



February 27, 2020

Transportation Climate Initiative

RE: Support for the Memorandum of Understanding

The Renewable Fuels Association (RFA) is writing to provide our support for the Transportation Climate Initiative's draft proposal for a regional program that accelerates the transition to cleaner transportation strategies, including the use of low carbon fuels. A regional standard, such as the one being proposed, will seek to implement a regional cap-and-invest program, encourage the development of low carbon fuel technologies, improve air quality, and spur economic development in the region. A science based, well-designed program will drive technological innovation, provide consumer choice, stimulate investment in clean energy, and reduce climate change emissions from the transportation sector.

RFA is the leading national trade association representing U.S. fuel ethanol producers. Its mission is to advance the development, production, and use of low-carbon ethanol by strengthening America's ethanol industry and raising awareness about the benefits of renewable fuels. Founded in 1981, RFA serves as the premier forum for industry leaders and supporters to discuss ethanol policy, regulation, and technical issues. RFA's 300-plus members are working daily to help America become cleaner, safer, more energy secure, and economically vibrant.

RFA believes that renewable fuel, especially ethanol, can further decarbonize passenger cars and light-duty trucks today. Already, ethanol is responsible for reducing climate change emissions from the nation's transportation by more than 50 million metric tons annually.

Today's ethanol reduces greenhouse gas emissions by an average of 35-45% compared to petroleum fuels and is on a technological curve to be carbon negative. Oregon and California's programs have encouraged lower CI fuels, and ethanol's average CI score has dropped by 27% since program inception. In both states, the fuel standard has driven growth of E85 (85% ethanol blends for Flex Fuel Vehicles), which boasts up to a 66% reduction in carbon intensity per mile over gasoline. Additionally, a regional cap-and-invest would drive new investment by renewable fuel companies and incentivize technological innovations that continue reduce the CI of ethanol.

Low carbon ethanol fuels like E15 and E85 help meet carbon reduction goals. Ethanol is the lowest cost, highest octane fuel additive available today. EPA has approved the use of E15 for 9 out of 10 cars on the road today. Consumers will also benefit from more competition and greater savings as E15 use expands.

As additional states across the country consider their own clean fuel standards, it is important to have a standardized methodology for determining carbon intensity scores. Not only does this make compliance less costly for regulated parties and alternative fuel producers but will help other states and jurisdictions adopt their own clean fuel standards. This is especially important for renewable fuel producers that may have limited access to capital, and unable to apply for multiple pathways in each location with a clean fuel standard.

We strongly recommend the use of the most up to date GREET model deployed by Argonne National Labs, which is reviewed and revised periodically by the world's foremost lifecycle analysis experts. This version of the GREET model is most likely to be used by additional states looking at

adopting clean fuel standards. It is important to consider utilizing the most current version of the GREET model as well as the version of GREET that future jurisdictions will be inclined to select for the standardization reasons cited above.

Signing the MOU would lead to an increasingly diverse and lower-carbon fuel supply, thus creating competition, encouraging innovation and developing greater market opportunities. RFA supports the Transportation Climate Initiative's work to reduce transportation-related emissions and encourages implementation of a regional transportation program.

Thank you for your consideration of our comments. If you have any questions, feel free to contact me at the kdavis@ethanolrfa.org

Sincerely,

Kelly Davis
VP Regulatory Affairs