

FOR IMMEDIATE RELEASE: September 1, 2023

Contact: Alessandra Magnasco, CFCA, Governmental Affairs & Regulatory Director

Telephone: (916) 646-5999 Email: alessandra@cfca.energy

## **CFCA Responds to CARB's Announcement on Clean Fuels**

**Sacramento, CA** – On August 23, 2023, CARB announced that <u>renewable diesel (R99) played a major role in replacing 50% of traditional diesel fuel in California</u>, thus helping the State advance its goal of reducing pollution and improving air quality for California's communities.

This announcement is a primary example of how R99 can be used as a viable solution to reduce the carbon intensity of the transportation sector, especially considering the existing limitations in charging infrastructure and grid capabilities throughout the state. By recognizing the full potential of R99 and other clean alternative fuels, CARB can deliver immediate and significant emissions reductions, aid the State in meeting its mandated emissions goals, and bridge a very critical gap in the energy transition while the State implements the Advanced Clean Fleets rule.

It also begs the question – If R99 and biodiesel have been so successful in providing the State with emissions reductions by being an integral part of the <u>Low Carbon Fuel Standard (LCFS)</u> program and in transitioning the State's fleets to low carbon alternatives, then why are these clean alternative fuels not included as an active and primary fuel in the State's energy transition plan?

The State's plan for the Advanced Clean Fleets rule is riddled with barriers and major obstacles in its proposed implementation. Considering the availability and capabilities of current heavy-duty electric vehicle models, CFCA remains concerned with the timeline for vehicle adoption under the Advanced Clean Fleets rule. Operating under such a timeline will leave the State's critical supply chains, encompassing food, fuel, water, and medical supplies, to face severe bottlenecks and shortages, adversely affecting the well-being of California residents. This situation will also disproportionately impact small businesses that will undoubtedly struggle to acquire new vehicles and parts when competing with larger companies with greater purchasing power.

The current vehicle offerings by manufacturers do not possess sufficient range to meet the demanding requirements of the transportation industry. Heavy-duty vehicles are essential for the timely delivery of goods and are frequently utilized continuously. The existing electric vehicle options are currently inadequate in fulfilling the tasks performed by conventional internal combustion engine vehicles, especially as it pertains to the timely and safe movement of fuel.

CFCA urges the CARB Board to consider additional exemptions for electrification to ensure the safety of all drivers on the road. The transportation of fuels by electric heavy-duty trucks presents unquantifiable risks in the event of collisions on the road. An assessment of the added hazards of transporting fuels via electric vehicle should be completed prior to implementation so that adequate safeguards can be put in place to protect drivers. Additionally, fuel terminals do not currently allow for electric trucks to receive fuel due to the safety hazards this would present.

These challenges highlight the immense need for the State's energy transition plan to include cleaner alternative fuels like R99 that significantly reduce the transportation sector's emissions, utilize existing infrastructure so that they can be deployed immediately, and serve as an alternative when vehicle capabilities and bottlenecks in supply chains and infrastructure projects present roadblocks to electrification.

Renewable diesel holds great promise as a drop-in fuel as it seamlessly integrates with existing diesel infrastructure while reducing emissions by up to 80%. By capitalizing on the existing infrastructure, R99 allows for an expedited transition to cleaner fuels without requiring substantial investments in new equipment and vehicles. It demonstrates remarkable emission reductions compared to conventional diesel, including lower greenhouse gas emissions, particulate matter, and other harmful pollutants. The inclusion of R99 in the State's energy transition plan would allow businesses to leverage the existing diesel fleet and infrastructure to achieve an immediately cleaner environment.

In addition to emission reductions and infrastructure utilization, it is crucial to acknowledge the cost advantages associated with R99 in comparison to ZEV counterparts. While ZEV technologies hold suggested promise for a sustainable future, they often come with higher acquisition costs and face challenges related to limited charging infrastructure, particularly for heavy-duty vehicles such as trucks and buses.

CFCA urges the State and CARB to take into consideration the environmental and structural benefits of R99, along with the challenges faced by the fuel industry in the context of Advanced Clean Fleets, when making further decisions on the State's energy transition plan. By doing so, CARB can promote the adoption of these cleaner fuel technologies, accelerate emissions reductions, leverage existing infrastructure, and address the unique challenges associated with the implementation of Advanced Clean Fleets.

## ###

## **About CFCA**

CFCA is the industry's statewide trade association representing the needs of small and minority wholesale and retail marketers of gasoline, diesel, lubricating oils, motor fuels products, and alternative fuels, including but not limited to, hydrogen, compressed natural gas, ethanol, renewable and biodiesel, and electric charging stations; transporters of those products; and retail convenience store operators. CFCA's members serve California's families, agriculture, police and fire, cities, construction, and all consumer goods moved by the delivery and transportation industries.