

May 24, 2016

Dear Senate President Pro Tem De León, Speaker Rendon, Budget and Fiscal Review Committee and other members:

**CALIFORNIA BUSINESS
ALLIANCE FOR A CLEAN
ECONOMY**

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Mountain View, CA 94040

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On behalf of the more than 1,325 businesses, associations and chambers of commerce that are members of the California Business Alliance for a Clean Economy, I am reaching out to, once again, express our unwavering support for the state's Low Carbon Fuel Standard (LCFS).

In California, 30 million cars, trucks and buses traverse our roads every day, responsible for 40% of carbon pollution while contributing to smog and soot particles that pollute the air we breathe. To help meet our clean air goals, we need the LCFS, which is one of the largest carbon pollution reduction measures under California's climate program (AB 32). Here is a snapshot of how the LCFS is succeeding:

- The California Air Resources Board reported last week that industry has outperformed the standard by 80 percent on average since 2011. Last year, there was a 98% compliance rate with the LCFS, with a total of 5.5 million tons of reductions credited. This is equivalent to removing 1 million cars and trucks from the roads for a year in terms of preventing greenhouse gases from entering the atmosphere.
- Low-carbon and renewable fuels (e.g., biodiesel and renewable diesel produced from waste oils, biogas captured from landfills and dairies, clean electricity, and advanced ethanol) have replaced more than 6.6 billion gallons of petroleum since the program began.
- The LCFS provides greater energy diversification, with more of our transportation fuel mix now coming from renewable and alternative sources compared to fossil-fuel based petroleum.
- The LCFS, together with the AB 32 cap and trade program, have helped to avoid \$1.6 billion in health-related impacts from air pollution. These benefits will continue to grow to \$8.2 billion annually by 2025 as the programs are fully implemented and we use very low-carbon fuels in increasing volumes.
- The public transit sector, which often struggles to meet service obligations in a way that users can afford, is making income from the LCFS, and that funding is being applied specifically to keeping down costs and maintaining or expanding service. This only multiplies the carbon reduction benefits of the program.
- The program has increased investment in the clean fuels market – including production and distribution – by an estimated \$650 million since its start in 2011. While this is still only a drop in the bucket of the \$60 to \$80 billion we spend annually on petroleum-based fuels in California, the LCFS has started to spur increased investments across the clean fuel supply chain. The state has expanded its use of clean, alternative fuels by 36% in five years.

The LCFS is working. Growing our clean energy economy through policies like the LCFS increases good technology-driven jobs in the state and protects our health and environment from the effects of air and carbon pollution. There is a reason that the LCFS is the oil industry's #1 target: it has been the singularly most effective policy tool to date in moving us toward a competitive alternative fuels industry.

The LCFS is vital. Without it, California will not meet its GHG reduction goals by 2020 and beyond. Without it, the oil industry will continue to dominate the transportation energy sector with no incentive to innovate. Without it, the hundreds of millions of private and public investment dollars and years of ingenuity creating alternative fuels will be for naught. Without it, the state's goals to dramatically increase electric vehicles, to protect the air for millions of Californians and drive California's burgeoning clean energy economy for the region, the U.S and globally will be in jeopardy.

As a reminder, in 2015, dozens of businesses and other allies, including the Alliance, communicated our unflagging support for the LCFS (see attached). It's imperative that the LCFS's implementation remain on track as planned. Thank you.

Sincerely,



Susan Frank
Director
California Business Alliance for a Clean Economy

cc: California Governor's Office
CARB Chairman, Mary Nichols

February 17, 2015

Mary Nichols, Chairman
California Air Resources Board
1001 I Street, PO Box 2815
Sacramento, CA 95812

Dear Chairman Nichols and Members of the Board:

The undersigned businesses, associations and organizations are writing to support the California Air Resources Board's continued strong, steady leadership on the state's pioneering clean energy and climate policies and to urge the Board's swift re-adoption of the Low Carbon Fuel Standard, or LCFS, in 2015. We believe that clean fuels, clean air and a growing economy can go hand-in-hand, and add our voices to the tens of thousands of Californians who support the LCFS.

Transitioning to lower carbon transportation fuels benefits all Californians by:

- **Diversifying the state's fuel supply and increasing independence from fluctuating oil prices that create market and economic uncertainty.** The LCFS is already working. From 2011 to 2013 alternative fuels comprised a steadily increasing share of transportation energy use in California. An abundance of alternative fuels exists—enough to meet the LCFS by 2020—and the market has grown faster than anticipated. Furthermore, available low carbon fuels could grow to replace up to 400,000 barrels [16.8 million U.S. gallons] of gasoline and diesel use *per day*, reducing the overall carbon intensity of on-road transportation fuels in California and the Pacific Northwest by 14% to 21% by 2030.
- **Making consumers less vulnerable to price swings at the pump, saving money in the long run, and keeping transportation fuel dollars at home to grow the local economy.** California households are expected to save, on average, over \$800 annually by 2020, growing to over \$2,000 annually by 2030 in their transportation fuel bills, thanks to a combination of state policies that will spur more efficient cars and diverse fuel choices, and more walkable communities with transit. When consumers spend less on fuel, they have more to spend in their communities.
- **Benefitting society by spurring greater use of clean alternative fuels and vehicles.** The LCFS will result in \$1.4 to \$4.8 billion in societal benefits by 2020 from reduced air pollution and increased energy security. The benefits could be even greater, \$10.4 billion by 2020 and \$23.1 billion by 2025, when other state fuels policies are also included.
- **Helping to cut air pollution and improve public health.** To date, the LCFS has cut carbon emissions by about 9 million metric tons – that's equivalent to removing about 1.9 million passenger cars from the road for a year. Looking forward, from 2016 to 2020, the state estimates the LCFS will cut emissions by 35 million metric tons – the equivalent of removing about 7.4 million passenger cars from the road for a year.
- **Retaining the state's innovation leadership in a domestic clean fuels industry.** California is home to more than 40,000 businesses serving advanced energy markets, employing roughly 431,800. The LCFS, alone, could contribute at least 9,100 new jobs, and potentially many more if the state attracts more clean fuel production facilities and technology providers.

