



December 13, 2023

The Honorable Kathy Hochul  
Governor of New York State  
NYS State Capitol Building  
Albany, NY 12224

Re: Clean Fuel Standard in Executive Budget

Dear Governor Hochul,

We, the undersigned, write to respectfully ask you to include a Clean Fuel Standard (CFS) for on-road transportation, with voluntary opt-in for other fuel types including aviation fuel, in your fiscal year 2025 budget.

Low-carbon or clean fuel standards have already been adopted in California, Oregon, and Washington, and are currently being considered in several other states including Massachusetts, Michigan, and Illinois as an important policy tool to make fossil fuel companies either decarbonize or pay for the transition to clean transportation. Indeed, the California Air Resources Board (CARB) recognizes California's low-carbon fuel standard (LCFS) as one of the key policy tools being used to achieve the Advanced Clean Car and Advanced Clean Truck rules, which New York has adopted and may not be able to achieve without a CFS.

The CLCPA scoping plan made clear that the greatest transportation emission reductions can be had by pairing aggressive electrification policies with a CFS. A CFS would accelerate the adoption of electric vehicles and the buildout of the electric vehicle charging network at no cost to the State while also reducing emissions from vehicles currently on the road, especially vehicles that use diesel engines. In any of the scenarios modeled by the scoping plan, a large number of internal combustion engine vehicles will continue to operate on New York's roads for decades to come; a CFS is the only policy tool available to state government to significantly reduce emissions from these vehicles by incentivizing them to use lower-carbon fuels. The scoping plan also made clear that implementing a CFS for on-road transportation now is crucial to developing the long-term market for low-carbon liquid fuels in hard-to-electrify fuel sectors like aviation and heavy-duty vehicles. Aviation accounts for approximately 2-3% of global carbon dioxide emissions, and these numbers are expected to grow rapidly over the next 15 years with no action; sustainable aviation fuel can reduce lifecycle greenhouse gas emissions by up to 80% compared to fossil jet fuels.

A CFS would reduce transportation emissions at no cost to the State government, which is an especially important consideration in a challenging budget year. A CFS would also have positive benefits for New York's economy by creating thousands of green jobs and bringing new investment into the state that is currently going to states that have CFS programs in place. Furthermore, a CFS can work hand-in-glove with the State's cap-and-invest program to achieve larger reductions in transportation emissions at lower cost to regulated entities than cap-and-invest could on its own.

Adopting a CFS would set a technology-neutral performance standard for transportation fuels that would allow New York to achieve the CLCPA's required transportation emission reductions while also benefiting from and capitalizing on the tremendous economic potential of clean fuel providers. A large amount of academic work on how LCFS and CFS policies work, what they have achieved, how they can work with cap-and-invest policies, and modeling on the potential benefits of a CFS in New York has already been done and we would be happy to share these studies with your staff at their convenience.

Sincerely,

3Degrees  
AJW, Inc.  
Alliance for Automotive Innovation  
American Biogas Council  
Bayer  
BerQ RNG  
Biotechnology Innovation Organization  
ChargePoint  
Clean Communities of CNY  
Clean Communities of WNY  
Clean Energy  
Clean Fuels Alliance America  
Coalition for Renewable Natural Gas  
Darling Ingredients  
Delta Air Lines  
EcoEngineers  
Electrify America, LLC  
Empire Clean Cities  
Empire State Forest Products Association  
FLO  
Gevo, Inc  
Global Partners  
Green Plains

Highland Electric Fleets  
Indigo Ag  
Infinium Operations  
JetBlue  
Low Carbon Fuels Coalition  
NEDPA  
Neste  
New York Corn & Soybean Growers  
Association  
New York League of Conservation Voters  
NGVAmerica  
Northville Industries, a subsidiary of NIC  
Holding Corp  
NXTClean Fuels  
Oberon Fuels  
Paired Power, Inc.  
Renewable Fuels Association  
SHV Energy  
SkyNRG  
SWITCH  
Tesla  
The Black Institute  
The Lion Electric

Velocys

WasteFuel

Western New York Energy, LLC

World Energy