

Jim Verburg Senior Manager, Fuels

March 25, 2022

Sent via e-mail and upload to: <u>https://aq.ecology.commentinput.com/?id=DpgZ3</u>

Ms. Rachel Assink Rulemaking Lead Washington State Department of Ecology 300 Desmond Drive SE Lacey, WA 98503

Re: WSPA Comments on Clean Fuels Program OPGEE/GREET Modeling

Dear Ms. Assink,

Western States Petroleum Association (WSPA) appreciates the opportunity to comment regarding the OPGEE/GREET modeling portion of the Washington Department of Ecology (Ecology) Clean Fuels Program Rule (Chapter 173-424 WAC) Stakeholder Meeting, held on March 15, 2022. WSPA is a trade association that represents companies which provide diverse sources of transportation energy throughout the west, including Washington. This includes the transporting and marketing of petroleum, petroleum products, natural gas, and other energy supplies.

Presented below are general comments regarding the OPGEE/GREET modelling approach and specific comments related to the LifeCycle Associates and Trinity slide presentations as well as the LifeCycle Associates document entitled "Indirect Land Use Conversion for Washington Clean Fuels Standard" (dated March 10, 2022)¹.

General Comments

Ecology has chosen to use the Oil Production Greenhouse Gas Emissions Estimator (OPGEE) 2.0 model to determine the crude oil CI values, WSPA recommends that Ecology reach out to Stanford University (Energy Resources Engineering Department) directly to obtain a current version of the OPGEE model for crude oil processed in Washington and neighboring states, instead of using an already obsolete 2.0 version of OPGEE. It Is noteworthy that the California Air Resources Board (CARB) recently hosted a public workshop to discuss draft version 3.0a of OPGEE model which CARB notes "...may be incorporated as part of a future regulatory update."² By not following a similar path as CARB, Ecology will fall even further behind in adopting up-to-date modelling resources.

As with the OPGEE model, WSPA is also concerned that Ecology is starting from an older release of the Greenhouse Gases, Regulated Emissions, and Energy Use in Transportation (GREET) model and suggests that Ecology instead build on a more recent version of the model.

In addition, WSPA requests that crude oil types processed in Washington, Utah, and Montana but are not available in the OPGEE model be added with transportation distances and transportation modes carefully reviewed and updated, along with proper emission factors. Why are we adding oil [processed in Utah and Montana and not just Washington?

¹ <u>https://ecology.wa.gov/DOE/files/00/00383d4b-8c0b-44e7-a88f-ba03f727e521.pdf</u>. Accessed March 2022 ² <u>https://ww2.arb.ca.gov/events/public-workshop-discuss-revisions-oil-production-greenhouse-gas-</u> emissions-estimator-opgee. Accessed March 2022

Specific Comments

LifeCycle Associates/Trinity Slide Presentation Comments

Slide 37 - Crude Cl Calculation Methodology - Simple averaging the Cl from the Canadian crude oil is not an accurate approach, as not all fields are producing identical volumes. Production by field as well as corresponding deliveries to Washington, Montana, and Utah should be factored in to obtain more representative crude oil Cl values.

Slide 38 - 2017 Crude Average CI Results - Canadian crude oil supplied by pipeline to Washington State refineries should show a significant lower CI than Canadian crude oil shipped by pipeline to Vancouver, Canada, and then loaded on a ship and delivered to California.

Slides 41 and 42 – GREET Crude and Gasoline Modelling - WSPA requests that Ecology updates the process fuels for refining as most refineries in the U.S. are using natural gas and fuel gas as an energy source, but not residual fuel oil. Clearly, residual fuel oil is <u>not</u> an appropriate proxy for either natural gas or refinery fuel gas.

Slide 75 – iLUC Summary and Recommendations - WSPA encourages Ecology to review recent publications for soy and canola for iLUC values. The proposed values of 29.1 and 14.5 are based on old research.

"Indirect Land Use Conversion for Washington Clean Fuels Standard" Comments

Page 4 - Range of iLUC Estimates - The Searchinger et.al. reference (dated 2008) has proven to be so far out of date that it should not be included in any analysis. All other model references in the figure on page 4 are valid and should be considered.

Page 6 - Vegetable Oils - WSPA believes that the iLUC value used by Ecology for soy is still too high. The justification provided by LifeCycle Associates was that *"concern over the fungibility of vegetable oils with palm oil does not indicate that a lower iLUC value is warranted"*. A reasonable response to this concern is to require annual auditing of the feedstock suppliers to ensure the soy oil comes directly from a crushing plant or that an aggregator has chain of custody evidence to trace back to the crushing plant. Thus, there would be no chance of palm oil entering the value chain.

WSPA understands the regulatory rationale for use of a high iLUC factor for palm oil. However, the argument to keep an iLUC factor arbitrarily high for soy is unnecessary, not based on sound science, and not consistent with other programs. WSPA requests that Ecology re-evaluate the soy oil iLUC factor with consideration of more representative values such as the ANL 2018 standard of 7.9.

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WSPA appreciates the opportunity to provide comments on this important proposed regulation. If you have any questions, please contact me at (360) 296-0692 or via email at <u>jverburg@wspa.org</u>.

Sincerely,

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James Verburg Sr. Manager, Fuels

Cc: Jason Alberich – WA Ecology Joel Creswell – WA Ecology