



7 June 2024

**Department of Ecology
State of Washington
P.O. Box 47600
Olympia, WA 98504-7600**

Re: Climate Solutions informal comments on updates to the Clean Fuel Standard Program Rule

Dear Adam Saul,

Climate Solutions thanks you for the opportunity to submit informal comments on updates to Chapter 173-424 WAC, the Clean Fuel Standard. Climate Solutions is a clean energy nonprofit organization working to accelerate clean energy solutions to the climate crisis. The Northwest has emerged as a hub of climate action, and Climate Solutions is at the center of the movement as a catalyst, advocate, and campaign hub.

Climate Solutions strongly supported the passage of the Clean Fuel Standard (CFS) and we are excited to continue engagement in this rulemaking to ensure that the program is effective and equitable, and that it reduces climate pollution to the maximum extent possible. Please consider the following comments as you prepare the CR-102 draft rule update.

Carbon Intensities for Electricity Used to Produce Sustainable Aviation Fuel (SAF)

As described in the January 2024 [interpretive policy statement](#), “questions have arisen regarding whether utility-specific carbon intensities should also apply to electricity used in the production of SAFs.” The statement posits that a utility-specific carbon intensity (CI), rather than the statewide utility CI average, may be claimed for electricity used for SAF production. The utility-specific CI may include the retirement of renewable energy certificates (RECs), provided they meet Washington eligibility criteria.

Climate Solutions believes that either all SAF pathways using electricity should claim utility-specific CIs, or all should claim the statewide average. There should be no choice for each individual producer in applying for a pathway as they would choose whichever CI is lower, resulting in a deflated CI for SAF as a whole and an overallocation of credits to SAF that does not reflect the real-life climate impact. While aviation is a hard-to-decarbonize sector, SAF is currently an opt-in fuel under the CFS and carries no compliance obligation. Providing additional credits through an overall deflated CI weakens the CFS and the actual climate pollution reduction it will be able to achieve. We do not have a position as to whether utility-specific CI or the statewide average should be used, as long as all SAF pathways use the same one.

Book-and-Claim Accounting

We support Ecology’s consideration of deliverability, additionality, temporal matching, and documentation in book-and-claim accounting. Regarding the use of RECs, we support requiring that electricity claimed under the

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CFS is delivered to Washington as well as a requirement for the generating facility to have been built on or after January 1, 2023. We also support requiring Green-e verification. In our comment letter dated April 22, 2022, we expressed possible policy conflicts that may result from claiming RECs under the CFS given the potential for double-counting RECs that are also being counted toward states' 100% clean electricity or other clean energy policies. As a result of Oregon PUC Order No. 24-002, [Green-e no longer certifies RECs](#) associated with generation reported to the Oregon DEQ for compliance with Oregon's 100% Clean Energy law, HB 2021. It is clear that Green-e certification is also attentive to the double counting issue, and therefore we support requiring it for RECs claimed under the CFS.

There should be analogous requirements for other fuels using book-and-claim accounting, such as biomethane. Requirements in California's and Oregon's programs should be used as a *baseline*. Deliverability should be clearly defined. Just as we support RECs claimed for electricity must be associated with electricity being delivered to Washington, we support requiring that biomethane is delivered to Washington. We understand that tracking individual molecules in a pipeline is not possible; however, it is possible to require that the pipeline is flowing to (not just connected to) Washington and that it is capable of actually carrying the fuel in question. It is also possible to require that the fuel originates in Washington.

SB 5447 in 2023 requires the Department of Ecology to allow biomethane to be claimed as a feedstock for renewable diesel and alternative jet fuel consistent with that allowable for CNG, LNG, L-CNG, and hydrogen. This clearly expands the possibilities for credit generation in the program, including for alternative jet fuel, which is an opt-in fuel and otherwise carries no compliance obligation. As such, it is important for the integrity of the program to balance real emissions reductions across the transportation space with needed support for a nascent industry.

Capacity Crediting

California's [proposed amendments](#) to their Low Carbon Fuel Standard include an amendment that would allow direct current medium- and heavy-duty (MHD) fast charging infrastructure to claim capacity credits. Currently, there is a dearth of MHD charging that has the potential to hinder electric MHD vehicle adoption at the rate required to hit our state's statutory climate pollution reduction targets. This equipment is generally expensive, and allowing for capacity crediting under the Clean Fuels Program could expedite build out. We are pleased to see this topic included in the rulemaking and are supportive of extending credit opportunities to sites shared by multiple MHD fleets that are not otherwise publicly accessible.

[Washington's Transportation Electrification Strategy](#) is supportive of extending this credit generation opportunity for projects that "demonstrate a public benefit (for example, improving air quality in overburdened communities) and serve two or more fleets." As Ecology considers criteria surrounding public benefit, we suggest considering reduction in diesel pollution. Current rule for capacity crediting specifies that once potential credits exceed 0.5 percent of the deficits in the prior quarter, each additional site applied for by the applicant must meet additional requirements. Additional criteria, such as locating infrastructure within a vulnerable or overburdened community, should be discussed with representatives of communities that are currently impacted by MHD traffic.

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While transitioning fleets in these communities to zero-emission would lead to pollution reduction and health benefits, there may also be concerns about infrastructure being located in these communities when it may not have been otherwise, leading to an increase in traffic. This risk could potentially be avoided if criteria is instead based on where fleets that will share the infrastructure currently operate and whether they already routinely pass through overburdened communities, rather than where the infrastructure itself will be located. These scenarios should be carefully considered and discussed to maximize benefits and minimize possible risks.

Third-Party Verification

We are supportive of third-party verification requirements similar to those of Oregon and California. This would help ensure program integrity.

Conclusion

Thank you for your hard work. We are eager to continue working with the Department of Ecology on implementing and improving this program over time.

We are happy to discuss any of our thoughts further and answer questions. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Leah Missik", enclosed within a circular scribble.

Leah Missik
Acting Washington Director