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November 26, 2019

Via Electronic Submittal to: ClimateChange@calepa.ca.gov

Jared Blumenfeld
Secretary
California Environmental Protection Agency
1001 I Street
Sacramento, CA 95814

RE: RPMG Comments on CalEPA Carbon Neutrality Study concepts

Secretary Blumenfeld,

RPMG Inc. (RPMG) appreciates the opportunity to comment on the Carbon Neutrality studies workshops that were recently held throughout California. The two studies¹ present an opportunity to establish important policy milestones for California as it moves forward with its established GHG reduction and carbon neutrality goals.

For background, RPMG is a biofuel marketing company, located in Shakopee Minnesota. We represent our owner and marketing partner ethanol facilities located throughout the Midwest. Our combined operations provide both ethanol and distiller's corn oil (DCO) as essential renewable and low-CI inputs to the California fuels market. Our plants have continually focused on innovation and real-world life-cycle GHG reductions. RPMG and our affiliated producers are committed to the continuation of innovation for the products we supply to California.

The first workshop on these studies in Sacramento highlighted the potential for a wide range in what could be set as the study criteria². The scope of work should not be structured in a way that presumes any particular outcome with respect to liquid fuels. The focus of the studies should be to get to the answers that the literature and science suggests would be the most effective at dealing with Carbon Neutrality in the California Transportation sector. We believe there is a

¹ **Vehicle Emissions Study** - \$1,500,000 shall be available for a study to identify strategies to significantly reduce emissions from vehicles and to achieve carbon neutrality in the sector, including the transition to zero-emission light-duty vehicles, in particular, passenger vehicles, the transition to zero-emission heavy vehicles, and the adoption of other technology to significantly reduce emissions from heavy vehicles; the role of alternative fuels; and the impact of land use policy. The study shall include, but not be limited to, strategies for reducing vehicle miles traveled, including increasing transit ridership. The Secretary for Environmental Protection shall consult with the State Air Resources Board, Energy Resources Conservation and Development Commission, the Transportation Agency, the Office of Planning and Research, and the Governor's Office of Business and Economic Development on the study.

Demand and Supply of Fossil Fuels Study - \$1,500,000 shall be available for a study to identify strategies to decrease demand and supply of fossil fuels, while managing the decline of fossil fuel use in a way that is economically responsible and sustainable. The Secretary for Environmental Protection shall contract with the University of California system to produce this study. An interagency state team led by the California Environmental Protection Agency shall further develop the scope of the study in order to evaluate pathways to achieve a carbon neutral economy by 2045, manage the decline of in-state production as the state's fossil fuel demand decreases, and assess potential impacts to disadvantaged and low-income communities and strategies to address those impacts. The Secretary for Environmental Protection shall consult with the Natural Resources Agency, the Transportation Agency, the Labor and Workforce Development Agency, and the Office of Planning and Research on the study.

² https://ww2.arb.ca.gov/sites/default/files/2019-10/CA_Fuels_Update_Presentation_10-18-19.pdf

significant role for liquid biofuels in this discussion, and recommend that CalEPA direct the researchers to include a robust look at the carbon reduction innovations occurring today.

There are two other comments we would like to present for your consideration. The first is that “Carbon Neutrality” should be defined by CalEPA through the public stakeholder process. This definition is fundamental to the results, and therefore it should not be left to the researcher(s) to define. Second, the benefits^{3,4} of soil carbon sequestration associated with biofuel production should be recognized in the studies’ findings. Soil carbon impacts can play a major role in GHG sequestration.

RPMG will remain engaged throughout the process. Please contact me with any questions or comments at (952) 465-3247 or jwhoffmann@rpmgllc.com.

Sincerely,

/s/

Jessica W. Hoffmann
Regulatory and Compliance Manager
RPMG Inc.

³ <https://ethanol.org/news/news/2018/08/17/ace-releases-white-paper-on-the-low-carbon-benefits-of-corn-ethanol-during-31st-annual-conference/>

⁴ <https://greet.es.anl.gov/databases>