The science is clear: the time to act is now. We applaud your commitment to ensuring a healthy and economically vibrant California today and for future generations.

Sincerely,

Javier Garoz, CEO
Abengoa Bioenergy

Ed Duggan, President
Alton Energy, Inc.

Bonnie Holmes-Gen, Senior Director, Air Quality and Climate Change
American Lung Association in California

Richard Eidlin, Vice President, Policy & Campaigns
American Sustainable Business Council

Fernando Garcia, Senior Director, Scientific & Regulatory Affairs
Amyris

Brigid McCormack, Executive Director
Audubon California

Russ Teall, President & Founder
Biodico

Julia Levin, Executive Director
Bioenergy Association of California

Allen Barbieri, CEO
Biosynthetic Technologies

JB Tengco, California Director
BlueGreen Alliance

Tom Bowman, President
Bowman Change, Inc.

Matt Read, Director, Statewide Government Relations
Breathe California

Ron Davis, General Manager
Burbank Water and Power

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California Electric Transportation Coalition

Margie Gardner, Executive Director
California Energy Efficiency Industry Council

Jena Price, Legislative Affairs Manager
California League of Conservation Voters

Dave Modisette, Executive Director and Chief Executive Officer
California Municipal Utilities Association

Tim Carmichael, President
California Natural Gas Vehicle Coalition

Nancy Rader, Executive Director
California Wind Energy Association

Nick Lapis, Legislative Coordinator
Californians Against Waste

John Boesel, President and CEO
CALSTART

Tim Brummels, CEO
Canergy, LLC

Elena Christopoulos, Energy/Business Development Director
Capo Projects Group [CPG]

Bobbi Larson, Executive Director
CASA (California Association of Sanitation Agencies)

Katelyn Roedner Sutter, Environmental Justice Program Director
Catholic Charities, Diocese of Stockton

Ann Hancock, Executive Director
Center for Climate Protection

Tim Frank, Director
Center for Sustainable Neighborhoods

Mindy Lubber, President
Ceres

Colleen C. Quinn, Vice President, Govt. Relations and Public Policy
ChargePoint

Vijendra Sahi, Partner/VP of Business Development
Clarkstreet Associates

Vandana Bali, Principal
Clean Air Advocates

Andrew J. Littlefair, President and CEO
Clean Energy

Andrew Grinberg, Oil and Gas Program Manager
Clean Water Action

Jason Anderson, President
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Gary Gero, President
Climate Action Reserve

Lisa Hoyos, Director
Climate Parents

Jonathan Parfrey, Executive Director
Climate Resolve

Gregg Small, Executive Director
Climate Solutions

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Coalition for Clean Air

Bradley E. Baker, CEO and Chairman
Coding Investments, Inc.

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Communities for a Better Environment

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Community Fuels

Ellen Friedman, Executive Director
Compton Foundation

Shannon Baker-Branstetter, Policy Counsel for Energy and Environment
Consumers Union

Wes Bolsen, Business Development & Public Affairs
Cool Planet

Jan Koninckx, Global Business Director, Biorefineries
DuPont Industrial Biosciences

Jennifer Krill, Executive Director
Earthworks

Holly Kaufman, CEO
Environment & Enterprise Strategies

Travis Madsen, Global Warming State Campaign Director
Environment America

Michelle Kinman, Clean Energy Advocate
Environment California

Tim O'Connor, Senior Attorney & Director, California Climate
Environmental Defense Fund

Mary Solecki, Western States Advocate
Environmental Entrepreneurs (E2)

Ted Kniesche, VP Business Development
Fulcrum Bioenergy

**John Harrison, Mayor Pro Tem,
City of Redlands**

John Plaza, President & CEO
Imperium Renewables, Inc.

Ruben Guerra, Chairman and CEO
Latin Business Association

Helen L. Hutchison, President
League of Women Voters

Nancy Sutley, Chief Sustainability and Economic Development Officer
Los Angeles Department of Water and Power

Graham Noyes, Acting Executive Director
Low Carbon Fuels Coalition

Mark E. Carlson, Director
Lutheran Office of Public Policy - California

Margaret Bruce, Principal Solutionary
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**Bruce McPherson, Supervisor,
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David Mogavero, President
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Loni Cortez Russell, California Field Manager
Moms Clean Air Force

Shelby Neal, Director of State Governmental Affairs
National Biodiesel Board

Ron Sundergill, Senior Director - Pacific Region Office
National Parks Conservation Association

Simon Mui, Director, California Vehicles and Fuels
Natural Resources Defense Council

Michelle Passero, Senior Climate Policy Advisor
The Nature Conservancy

Neville Fernandes, President
Neste Oil US, Inc.

Daniel Emmett, CEO
Next Energy Technologies, Inc.

Daniel A. Lashof, Chief Operating Officer
NextGen Climate America, Inc.

Nancy C. Floyd, Managing Director
Nth Power

David Turnbull, Campaigns Director
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Courtney Hinkle, Campaign Manager
Operation Free / Truman National Security Project

Jana Gastellum, Climate Program Director
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Pacific Ethanol

Rob Elam, CEO
Propel Fuels

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Eric Bowen, Vice President, Corporate Business Dev. & Legal Affairs
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Gavin Carpenter, Policy and Business Development
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Kathryn Phillips, Director
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Adrienne Alvord, Director, California and Western States
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Becky Kelley, President
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