From:Petegwyn@aol.comSent:Friday, November 06, 2009 3:37 PMTo:Northeast & Mid-Atlantic LCFSSubject:Re: LCFS ReportCategories:Comments

The report prepared by NESCCAF entitled "Introducing a Low Carbon Fuel Standard" in the Northeast in our view boils down to two basic points, 1) it aims to destroy the heating oil industry and 2) is a mandate for electric cars using compliance scenarios that by the reporters own acknowledgement are very optimistic and highly uncertain. Further the NESCCAF report includes speculative analysis and bases compliance on unproven technologies.

A state or regional low-carbon fuel standard (LCFS) is unnecessary due to existing federal requirements and would lead to higher costs and greater bureaucracy without achieving any progress in cutting national greenhouse gas (GHG) emissions.

The federal renewable fuel standard (RFS2) mandated by the Energy Independence and Security Act of 2007 already requires fuels that meet specified GHG emission reduction thresholds. A state by LCFS will not result in any more advanced Biofuels than the very aggressive mandates in the RFS2 program but certainly would result in the creation of more "boutique fuels and higher costs to consumers. State programs would compete with other regions for the same advanced biofuel already required under the RFS2 program simply and needlessly moving supplies for one state to another adding to supply and cost issues.

The NESCCAF Report concept is to destroy the heating oil industry that has provided quality jobs, fuels and service to millions of homeowners over many years. This attempt to destroy the heating oil industry goes forward despite the fact that the industry is diligently working to improve its fuel products and equipment. The long-term outlook for fuel oil is that it will be a lower carbon space-heating product than natural gas or other waste products converted to space heating fuel, if the conversion technology ever comes on stream.

In addition and in reality, a LCFS is an electric vehicle mandate since there are no other available pathways. To meet the LCFS mandate, NESCCAF has "projected" that as many as 3 to 6 million EVs and PHEVs would have to be in use in the NESCAUM states by 2020, representing 9 to 17 percent of the total light-duty vehicle fleet. As a point of comparison, hybrids – the precursor to the PHEV technology – were less than 3% of new vehicle sales in 2008 and currently comprise less than 1 percent of the vehicle fleet after 10 years of sales.

Current federal programs will significantly reduce the carbon intensity and the main focus and efforts should remain with the federal program.

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