

April 25, 2022

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Re: Clean Fuels Comments on Clean Fuels Standard Rulemaking

Thank you for the opportunity to submit joint comments on rules pertaining to the Clean Fuel Standard. Clean Fuel Washington is a coalition of businesses that helped advocate for the implementation of the Clean Fuels Standard in Washington state. Our primary goal is to educate citizens and policymakers on the policy imperatives to reduce the GHG impacts of fossil transportation fuels impacts to Puget Sound, regional wildfires, and public health.

CI Standards

Clean Fuel Washington is very supportive of a Clean Fuel Standard in Washington State, and we believe the Department of Ecology rule should be implemented as aggressively as possible. For that reason, we strongly recommend that the rule requires a 20% reduction in the carbon intensity of fuels to be achieved by the earliest date allowed in the law—2034.

The Legislature granted the Department of Ecology the authority to set this trajectory, which most closely aligns with achieving the statutory reduction in greenhouse gas emissions established by Washington. A 20% reduction in 2034 is also closer to those in other states with Clean Fuel Standards. Both California's and British Columbia's current programs require a 20% reduction by 2030. Oregon is currently expanding its Clean Fuels Program, and due to public feedback, they are considering a standard of 20% below 2015 levels by 2030 and 37% below 2015 levels by 2035.

A 20% reduction in carbon intensity by 2034 is more aligned with Washington State policy and other state programs. It will lead to faster pollution reductions and commensurate benefits to our health and well-being. It will lead to a strong signal for more significant clean fuels investments in the near term, to the benefit of Washingtonians.

Alternative Jet Fuel

Clean Fuels WA has concerns with Ecology's proposal to delay implementing the original Tier 2 pathway applications until July 1st, 2025, as presented in the March 15th, 2022, Stakeholder Meeting. Tier 2 fuels encompass jet fuel, also known as sustainable aviation fuel (SAF). However, many SAF approaches will be able to leverage the California LCFS or Oregon CFP pathway approvals to supply Washington as allowed by WAC 173-424-4. However, under Ecology's current proposal, any SAF pathway not already approved by California or Oregon will not be considered in Washington until 2025. In turn, new SAF fuels with lower CI's will face delays in Washington and could prevent potentially unique low CI SAF from

being marketed in the state. Delay would also imperil the U.S. Government's SAF Grand Challenge to produce 3 billion gallons of SAF by 2030.

Alternative Jet Fuel CI Standard

Clean Fuels WA supports comments relating to the request for conventional diesel and jet fuel to have the same CI benchmark to maintain consistency with California's and Oregon's clean fuel standards. SAF production and its use is significantly smaller scale than renewable diesel. The policy of tying SAF incentives to renewable diesel has helped to address the higher costs of producing SAF as the aviation industry scales up its use of these fuels. Having firm, swift, and definitive policy support is necessary to encourage the production and supply of nascent fuels like SAF which are needed to decarbonize the commercial aviation industry.

Using the conventional jet CI standard discussed at the March 15th, 2022, Stakeholder Meeting has the potential to result in renewable diesel sales to Washington, California, and Oregon taking priority over supplies of SAF due to renewable diesel generating more credits than SAF in these markets. Both California and Oregon recognize the similarities between conventional diesel and jet fuel, resulting in them having the same CI standard set to start as early as 2023.

We appreciate the opportunity to submit comments on the Clean Fuels Program and look forward to working with the Department of Ecology to make the program a success.

Sincerely,

Tim Zenk

Executive Director

Clean Fuels Washington