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## **Testimony to California ARB on Proposed Re-Adoption of LCFS**

The Clean Air Task Force (CATF) is a nonprofit organization that works to help safeguard against the worst impacts of climate change by catalyzing the rapid global development and deployment of low carbon energy and other climate-protecting technologies.

CATF has submitted written comments that make several points, first and foremost that ARB should readopt the LCFS through 2020. Achieving compliance with the 2020 target will be difficult, but the LCFS remains the most promising policy tool available for reducing the climate impacts of the transportation sector.

The issue that I would like to draw to the Board's attention today has to do with the modeled relationship between corn ethanol production, food consumption, and net CO<sub>2</sub> emissions.

The key point that I hope to make is that developing the relevant data and determining which datasets to use (and which to exclude) in a lifecycle model are subjective exercises, as are the processes of choosing and programming the relational assumptions that drive the model. Viewed in this context, the proposal to reduce corn ethanol's indirect land use change (or ILUC) score can be more appropriately understood as the product of a subjective process—one that reflects the current availability of certain data and analyses that would contribute to a lower ILUC score, but fails to account for a host of countervailing factors that ARB knows are significant but is not yet able to model.

An important way in which ILUC estimates are the product of subjective decisions (and not just objective calculations) relates to the treatment of reductions in food consumption associated with policy-induced demand for biofuels. As explained in a recently published paper that looks at ILUC analysis in the GTAP model used by ARB, "ILUC emission estimates depend on various modeling choices, such as whether a reduction of food consumption resulting from biofuel expansion is treated as a climate benefit." ARB currently chooses to count GHG reductions that result from reduced food consumption when analyzing the lifecycle emissions of biofuels, but that—again—is a subjective decision.

Several studies indicate that if instead ARB chose to assume that society would limit the extent to which food consumption would decline, ARB's estimate of corn ethanol's ILUC emissions would increase substantially, as detailed in our written comments.

The highly subjective treatment of reduced food consumption reinforces the point that ARB is not obligated to reduce the ILUC score for corn ethanol on the basis of the most recent—but highly incomplete—modeling results.

CATF urges the Board to recognize these limitations, as well as the necessary role that it and ARB staff play in interpreting and acting upon modeling results. The Board should exercise its best judgment in light of the overarching policy objective of the LCFS, which CATF understands to be a meaningful reduction in GHG emissions from the transportation sector. Because corn ethanol's lifecycle GHG emission reductions—which are very modest to begin with—depend on an assumption of reduced food consumption in developing countries, and because increased reliance on corn ethanol would frustrate the development of more innovative and effective compliance options, the proposal to reduce the ILUC score for corn ethanol undermines the objectives of the LCFS. Accordingly, CATF urges the Board to table the proposal to reduce the carbon intensity value that ARB uses for corn ethanol.

Thank you for the opportunity to comment on this critically important policy.