

4675 MacArthur Court, Suite 800  
Newport Beach, California 92660 USA  
949.437.1250 fax: 949.724.1358

[www.CleanEnergyFuels.com](http://www.CleanEnergyFuels.com)

Harrison S. Clay  
President, Clean Energy Renewables



June 23, 2016

Governor Jerry Brown  
c/o State Capitol, Suite 1173  
Sacramento, CA 95814

**RE: SUPPORT FOR THE LOW CARBON FUEL STANDARD PROGRAM**

Dear Governor Brown:

On behalf of Clean Energy Renewables, I would like to express our strong support for California's Low Carbon Fuel Standard (LCFS) in. The LCFS program will help our state reaches its ambitious goals of reducing greenhouse gas emissions, fighting global warming, and eventually pave the way for a sustainable future.

Clean Energy Renewables is the largest cellulosic biofuel seller in North America and based in Newport Beach, CA. We are a wholly-owned subsidiary of North America's largest natural gas vehicle fuel company, Clean Energy Fuels. In 2015 we sold over 50 million gasoline gallon equivalents of our Redeem biomethane vehicle fuel to medium and heavy duty fleet vehicles in California. This fuel produces an 80-90% reduction in greenhouse gases compared to petroleum fuel and is produced entirely from renewable organic waste streams. Some of our more notable customers include Santa Monica Big Blue Bus, UPS, Ryder, Foothill Transit and the University of San Diego. **We could not have achieved the success we have had in reducing GHG emission in the transportation sector without the LCFS.**

**The LCFS Program Works**

Since its creation in 2010, the LCFS has been instrumental in creating price parity between alternative fuels and fossil fuels, such as gasoline and diesel. This parity has produced a 36 percent increase in the use of clean fuels, \$650 million has been invested in clean fuel production, 16.6 million tons of carbon pollution has been avoided, \$1.6 billion in health costs has been prevented, and 6.6 billion gallons of petroleum have been displaced. There are not only statistical benefits but also benefits that cannot be measured. This program has been the catalyst for companies and people to innovate in the energy sector. California has been known as the cradle for innovation and forward thinking in the areas of clean energy technology.

The people of California are still in strong support of the state's efforts to combat climate change. According to a July 2015 Public Policy Institute of California (PPIC) statewide survey, majority of Californians (69%) and likely voters (63%) continue to favor AB 32. That same survey also shows strong support for Senate Bill (SB) 32 that would require the state to reduce its greenhouse gas emissions to 80 percent below 1990 levels by 2050. A solid majority of Californians (69%) and likely voters (62%) favor the reductions set in SB 32. Levels of support for SB 32 closely mirror support for AB 32.

Bottom line: if the goal is to increase the use of renewable transportation fuels in California, the LCFS program is the most important component in realizing that goal. Getting rid of the program or lowering the carbon emission goal below 10% would have a butterfly affect that would send a signal to the marketplace that California's commitment to GHG reduction is unstable. Enormous progress and investments in production and distribution of low carbon fuel would be threatened. Companies that are investing resources need regulatory stability. As long as the participants in the emissions market believe that their business is only as good as the next legislative session the market will never reach its potential, thus the transformation we so desperately need and will never materialize. The LCFS must be defended.

### **We Must Defend the LCFS and Drive Rapid Change in our Fuel Consumption**

The main goal of those that have been dragging their feet in compliance with the Air Resources Board's regulations has been to create instability through "the sky is falling" accusations and delay the attainment of benchmarks through constant legal challenges and lawsuits. I completely understand why they are so vehemently opposed to a 50 percent reduction, because it would be essentially cutting their profits in half, but I believe that creating a cleaner and healthier environment for future generations is much more important. The overwhelming scientific evidence clearly indicates that we cannot afford "business as usual" when it comes to our consumption of petroleum fuel. Continued consumption of petroleum in the quantities we consume today threatens our entire civilization. Change is not an option – it is a requirement. The LCFS is one of the most successful programs in the world at driving that change.

**In conclusion, we strongly urge you and the Legislature to REJECT any proposal that weakens or deletes the Low Carbon Fuel Standard!** Trying to create stability in one program by undermining another is a recipe for disaster. We implore you to search for a way to stabilize the AB 32 cap and trade program that doesn't include derailing one of the state's most successful climate change mitigation programs.

