



# FACT SHEET

## National Low Carbon Fuel Standard

### LCFS Design Recommendations:

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A harmonized international framework that builds on newly enacted LCFS policies adopted in California, British Columbia, and Europe should include the following elements:

- Reduce the carbon intensity of transportation fuels by 10-15% by 2030
- Eventually replace (or enhance) RFS with an LCFS
- Encourage investment in clean technologies by using LCFS to stimulate innovation and harness market forces

### LCFS Study Key Findings:

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#### ■ Saves Money, Creates Opportunity

Compared with current fuel policies, a well-designed low carbon fuel standard (LCFS) will save consumers money, buffer the economy against global price spikes, create fresh opportunities for new fuels to compete in the marketplace.

#### ■ Creates Energy Security Savings

A national LCFS creates an energy security savings of \$5-22 per barrel by substituting domestic resources like ethanol, natural gas, and electricity for imported oil—reducing exposure to economic loss from oil price shocks and high oil import costs.

#### ■ Spurs Innovation, Sends Market Signal

A national LCFS creates a strong market signal that attracts investment and spurs innovation in clean fuel technologies, increases consumption of clean fuels and lowers average consumer fuel prices, for a total savings of \$411 billion by 2035 on fuel expenditures.

#### ■ Reduces Emissions

Plug-in electric vehicles (PEVs) using electricity and fuel cell vehicles (FCVs) using hydrogen are two vehicle/fuel combinations that have the potential to enable deep reductions in emissions from transportation over the medium and long-term. Electricity and/or hydrogen could provide up to half of required reductions by 2030.

#### ■ Encourages Investment

A national LCFS can reduce the pressure to develop dirty, high-carbon unconventional fossil resources, encourage investments in cleaner alternatives, and benefit consumers.

#### ■ Win-Win for Farmers + Consumers

A national LCFS would encourage farmers to grow crops that are especially suitable for conversion to fuel, and steer them away from selling food crops into the biofuels market. This is a win-win for farmers and consumers.

**About the Study** For more information go to <http://NationalLCFSProject.ucdavis.edu>

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The National LCFS Project is a collaboration among researchers from six top U.S. institutions, each looking at a different aspect of how a low carbon fuel standard would affect our energy posture, our national security, our environment, and all aspects of our economy—from food prices to transportation costs. The report provides recommendations for policy design and implementation, and is expected to influence the national conversation on a potential clean fuel standard. Participating researchers are from Oak Ridge National Laboratory, the University of California, the University of Illinois, the University of Maine, Carnegie Mellon University, and the International Food Policy Research Institute.