)(1)(A); page 171 of the [15-day proposal](#)

⁶ Section 95488.9(g)(2) - (g)(3); pages 172-175 of the [15-day proposal](#)

⁷ Section 95488.9(g)(4); pages 175-176 of the [15-day proposal](#)

⁸ Section 95488(d); page 120 of the [15-day proposal](#)

Jet Fuel:

Recommendation #8. Consider the inclusion of intrastate jet fuel and marine fuels as a deficit generator and provide analysis of this option as part of the LCFS.

Existing exemption for conventional jet fuel from deficit generation under the Program remains unchanged in the proposal.⁹

Staff evaluated inclusion of conventional jet fuel as a deficit generator, but determined that this approach would not mandate, nor necessarily incentivize, airlines to use the cleaner fuel. Instead, fuel producers would have generated the deficits.

CARB committed to evaluate approaches for zero-emission airport operations as part of the recent US EPA, CARB, and SCAQMD announcement. Zero emission operations at airports in California would reduce harmful air pollution in the sector and improve air quality for airport workers and nearby communities.

⁹ Section 95482(a); page 34 of the [15-day proposal](#)