

Reducing Greenhouse Gas Emissions from Transportation Fuel with Low Carbon Fuel Standards

Transportation accounts for over 40% of greenhouse gas emissions on the Pacific Coast. Using cleaner transportation fuels is a critical step toward achieving the region's goal of cutting greenhouse gas emissions by 80% over the next 30 years. British Columbia, California, Oregon, and Washington have programs in place that are creating an integrated West Coast market for clean, low-carbon fuels.

The PCC represents the world's fourth largest economy, a thriving region of 58 million people with a combined GDP of nearly \$5 trillion.

What is a low carbon fuel standard?

A low carbon fuel standard (LCFS) requires a reduction in the lifecycle carbon intensity in transportation fuels. Users and producers of renewable or low-carbon fuels earn credits and these credits are purchased by producers of higher carbon fuels that generate debits. Credits can be generated by all kinds of alternative transportation fuels, including electricity, biofuels, renewable natural gas, and hydrogen.

Low carbon fuel standards are cutting greenhouse gas emissions, improving air quality, and spurring innovation:



Over 20 billion gallons

of clean, low-carbon alternatives have replaced petroleum diesel and gasoline

150 million metric tons

of carbon emissions have been eliminated by the use of alternative lower carbon fuels

Over \$16 billion

market created, generating new clean energy jobs and businesses

California, Oregon, and British Columbia are on track to meet current carbon intensity reduction targets, and all three have either increased their 2030 target to 30% or more, or are in the process of doing so. Washington has successfully completed implementation and is beginning to publish data on program performance.

LCFS programs are generating new investment and creating jobs.

The World Energy facility in Paramount, California is the first refinery in the world built for commercial-scale production of alternative jet fuel produced from sustainable feedstocks, such as non-edible natural oils and agricultural wastes. Already, World Energy Paramount has produced 150 million gallons of renewable fuels – the equivalent of taking 250,000 cars off the road.

HOW DO LCFS CREDITS WORK?

1. Producers and users earn credits through the supply of low carbon fuels.
2. Those credits are sold to regulated emitters that need to offset debits generated by high carbon fuels to remain in compliance with the LCFS.
3. Producers and users of clean fuels earn revenue from credits sold, encouraging more investment and innovation.



PCC LEADERSHIP

Gavin Newsom
California Governor

Tina Kotek
Oregon Governor

Ken Sim
Vancouver Mayor

Ted Wheeler
Portland Mayor

Sheng Thao
Oakland Mayor

Jay Inslee
Washington Governor

David Eby
BC Premier

Bruce Harrell
Seattle Mayor

London Breed
San Francisco Mayor

Karen Bass
Los Angeles Mayor