



August 31, 2022

Rachel Assink, Rulemaking Lead
Washington Department of Ecology
Air Quality Program
300 Desmond Drive SE
Lacey, WA 98503

Comments on Chapter 173-424 WAC –Clean Fuels Program Rule and Chapter 173-455 WAC, Air Quality Fee Rule

Dear Ms. Assink,

Thank you for the opportunity to comment on Chapter 173-424 WAC, Clean Fuels Program Rule and Chapter 173-455 WAC, Air Quality Fee Rule. We are writing as a group of aviation-interested entities with suggestions for how the rule could make a meaningful impact in reducing aviation emissions. Thank you for your attention to our suggestions, and we look forward to continued dialogue with your agency as the rule is finalized.

The primary focus of parties with an interest in Sustainable Aviation Fuel (SAF) deployment in Washington state is the rule's approach to SAF pathways. The aviation sector is one of the most challenging to decarbonize and is also unique in that commercial airlines have the option to purchase SAF in the most optimal location for price and logistics. This makes it particularly challenging to increase production and use in states that don't offer matching incentives.

Tier One pathway for SAF: As currently proposed, SAF is considered a Tier 2 fuel and hence cannot generate credits for in-state generation until 2025. To meet the aggressive goals set by airport operators and airlines alike, the rule must be updated to make SAF a Tier 1 fuel. If that is not within the capacity of ECY, we stand willing to work to assist the agency via the Chapter 173-455 WAC, Air Quality Fee Rule in ensuring maximum availability of SAF in Washington as soon as possible.

Fees on credit generators: We are also concerned that the proposed rule appears to include a fee on entities that generate credits. A fee on credit generators could have the effect of reducing the value of the credit, impacting overall program functioning.

Biomethane as a feedstock for renewable diesel and alternative jet fuel: Alternative jet fuel has the significantly potential to reduce emissions from aviation by 80 percent or more, especially when considering the potential of Washington state sources of feedstocks such as biomethane (renewable natural gas). We see multiple benefits to the use of biomethane for alternative jet fuel production, including: increased capture and use of biomethane helps

maximize capture of one of the most potent greenhouse gases—methane; our state has significant sources of untapped biomethane from agricultural and animal waste streams; and biomethane can offer low carbon intensity (CI) scores which translate into very low CI or even carbon negative alternative jet fuel. For these reasons, we believe that adding book and claim biomethane as a feedstock for RD and alternative jet fuel similar to the treatment of biomethane as a feedstock for hydrogen production is a feasible approach and should be included in the draft rule.

Opt-in fuel pathways: Ecology could simplify the opt-in process by basing acceptable fuels on its carbon intensity score and existing ASTM standards, rather than potentially dismissing a helpful fuel alternative/blend or creating an onerous and prescriptive definition process to add a new fuel.

In all, we are very pleased that your initial draft rule sets out an ambitious trajectory to reach a 20 percent reduction in the carbon intensity of transportation fuels by 2034. You've taken decisive action in that regard, and we stand ready to assist you in ensuring that the aviation-related elements of this rule we highlight above are similarly robust and ensure the aviation sector can help to do its part in decarbonizing Washington's transportation sector.

Thank you for your attention to our comments.

Sincerely,

Aerospace Futures Alliance
Alaska Airlines
Neste
Port of Seattle
SkyNRG