

May 4, 2026

The Honorable Steve Cliff, Executive Officer
California Air Resources Board
1001 I Street
Sacramento, CA 95814

RE: Comments regarding Proposed Amendments to the Regulation for the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms

Dear Dr. Cliff:

The Placer Air Pollution Control District (District) appreciates the opportunity to comment on the California Air Resources Board's (CARB) Proposed Amendments to the Regulation for the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms (Regulations). Overall, the District is in support of the changes in the proposed amendments as we believe they functionally strengthen and clarify the original proposal. We do, however, offer the following comments regarding a few of the amendments.

First, the District appreciates the numerous changes in the Regulations that effect covered entities that use biomass derived fuels. We note that it is important that these entities be allowed to participate in unlinked incentive programs, and as such, this is a welcome and important clarification. Additionally, the District supports with the updates to the criteria for exempt biomass-derived fuel use as an eligible category for expenditure of MDI value. Also, adding capital cost considerations are a welcome addition to the Regulations, which will make a significant difference in the financial viability of these projects moving forward. Additionally, we believe the limitation of a 50% cap for the purchase costs of fuel is reasonable.

One clarification that we believe is needed is in reference to the limitation of biogenic fuel and the use of axillary fuels during start up. The District suggests that the Regulations provide a small allowance (say, for example, up to 5%, which is allowed in the RPS Program) for the use of non-biogenic fuel during limited startup operations. This would accommodate the needs of some advanced biofuel technologies to sometimes use other fuels during certain startup sequences. We are concerned that one interpretation of "fully" using biogenic fuel, as provided in the Regulations, means a complete restriction on any use of non-biogenic fuel. Such an interpretation could negatively impact the operational processes at a facility, which would be detrimental to project efficiency and the achievement of a facility's optimal climate benefits.

Finally, the District supports the comments offered by the Bioenergy Association of California. Specifically, we support that allowances for biofuels should be consistent with the requirements for renewable electricity and for hydrogen, both of which require the use of renewable power that is connected to the western electricity grid.

Thank you again for the opportunity to provide comments on the most recent amendments to the Regulations. If you have any questions or would like to discuss our comments further, please contact me at christiana@clereinc.net.

Sincerely,

Christiana Darlington

Christiana Darlington (May 4, 2026 16:14:29 PDT)

Christiana Darlington

Placer County Air Pollution Control District Counsel