Thank you for taking the time to hear our concerns and please don't hesitate to reach out to us for any assistance that you may need.

Should you have any questions, please do not hesitate to contact me directly at 949.437.1250 or [hclay@cleanenergyfuels.com](mailto:hclay@cleanenergyfuels.com).

Sincerely,



Harrison Clay  
President, Clean Energy Renewables

Cc: Senate President pro Tempore Kevin de León  
Assembly Speaker Anthony Rendon



June 24, 2016

Governor Jerry Brown  
c/o State Capitol, Suite 1173  
Sacramento, CA 95814

**RE: SUPPORT FOR THE LOW CARBON FUEL STANDARD PROGRAM**

Dear Governor Brown:

On behalf of Agility Fuel Systems, I would like to express our strong support for California's Low Carbon Fuel Standard (LCFS). The LCFS program will help our state reach its ambitious goals of reducing greenhouse gas emissions, fighting global warming and eventually pave the way for a sustainable future.

**About Agility Fuel Systems**

Agility Fuel Systems is the leading developer and manufacturer of natural gas fuel systems for heavy-duty vehicles in North America. Our highly engineered, proprietary heavy-duty natural gas fuel systems store, manage and deliver natural gas to the engine and enable the safe and effective use of natural gas as a vehicle fuel for local, regional and long-haul applications. Agility Fuel Systems has its corporate headquarters in Santa Ana, California, and has been in operation since 1996. Together with its predecessor companies, Agility Fuel Systems has deployed more heavy-duty natural gas fuel systems in North America than any other company.

**The LCFS Program Works**

Since its creation in 2010, the LCFS has been instrumental in creating price parity between alternative fuels and fossil fuels, such as gasoline and diesel. This parity has produced a 36% increase in the use of clean fuels, \$650 million has been invested in clean fuel production, 16.6 million tons of carbon pollution has been avoided, \$1.6 billion in health costs has been prevented, and 6.6 billion gallons of petroleum have been displaced. There are not only statistical benefits but also benefits that cannot be measured. This program has been the catalyst for companies and people to innovate in the energy sector. California has been known as the cradle for innovation and forward thinking in the areas of clean energy technology.

The people of California are still in strong support of the state's efforts to combat climate change. According to a July 2015 Public Policy Institute of California (PPIC) statewide survey, majority of Californians (69%) and likely voters (63%) continue to favor AB 32. That same survey also shows strong support for Senate Bill (SB) 32 that would require the state to reduce its greenhouse gas emissions to 80% below 1990 levels by 2050. A solid majority of Californians (69%) and likely voters (62%) favor the reductions set in SB 32. Levels of support for SB 32 closely mirror support for AB 32.

Bottom line: if the goal is to increase the use of renewable transportation fuels in California, the LCFS program is the most important component in realizing that goal. Getting rid of the program or lowering the carbon emission goal below 10% would have a butterfly effect that would disrupt the 50% petroleum reduction by 2030. Companies that are investing resources need regulatory stability. If participants in the emissions market believe that their business is only as good as the next legislative session, then the market will never reach its potential and the transformation we need and desire will never materialize.

The main goal of those that have been dragging their feet in compliance with the Air Resources Board's regulations has been to create instability through "the sky is falling" accusations and delay the attainment of benchmarks through constant legal challenges and lawsuits. While I understand their opposition to a 50% reduction (it would be essentially cutting their profits in half), I believe that creating a cleaner and healthier environment for future generations is a much more important objective for the State of California. I trust that you do as well.

**We strongly urge you and the Legislature to REJECT any proposal that weakens or deletes the Low Carbon Fuel Standard.** Trying to create stability in one program by undermining another is not sound policy. We implore you to search for a way to stabilize the AB 32 cap and trade program that does not include derailing one of the state's most successful climate change mitigation programs.

Thank you for taking the time to hear our concerns and please don't hesitate to reach out to us for any assistance that you may need.

Sincerely,

AGILITY FUEL SYSTEMS, INC.



