



November 4, 2020

Arpit Soni  
Manager, Alternative Fuels Section  
Low Carbon Fuels Standard  
California Air Resources Board (CARB)  
1001 I street, Sacramento, CA 95812

**RE: COMMENTS OF CENTER FOR RESOURCE SOLUTIONS (CRS) ON OCTOBER 14-15, 2020 LOW CARBON FUEL STANDARD (LCFS) PUBLIC WORKSHOP TO DISCUSS POTENTIAL REGULATION REVISIONS**

Dear Mr. Soni:

CRS appreciates this opportunity to submit comments in response to the LCFS Public Workshops to Discuss Potential Regulation Revisions held on October 14 and 15, 2020. Our comments pertain specifically to staff proposals for new requirements for renewable energy credit (REC) retirements for low-carbon intensity (low-CI) electricity.

**BACKGROUND ON CRS AND GREEN-E®**

CRS is a 501(c)(3) nonprofit organization that creates policy and market solutions to advance sustainable energy. CRS provides technical guidance to policymakers and regulators at different levels on renewable energy policy design, accounting, tracking and verification, market interactions, and consumer protection. CRS also administers the Green-e® programs. For over 20 years, Green-e® has been the leading independent certification for voluntary renewable electricity products in North America. In 2019, Green-e® certified retail sales of over 69 million megawatt-hours (MWh), serving over 1.6 million retail purchasers of Green-e® certified renewable energy, including over 113,000 businesses.<sup>1</sup>

**COMMENTS**

CRS expresses its strong support for requiring retirement of RECs for a zero-CI electricity pathway when electricity is directly supplied and eligible for REC generation, as well as adding consistent

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<sup>1</sup> See the 2020 (2019 Data) Green-e® Verification Report here for more information: <https://resource-solutions.org/g2020/>.

requirements across all provisions in the LCFS for demonstrating REC retirements associated with low-CI electricity.<sup>2</sup>

REC retirement should be required to verify exclusive use of renewable and low-CI electricity for electric vehicle (EV) charging and associated LCFS credit issuance in all cases, including in the case of directly supplied electricity. This is critical to prevent double counting—for example, where the RECs associated with renewable electricity generation used for LCFS credit issuance may be sold and used to verify use of the same MWh of electricity generation by a different entity in a different compliance or voluntary program.

These revisions would be also consistent with:

- The definition of RECs in California, as including “all renewable and environmental attributes,”<sup>3</sup> including direct emissions,<sup>4</sup> which are not physically delivered and are separate from physical electricity;
- The role of RECs as the legally enforceable contractual instrument for verifying use and delivery of renewable electricity in functioning voluntary and compliance renewable electricity markets in the West and across the United States;<sup>5</sup> and
- The use of RECs in book-and-claim accounting to demonstrate use of zero-CI electricity for LCFS credit issuance.

Please let me know if we can provide any further information or answer any questions.

Sincerely,

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Todd Jones

Director, Policy

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<sup>2</sup> See Slide 29 of CARB Presentation, *Low Carbon Fuel Standard, Potential Regulation Amendments, Public Workshop – Day 1, October 14, 2020*. Available at: [https://ww2.arb.ca.gov/sites/default/files/2020-10/101420presentation\\_carb.pdf](https://ww2.arb.ca.gov/sites/default/files/2020-10/101420presentation_carb.pdf)

<sup>3</sup> CAL. PUB. UTIL. CODE § 399.12(h)(2).

<sup>4</sup> See California Public Utilities Commission (CPUC) Decision 08-08-028, for example.

<sup>5</sup> See for example, Western Electricity Coordinating Council, Western Regional Generation Information System (WREGIS) Operating Rules (July 15, 2013). Section 2, pg. 2, 4-5. Available at: <https://www.wecc.biz/Corporate/WREGIS%20Operating%20Rules%20072013%20Final.pdf>.

See <https://www.green-e.org/glossary>.

See US Federal Trade Commission (FTC). (2012). *Guides for the Use of Environmental Marketing Claims; Final Rule*. Available at: [https://www.ftc.gov/sites/default/files/documents/federal\\_register\\_notices/guides-use-environmental-marketing-claims-green-guides/greenguidesfrn.pdf](https://www.ftc.gov/sites/default/files/documents/federal_register_notices/guides-use-environmental-marketing-claims-green-guides/greenguidesfrn.pdf).