

## LCFS Verification services

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### Low Carbon Fuel Standard (LCFS) Implementation Series #9

This is the ninth in a series of updates that Christianson will be providing on the current status of the regulation. If you missed the previous newsletters, you can find them on our [website here](#).

The public comment period on the proposed regulation update has now closed and the work of reading and considering all the submitted comments is underway. We can expect additional workshops with stakeholders and CARB staff this summer as they sift through the comments received.

To date, our [email series](#) has focused on verification related topics within the proposed rule. We would like to take a step back and look at an additional item in the proposed rule, the extension of the LCFS program.

The proposed rule includes an extension of the LCFS program to 2030. The Carbon Intensity Benchmarks for the program will go from the current 2018 benchmarks of 93.55 for gasoline and 96.91 for diesel to 79.98 for gasoline and 80.76 for diesel in 2030. The current version of the proposed rule requires even step downs from 2019 through 2030 in order to reach the 2030 targets noted.

#### What does this mean for the program?

It means that the LCFS program will be around an additional 10 years in comparison to the previous rule, but also that additional innovation and carbon reduction activities will be needed in order to receive premiums for shipping into the California market. If we continue to move forward with no additional carbon reduction initiatives, then the premiums we've seen in the California market will continue to diminish.

Under the current CA GREET model, the average carbon intensity score by fuel type shipped in from outside California are as follows:

- Biodiesel and Renewable Diesel (varying feedstocks) – 35 carbon intensity average score
- Corn Based Ethanol – 73 carbon intensity average score

One example of new technology that has been developed and will be utilized for shipment into California is the addition of corn kernel fiber processing at an ethanol plant to create cellulosic ethanol. As seen above, the corn based ethanol carbon score averages 73. When the corn kernel fiber is processed at the plant, the cellulosic fuel produced offers a reduced carbon score, approximately 30. This additional technology offers half the carbon score of traditional corn based ethanol.

This is just one example of a technology developed that has carbon and GHG reduction benefits in both the Renewable Fuels Standard and the LCFS. As we move forward through this extended time frame of the LCFS, we will need continued innovation to remain profitable selling into California.

Please feel free to reach out to [Kari Buttenhoff](#) at 320-235-5937 for additional information and keep an eye on your inbox for our next email in the LCFS Implementation Series.

[Call or Contact Us](#) today with any questions.

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Contact Us

320-235-5937 | 302 SW 5th St, Willmar, MN 56201