

April 21, 2022

Washington Department of Ecology  
300 Desmond Dr SE Lacey, WA 98503  
Via Public Comment Form @ ecology.wa.gov

RE: Clean Fuels Program Rule Process and Overview

Thank you for the opportunity to comment on the proposed Washington State Clean Fuels Program.

As background, Oberon is an innovative California company founded in San Diego almost 12 years ago with a focus on decarbonizing the global propane industry while laying the foundation for green hydrogen. We accomplish this by producing renewable dimethyl ether (rDME). rDME can be made from various, in-state waste streams and can reduce the carbon footprint of transportation as a blending agent with LPG/propane.

Biogas serving as a feedstock for rDME can help decarbonize propane used in forklifts, buses, trucks, and other vehicles used in those sectors that are the most difficult to decarbonize, as well as in rural regions where pipelines and H<sub>2</sub> fueling stations do not exist. These pathways will rely on the Clean Fuel Program for a market signal.

As Oberon continues to build DME production capacity and to create market demand, the company is looking for opportunities to convert local waste streams, such as dairy manure, agri-waste, and pulp mill waste methanol into low-carbon or carbon-negative DME and create local, family-wage, clean energy jobs. Because of Washington's significant agricultural and forestry industry, the company has begun evaluating DME production in the state. The Clean Fuel Program can help enable the regions where the feedstock is located to benefit from the emissions reductions of local DME consumption, as well as the creation of local, family-wage, clean energy jobs.

We urge the Department to maintain a broad view of eligible feedstocks as you finalize and implement this program. Excess organics from landfills, wastewater treatment facilities, and agricultural digestors, as well as renewable methanol from pulp mills can be a feedstock for renewable hydrogen. rDME can provide energy dense transport of renewable hydrogen molecules for conversion to H<sub>2</sub> at the point of use.

We have the following specific recommendations to help improve the proposed Clean Fuels Program:

- 1) We strongly recommend that the rule require a 20% reduction in carbon intensity of fuels by the earliest date allowed in the law—2034.
- 2) To ease early adoption of rDME and rDME/propane blends, we urge you to specify language including rDME or clarify that rDME/propane blends are included under

the definition of propane. rDME/propane blends currently meet the NFPA 58 and ASTM D1835 Table 1 requirements for propane.

- 3) We urge the Department to use this opportunity to learn from and improve on the California Low Carbon Fuel Standard, particularly the success and opportunity for book-and-claim accounting of renewable natural gas to be used for a variety of finished fuel products.

The biogas/Clean Fuel Program intersection is larger than the use of renewable natural gas in CNG vehicles or as a hydrogen feedstock. Biogas is a critical, limited, renewable alternative to fossil natural gas and coal that can produce a diverse set of clean fuels and technologies including rDME and renewable methanol. Oberon Fuels could expand the number of organic feedstock sources and plant locations and reduce overall carbon intensity if book-and-claim renewable natural gas were easily included in the Clean Fuel Program as a source of 1) process energy and 2) additional feedstock to achieve scale and smooth out variability from biogenic sources.

Adding clarity that the Department will consider book-and-claim approaches that comply with all monitoring and verification requirements for pathways, beyond direct usage as renewable natural gas or as a hydrogen feedstock, can open the door to innovation. Further, the analogy to 'renewable' hydrogen production is a good one as both the production and accounting processes will be very similar for book-and-claim renewable hydrogen, book-and-claim rDME, and book-and-claim renewable methanol.

As a project developer and innovative clean fuel producer, Oberon can unequivocally state that your decisions will have real, dramatic, and near-term consequences and can either unlock long-term investment or stop the development and deployment of future impactful projects.

Thank you for your time and consideration. Please do not hesitate to contact me at [david.mann@oberonfuels.com](mailto:david.mann@oberonfuels.com) with any questions.

Sincerely,

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Vice President, Regulatory and Government Affairs  
Oberon Fuels