Seung W. Baik  
Chief Legal Officer

Cc: Senate President pro Tempore Kevin de León  
State Capitol, Room 205  
Sacramento, CA 95814

Assembly Speaker Anthony Rendon  
P.O. Box 942849, Room 219  
Sacramento, CA [94249-0063](mailto:94249-0063)

June 22, 2016

Governor Jerry Brown  
c/o State Capitol, Suite 1173  
Sacramento, CA 95814

**RE: SUPPORT FOR THE LOW CARBON FUEL STANDARD PROGRAM**

Dear Governor Brown:

On behalf of Applied LNG, I would like to express our strong support for California's Low Carbon Fuel Standard (LCFS) program. The LCFS program is vital for our state to reach its ambitious goals of reducing greenhouse gas emissions, fighting global warming, and paving the way for a sustainable future.

**About Applied LNG**

Applied LNG is a California marketer, producer, and distributor of Renewable Liquid Natural Gas (RLNG) and low carbon conventional LNG for alternative fuel use in North America. Established in 1995, the Company markets RLNG and LNG to trucking, oilfield, marine, mining, construction, rail, industrial, and agricultural customers. Applied LNG provides full-service solutions that include LNG supply, delivery from a fleet of LNG trailers, temporary or permanent fueling stations, equipment leasing, and training.

**The LCFS Program Works**

Since its creation in 2010, LCFS has been instrumental in creating price parity between alternative fuels and fossil fuels, such as gasoline and diesel. This parity has produced a 36 percent increase in the use of clean fuels, \$650 million has been invested in clean fuel production, 16.6 million tons of carbon pollution have been avoided, \$1.6 billion in healthcare costs have been prevented, and 6.6 billion gallons of petroleum have been displaced. This program has been the catalyst for companies and people to innovate in the energy sector. California is known as the cradle for innovation and forward thinking in the area of clean fuels.

The people of California are in strong support of the state's efforts to combat climate change. According to a July 2015 Public Policy Institute of California (PPIC) statewide survey, a majority of Californians (69%) and likely voters (63%) continue to favor AB32. That same survey also shows strong support for Senate Bill (SB) 32 that would require the state to reduce its greenhouse gas emissions to 80 percent below 1990 levels by 2050. A solid majority of Californians (69%) and likely voters (62%) favor the reductions set in SB32. Levels of support for SB32 closely mirror support for AB32.



Bottom line: if the goal is to increase the use of renewable transportation fuels in California, the LCFS program is the most important component in realizing that goal. Getting rid of the program or lowering the carbon emission goal below 10% would have a ripple effect that would disrupt the 50 percent petroleum reduction by 2030. Companies that are investing resources need regulatory stability. As long as the participants in the emissions market believe that their business is only as good as the next legislative session the market will never reach its potential, thus the transformation we need and desire will never materialize!

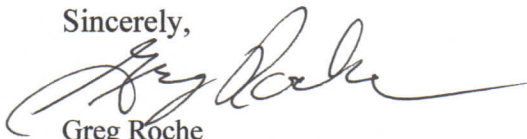
**Crying Wolf...**

The main goal of those that have been dragging their feet in complying with the Air Resources Board's regulations has been to create instability through "the sky is falling" accusations and delay the attainment of benchmarks through constant legal challenges and lawsuits. I completely understand why they are so vehemently opposed to a 50 percent reduction, because it would no longer be business as usual, but I believe that creating a cleaner and healthier environment for future generations is much more important! I have a feeling that you do too.

**In conclusion, we strongly urge you and the Legislature to REJECT any proposal that weakens or deletes the Low Carbon Fuel Standard!** Trying to create stability in one program by undermining another is a recipe for disaster. We implore you to search for a way to stabilize the AB32 cap and trade program that doesn't include derailing one of the state's most successful climate change mitigation programs.

Thank you for taking the time to hear our concerns and please don't hesitate to reach out to us for any assistance that you may need.

Sincerely,



Greg Roche  
VP Sales & Marketing  
(818) 540-8960  
[groche@appliedlng.com](mailto:groche@appliedlng.com)

cc: Senate President pro Tempore Kevin de León  
Assembly Speaker Anthony Rendon