



March 7, 2024

California Air Resources Board (CARB)
1001 I Street, Sacramento, CA 95814
Submitted Electronically

RE: CALIFORNIA AIR RESOURCES BOARD PUBLIC HEARING TO CONSIDER PROPOSED LOW CARBON FUEL STANDARD AMENDMENTS

Dear California Air Resources Board Staff,

Center for Resource Solutions (CRS) appreciates this opportunity to submit comments in response to the annual update to lookup table pathways for the Low Carbon Fuel Standard (LCFS). We support the LCFS Program and the Assembly Bill (AB) 32 Scoping Plan. Our comments pertain to a utility-specific carbon intensity (CI) value of 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 and has been providing renewable energy and carbon policy analysis and technical assistance to policymakers and other stakeholders in California for over 20 years. CRS also administers the Green-e® programs. For over 20 years, the Green-e® program has been the leading independent certification for voluntary renewable electricity products in North America. In 2022, the Green-e® Energy program certified retail sales of over 114 million megawatt-hours (MWh), serving over 1.3 million retail purchasers of Green-e® certified renewable energy, including over 314,000 businesses.¹

COMMENTS ON THE DRAFT

Utility-Specific Carbon Intensity Value of Electricity

1. We recommend that the Lookup Table CI value for electricity be utility-specific CIs that represent retail electricity delivery.

The Lookup Table CI value for electricity should allow for entities to claim a utility-specific CI that reflects retail transactions instead of the California grid mix. This enables a more accurate reflection of

¹ See the 2023 (2022 Data) Green-e® Verification Report here for more information: <https://www.green-e.org/verification-reports>

the emissions associated with electricity use and is already part of the Oregon Clean Fuels Program.² To further improve the accuracy of this value, it should be updated to reflect electricity delivery to retail sales. The Lookup Table CI value for California grid electricity currently reflects the statewide grid average of electricity generation and does not reflect the sale of Renewable Energy Certificates (RECs) or voluntary electricity products. Since the LCFS allows for adjustments of CI scores based on contractual mechanisms like RECs and other contracts for specified power, the default CI should also reflect retail deliveries, not simply generation.

The California Energy Commission's (CECs) Power Source Disclosure (PSD) program would be the best place to start in determining this value. PSD calculates provider portfolio-specific emissions intensities that are intended to represent the emission intensity of electricity delivered to retail load. The PSD program requires that RECs must be owned and not sold.³ The program also backs out voluntary renewable electricity product sales from provider's default emission intensity.⁴ Using these emissions intensities could avoid double counting where voluntary green power programs and RECs are used to generate additional and incremental LCFS credits (i.e., the same renewable energy is included in the statewide grid average).

We thank you for this opportunity to provide comments on the LCFS program. Please feel free to reach out with any questions or comments.

Sincerely,
Lucas Grimes
Manager, Policy

² Oregon Clean Fuels Program Updated Electricity Carbon Intensity Values for 2021. Available at: <https://www.oregon.gov/deg/ghgp/Documents/cfpUpdated2021CIs.pdf>

³ See Section 1393(c)(1)(B) of Power Source Disclosure Regulation in Title 20, CCR Available at: <https://www.energy.ca.gov/programs-and-topics/programs/power-source-disclosure/power-source-disclosure-resources-retail>

⁴ See Section 1394.1 (a) of Power Source Disclosure Regulation in Title 20, CCR Available at: <https://www.energy.ca.gov/programs-and-topics/programs/power-source-disclosure/power-source-disclosure-resources-retail>