



## Low Carbon Fuels Coalition

17 December 2024

Mr. Adam Saul  
Washington Department of Ecology  
PO Box 47600  
Olympia, WA 98504-7600

Dear Mr. Saul,

The Low Carbon Fuels Coalition (LCFC) appreciates the opportunity to provide comments, as well as the Department of Ecology's (Ecology) efforts to address the oversupply of credits in the Clean Fuel Standard (CFS) program, in order to rebalance the credit market and increase investor confidence.

The LCFC is a broad industry trade association dedicated to building consensus in support of technology-neutral clean fuel standards. LCFC members represent the entire value chain of clean fuels industry, including feedstock suppliers; producers and providers of electric, gaseous and liquid fuels; industry and program service providers; vertical trade associations; and large end users.

These comments recognize at the outset that Ecology is limited in its ability and options to respond to the credit market and other market conditions by the relatively proscriptive legislative text that established the CFS program in Washington.

The LCFC has concerns for specific provisions that selectively disadvantage or exclude certain feedstocks and pathways. Specifically, the requirement for credit true ups selectively applied to certain fuels, and geographic limitations on biomethane for generation of electricity used in transportation compared to biomethane use via book-and-claim.

Additionally, while the LCFC recognizes and appreciates the intention to discourage underestimation of carbon intensity scores for new projects, the four-to-one penalty for carbon intensity (CI) moving unfavorably during the true-up can be unduly punitive. Operators will need to apply a very conservative margin of safety to the CI of projects, reducing a project's quarterly revenues. Entities that fall short, despite good faith intention to comply with the true-up, will be disproportionately penalized, creating a disincentive for investment when more investments are needed to achieve the CFS program goals.

Technical neutrality has been a hallmark of the success of programs like the Washington CFS. The LCFC urges Ecology to prioritize a tech neutral approach. Maintaining a commitment to



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crediting GHG emission reductions from all sources and feedstocks related to transportation within the CFS program is important to ensure that Washington continues to achieve its climate goals while minimizing overall costs.

The LCFC looks forward to engaging in the formal rulemaking process to come.  
Sincerely,

A handwritten signature in blue ink that reads "R. Vercruse". The signature is stylized and cursive.

Robin Vercruse  
Executive Director  
Low Carbon Fuels Coalition