

## PineSpire Anonymous

Thank you for considering PineSpire's comments on the current rulemaking



June 6, 2024

WA Department of Ecology  
Clean Fuels Program

Re: Comments on proposed Clean Fuels Program (Ch. 173-424 WAC)

Based on the presentation by Ecology in May 2024 and specific requests for feedback, PineSpire provides the following comments on the proposed updates to the Clean Fuels Program:

### Book-and-Claim REC updates

The essence of a low carbon fuel standard is to incentivize rather than prescribe specific behaviors, therefore PineSpire urges Ecology to look for potential ways to incentivize the outcomes it prefers to see, rather than to use regulatory changes to preclude participation.

The proposed update requiring eligible RECs to be from facilities built on or after Jan 1, 2023 is untenable and will have significant knock-on effects. As other commentors have elaborated, there is not a viable supply of RECs to meet the demand currently or in the foreseeable future. If this proposed change was implemented, the following are likely outcomes:

- Creation of uncertainty amongst other pathway holders and credit generation facilities as to Ecology's intent to potentially limit their participation in this or future rulemakings under the argument of 'additionality'. Currently none of the other credit generation pathways are restricted by their operational year, which makes the proposed changes more concerning.
- The proposed change would essentially have the effect of eliminating credits for eligible equipment that has a low (or no) EER, i.e. forklifts with a model year prior to 2023. This will result in such a low volume of credits, transactions, and engagement that participation will no longer be viable for a broad sector of Washington businesses
- The ability to aggregate REC purchases with Oregon credit generation will be eliminated, resulting in smaller transaction volumes and higher cost per credit in both markets. Neither market has strong enough credit pricing to support these cost increases, again likely resulting in entities walking away from the program.

### Verification Requirements and Recommendations specific to Aggregators

Regarding the proposed verification requirements, we encourage Ecology to consider the marginal additional value that requiring verification of electric vehicle charging would add. Unlike unique fuel pathways or more unconventional sources, there are many factors that make electric vehicle charging verification less informative:

- The carbon intensity is established by Ecology in the look up values for Electricity
- There are no national standards for electric vehicle charging metering that would be applied in verification of forklifts, business-owned EVs, or any other class of electric equipment outside of commercial charging. See National Institute of Standards and Technology (NIST) exception for EVSE:

**A.2. Exceptions.** – This code does not apply to:

(a) The use of any measure or measuring device owned, maintained, and used by a public utility or municipality only in connection with measuring electricity subject to the authority having jurisdiction such as the Public Utilities Commission.

(b) Electric Vehicle Supply Equipment (EVSEs) used solely for dispensing electrical energy in connection with operations in which the amount dispensed does not affect customer charges or compensation.

(c) The wholesale delivery of electricity.



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- Most EVSE metering devices are factory calibrated and cannot be calibrated on-site, and therefore are no verification tests to be performed on-site.
- Aggregators and EVSE owners are already vetting the metered data for accuracy before submitting credit generation reports in WFRS. These submittals require attestations to accuracy that would hold parties accountable under a potential audit. Additional attestation through verification reporting would be redundant.

Notwithstanding the above, if Ecology does move forward with verification requirements for aggregators, PineSpire recommends taking into account the following and providing clear guidance and training to address these unique aspects of data collection and reporting:

- Most data, reporting, and management is done in the cloud; site visits to the aggregators facilities are not necessarily feasible nor informative. Any 'site' visit should be a remote session to view data management. This also cuts down on the carbon emissions associated with verification which, given the limited pool of verifiers, can include plane flights and long on-road travel.
- Any on-site verification of meters reported by an aggregator should be based on a risk-assessment and percentage of total reported sites. Site visits to every reporting customer or facility would be cost prohibitive to participation in the program and incur significant carbon emissions while providing little information that cannot be provided through photo documentation of meters.
- We support a 2027 (or later) implementation period to ensure there is adequate time for verifier training and accreditation. Lack of expertise or participation by verifiers has proven an issue in other carbon markets.

Thank you for your consideration.

Sincerely

Ryan Huggins  
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PineSpire