



PUBLIC UTILITY DISTRICT NO. 1 of CHELAN COUNTY

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April 25, 2022

Rachel Assink
Rulemaking Lead
Department of Ecology
State of Washington

Re: Chelan PUD's Public Comments on Department of Ecology's Proposed Clean Fuels Program Rulemaking

Dear Rachel,

Thank you for this opportunity to comment on the Department of Ecology's Clean Fuels Program draft rules. We look forward to helping the Department of Ecology craft rules that not only meet the legislation to reduce the carbon emissions within Washington state, but also create a durable program that is simple, equitable and transparent to administer.

Chelan County PUD is proud of the work we have done to benefit our low-income and vulnerable customers by helping Link Transit, our local mass transit agency, electrify their bus fleet. Link has already replaced over one third of their diesel buses with battery electric buses and are on track to replace **all** their diesel buses with electric buses within the next three-to-five years. They can electrify their entire diesel fleet thanks to the innovative cutting-edge wireless charging technology that they developed with [Momentum Dynamics](#) that gives their battery-electric buses unlimited range for all their daily routes. Link Transit of Wenatchee leads the nation and Washington state in the percentage of their diesel bus fleet that have been replaced with battery electric buses.

In addition to spending our residential CFP credits to provide new or used zero emissions vehicles at little or no cost to nonprofit service providers, transit agencies, or public fleets that benefit our low-income or vulnerable populations, we believe Chelan PUD should also be able to use our residential CFP credit revenue to pay for rebates to electric vehicle owners and equipment manufacturers (OEM's) to reduce the cost of buying new and used electric vehicles, and to pay for electric vehicle chargers.

For a variety of reasons, we do not agree with the current draft rules that gives vehicle OEMs a portion of the residential credits simply because they claim to be able to meter the electricity consumed by their vehicles. Vehicle OEMs are not the residential fuel provider, the electric utilities are. While telemetry data from electric vehicles can be helpful in determining charge profiles and charging locations of individual vehicles, this data is not justification for awarding them the residential CFP credits. We instead strongly recommend that rebates for new or used electric vehicles be included in the list of types of programs and projects that will be jointly developed by the Department of Ecology and the Washington State Department of Transportation that utilities can choose to spend their residential CFP revenue on.

We agree that electric vehicle supply equipment (EVSE) charging providers that purchase electricity from us and resell it to others should be able to claim the clean fuel credits. We do not however, agree that EVSE providers should be able to claim residential credits simply because their chargers are installed at a residence.

Chelan PUD would like to do more to help the rest of our customers transition to a clean renewable future, but we need Ecology's help through the Washington State Clean Fuels Program. Unlike most electric utilities in Washington state, Chelan PUD electric rates are so low that we cannot spend ratepayer money on rebates or other incentives to help our customers electrify their fossil fuel vehicles without it being considered a "gifting of public funds". By ensuring that electric utilities receive the credits for all residential charging of electric vehicles, Ecology will be helping Chelan PUD maximize the amount of funds that will be able to directly benefit our customers and minimize the emissions from Chelan County.

Our staff member, Dr. White, who co-authored the Electric Power Research Institute's technical paper on sub-metering of electric vehicles and solar power systems in 2012, has also developed an Excel spreadsheet that was sent to your office that we believe can help the Department of Ecology calculate the amount of credits generated by light duty electric vehicles in Washington state. We would encourage you to take advantage of his expertise and knowledge on this topic. Feel free to contact him at 509-661-4829 or by email at james.white@chelanpud.org.

We look forward to working with you and your staff to help draft the final rules for Washington's Clean Fuels Program.

Sincerely,



Shawn Smith
Managing Director of Energy Resources