



SPOKANE CITY COUNCIL

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March 29, 2022

Rachel Assink, Air Quality Planner
Department of Ecology
State of Washington
P.O. Box 47600
Olympia, WA 98504-7600

Re: Comments on Rulemaking for Clean Fuel Program

Dear Rachel Assink,

Thank you for the opportunity to provide comments on rulemaking pertaining to Washington's Clean Fuel Standard (Chapter 173-424 WAC). The City of Spokane actively supported this bill for the two years leading up to its passing, and we are encouraged by Ecology's progress towards implementation. The transportation sector is responsible for 46% of Spokane's community-wide greenhouse gas emissions, and the implementation of the Washington Clean Fuels Program (CFP) will provide an essential tool to aid Spokane in meeting our GHG targets in an equitable and cost-efficient manner.

Please consider the following comments as part of your rulemaking process.

Carbon Intensity Trajectory

The City of Spokane feels strongly that Ecology should implement Washington's CFP in a manner that requires the maximum reduction in carbon intensity of fuels within the shortest period of time as outlined in the law. Therefore, we recommend Ecology requires a 20% reduction in carbon intensity of fuels be achieved by 2034, the earliest date allowed in the law. We support the maximum greenhouse gas emission reductions attributable to each unit of fuel for the years 2023 through 2033 as outlined in the law and support Ecology's discretion in designing the additional reductions to accomplish 20% by 2034. Washington cannot delay in reducing transportation related emissions.

Separate Metering Requirements

The City opposes requiring separate metering for EV charging because it creates an additional barrier to adoption. Requiring additional metering for either residential or commercial charging will only create additional cost and wasted materials. We already have reliable means of collecting data for determining credit allotment, and we see no reason to add additional equipment requirements that may detract individuals or businesses from installing EV charging equipment, thereby hampering adoption rates. The goal of the Clean Fuels Program is to increase clean fuels use, not to collect 100% accurate data. At the point data collection hinders clean fuels uptake, we are moving away from the program's intent.

Credit Generators

The City opposes allowing vehicle and equipment manufacturers to be considered credit generators, except in cases where they are the owners of public charging. Manufacturers are not part of the fuel cycle, and there is no measure for requiring manufacturers to reinvest in the community. A core part of the Clean Fuels Program is reinvestments or using credit revenue to dismantle barriers to clean fuels by creating more clean fuel infrastructure and broadening access to participation. As regulated entities, utilities have requirements in how they must spend their credit revenue where equipment manufacturers do not. Thus, the City feels strongly that all residential charging credits should first go to the utility providing the electricity for reinvestment. Vehicle and equipment manufacturers are positioned for substantial financial gain as more individuals and organizations adopt electric vehicles.

Advance credits

We believe that advance credits targeted toward transit agencies, public or non-profit fleets, and Tribal Nations would help these entities more rapidly transition to electric vehicles, thereby furthering Washington's progress in reaching its greenhouse gas limits. Public and non-profit agencies are not able to benefit from federal tax credits when purchasing electric vehicles, and the initial costs of electric vehicles can be prohibitive. We encourage Ecology to consider Oregon's Clean Fuels Program as a model for Washington's program in this regard.

Low-income and Disproportionately Impacted Communities

The City of Spokane is committed to addressing historic inequities and to prioritize Spokane residents disproportionately at risk from climate change by ensuring benefits are shared equitably. The Washington Clean Fuels law requires utilities to spend credit revenue in ways that support equitable benefit. Utilities must reinvest 50% of their credits in transportation electrification within the utility's territory. Of this, 60% must have direct benefits for communities that have been overburdened by pollution.

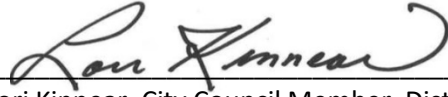
If Ecology decides to allow a backstop aggregator program, we ask that all their reinvestments be targeted to help overburdened communities with transportation electrification. Avista Utilities in the Spokane region has long been supporting equitable investments locally including investment in public charging infrastructure, public transit electrification, and partnering with community-based organizations to provide reliable, clean transportation options in support of overburdened communities. Because of this successful track record, we support utilities receiving 100% of base residential charging credits and that if a backstop aggregator is approved, those investments be targeted to help communities overburdened by pollution by using the Environmental Health Disparities Map.

Thank you for considering our comments as you move forward on Clean Fuels rulemaking. We appreciate all the work Ecology and other state agencies are doing to assist jurisdictions in meeting our climate commitments.

Sincerely,



Breean Beggs, City Council President



Lori Kinnear, City Council Member, Dist. 2



Betsy Wilkerson, City Council Member, Dist. 2