



240 Route 10 West
P.O. Box 206
Whippany, NJ 07981-0206
www.suburbanpropane.com

M. Douglas Dagan
Vice President
Strategic Initiatives - Renewable Energy

ddagan@suburbanpropane.com
(p) 973.503.9967
(c) 201.452.3748

April 19, 2022

VIA ELECTRONIC SUBMISSION

Rachel Assink
Rulemaking Lead
Washington State Department of Ecology
P.O. Box 47600
Olympia, WA 98504-7600

RE: Informal Comments on Clean Fuels Standard Rulemaking

Dear Ms. Assink:

Suburban Propane Partners, L.P. (“Suburban Propane”) writes in regards to the April 13, 2022 draft of WAC Chapter 173-424, the Clean Fuel Standard (“CFS”). Suburban Propane has been serving customers for more than 90 years and is the nation’s third-largest propane retailer with operations in 42 states. In Washington, we currently have 58 employees at 13 locations serving more than 12,600 customers.

We generally support the provisions in the most recent CFS draft, which adopts much of California’s Low Carbon Fuel Standards (“LCFS”), and designates entities that own the fueling equipment through which fossil propane is dispensed to motor vehicles as the first fuel reporting entity. However, we recommend removing the carveout under WAC 173-424-210(2)(d)(ii), which makes a forklift fleet owner the first fuel reporting entity for fossil propane used in forklifts. We urge you to remove this provision and make the entity that owns the fueling equipment through which propane is dispensed the first fuel reporting entity for all types of vehicles, including forklifts.

WAC 173-424-210(2)(d)(ii) would promote inefficiencies, as it creates a carveout for only one particular type of vehicle. Rather than standardizing the entities that would be designated as first fuel reporting entities, the provision muddies the waters by creating an exception to credit generation for propane dispensing equipment owners for no discernible reason.

In addition, designating forklift fleet owners as the first fuel reporting entity does a disservice to those entities. Navigating through the credit market to unlock the program’s incentives is a difficult undertaking.



Outside of major companies, forklift fleet owners likely do not have the time, knowledge, or resources to work through the process of receiving credits for propane, leaving money on the table and potentially disincentivizing the production and use of lower carbon fuels.

Rather, forklift fleet owners would benefit from having the entity that owns the propane dispensing equipment as the first fuel reporting entity. Fuel retailers and dispensers, including Suburban Propane, have experience with clean fuel standards and their related credit markets.

Based on the foregoing, we urge you to remove WAC 173-424-210(2)(d)(ii) from the final CFS rules and designate the owners of propane dispensing equipment as the first fuel reporting entity for all types of vehicles. If you would like, we would be happy to set up a meeting with your team and Suburban Propane leadership to discuss this and other CFS-related matters. Thank you for your consideration.

Sincerely,

/s/ M. Douglas Dagan _____

M. Douglas Dagan
Vice President, Strategic Initiatives –
Renewable Energy
Suburban Propane Partners, L.P.