

SRECTrade

Please find comments in the attached.

May 30, 2024

Adam Saul, CFS Rule Lead
Washington Department of Ecology
P.O. Box 47600
Olympia, WA 98504

RE: SRECTrade Comments on May 2024 Clean Fuel Standard (CFS) Rulemaking Workshops

Dear Mr. Saul:

SRECTrade appreciates this opportunity to submit comments to the Department of Ecology (Ecology) on the forthcoming amendments to the CFS rule.

SRECTrade provides management and transaction solutions for renewable energy and clean fuel programs across North America, helping the nation's leading EV charging networks, EV fleet operators, and others participate in and benefit from complex compliance markets. SRECTrade is the largest aggregator of EV charging stations under the California Low Carbon Fuel Standard (LCFS) and Washington CFS.

We appreciate your consideration of our comments in response to the May 2, 2024 and May 8, 2024 workshops:

1. Geographic requirements for renewable energy credits (RECs) should not be changed

SRECTrade recommends that Ecology not make changes to geographic requirements for (RECs) eligible for the book-and-claim of electricity at this time. The current rules requiring RECs to be generated from facilities located in the western electricity coordinating council (WECC) are sufficient to demonstrate deliverability to Washington. Restricting RECs from facilities located in the Pacific Northwest or Washington, for example, is no longer a matter of deliverability but one of favoring regional or in-state generators over generators in other states. While this may be the intent of Ecology, such a requirement would result in treating electricity uniquely from other fuels under the CFP, which are not required to be *produced* in the state and is certainly not the purpose of the CFP.

2. A generator in-service date for renewable energy credits (RECs) should not be added

SRECTrade recommends that Ecology not create a new requirement that RECs must come from a generating facility built on or after January 1, 2023. The existing requirement that RECs must be retired in a recognized tracking system (i.e. WREGIS) is sufficient to demonstrate additionality. The in-service date of a generator is irrelevant to whether the electricity produced by it is *additional* to other renewable energy requirements (e.g. renewable portfolio standards), and might actually exclude generators that are otherwise not being accounted for by other local, state, or regional renewable programs.

3. Green-e certification should not be required for RECs

SRECTrade recommends that Ecology not create a new requirement that RECs be Green-e certified. WREGIS is an effective system for tracking and validating each of the requirements already in rule and considered by Ecology. The process for registering generators in WREGIS is rigorous, requiring engineering drawings, interconnection agreements, and other documentation before generators may be approved. Third-party qualified reporting entities ensure that ongoing REC generation is valid and accurate. As has been demonstrated in the California LCFS and first reporting periods under the CFS, WREGIS retirement reports are sufficient to enable program staff to verify that RECs meet stated criteria.

The experience under the Oregon Clean Fuels Program (CFP) demonstrates how Green-e certification unnecessarily layers the Green-e program's more restrictive requirements onto those in current rule and considered by Ecology, while creating additional administrative burdens for regulators and participants, without substantive benefitting the goals of the program. Instead, a green-e requirement would limit REC supply that would otherwise be available to reduce the carbon intensity of electricity consumed by electric vehicles.

4. **Recognize the facility or location where electricity is dispensed for fueling as the fuel supply equipment (FSE) for electric transport refrigeration units (eTRUs) and designate the owner of the FSE as the fuel reporting entity for eTRUs.**

SRECTrade recommends aligning the fuel reporting entity and FSE requirements for eTRUs with those of on-road electric vehicle applications under the CFS. The current requirements are prohibitive in that the eTRU owner is sometimes not responsible for the charging equipment and therefore not capable of capturing the quantity of electricity delivered to the vehicles. Given that eTRUs are mobile, the potential for double-counting or conflicting FSE registrations is very high if the FSE remains the eTRU and not the charging equipment.

5. **Provide ample lead time for requiring verification of electricity**

SRECTrade recommends that Ecology provide at least two years for program participants to plan for any new verification requirements associated with electricity.

SRECTrade appreciates this opportunity to provide and looks forward to continuing to work with Ecology on the development of the CFS.

Sincerely,

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