

Attn: Adam Saul
Environmental Planner
Washington State Department of Ecology
P.O. Box 47600
Olympia, WA 98504-7600
10/3/24

Dear Mr. Saul and the Ecology CFS rulemaking team,

Please find Seattle City Light's informal comments on the proposed draft rules for the Clean Fuel Standard rules (173-424 WAC). We appreciate the opportunity for comment and look forward to continued engagement on this and related topics.

173-424-110: Definitions

- On page 19 of the draft rules, in new definition number 161 "shared MHD-FCI charging site:"
 - Can Ecology please explain, define or reference what "registered equipment training" means? SCL is trying to understand the actual intent behind this inclusion as both the term itself and the intended outcomes are unclear. Specifically, we do not want to preclude possible safety measures that may be addressed in whatever "registered equipment training" is nor would we want to prevent training that is industry standard and therefore not exclusionary by practice. If Ecology is trying to prevent practices that may advertently or inadvertently prevent fleets from using a nonpublic MD charger, we ask instead that that specific outcome be reflected in language rather than using specific terms like "registered equipment training" that may not achieve the intended outcome and in fact may result in unsafe operating conditions of future MD/HD FSE.

173-424-300: Registration

- On page 37 of the draft rules, part (ii), sub-part C, "date equipment became operational. All equipment being registered must be operational at the time of registration" has been added as a requirement for FSE registration. City Light has the following questions related to this addition:

- Seattle City Light acknowledges three different statuses of a charger that may indicate “operational.” From chronologically ascending, they are:
 - First energized as part of the construction process
 - Testing phase, when Seattle City Light and/or its contractors test the charger to ensure it meets operational, technical, and safety protocol
 - When the charger is made available for its intended use (e.g., public, fleet, MFD).
- For the purposes of FSE registration, which of the above or an unlisted option would Ecology prefer Seattle City Light to use as the operational date?
- On page 39 of the draft rules, subsection 1, part iii, subpart M, regarding additional documentation for successful registration that may be requested by Ecology:
 - Seattle City Light requests that Ecology, to the greatest extent possible in either these rules or forthcoming guidance, provide greater detail, expectations, and needs regarding this addition to the FSE registration process. We are concerned about the level of uncertainty, possible time and labor commitment, and impact to organizational data and infrastructure processes that this request could generate due to the ambiguous and far-reaching scope of the current language. Where possible, specificity, examples, parameters, or exact expectations would be greatly appreciated.
 - Seattle City Light’s experience with some of our registration submittals has resulted in additional information being requested or requirements that were not known at the time of information gathering and/or submittal. This dynamic, though rare, has put pressure on staff and resources that complicated our CFS work and disrupted staff and third-party responsibilities as these additional requirements were not planned. As FSE installation scales exponentially over the coming years, SCL believes that efficiencies and optimization of the registration process must be achieved to match the related FSE data. The more certainty and timing for required FSE information that Ecology can provide registering entities, the better positioned these entities are to a sustained and successful relationship with the CFS.

173-424-420: Specific Reporting Requirements

- On page 48 of the draft rules, part (iii), Ecology’s typo correction raises a latent concern regarding residential credit activity that City Light seeks clarity:
 - Does “metered residential EV charging” include base residential credits, or only incremental credits?
 - If “metered residential EV charging” is inclusive of base residential credits, how does a nonutility credit generator’s claim to metered base residential credits impact the order of claiming as identified in section 220 subsection 11 part a (on page 32)? In other words, would a nonutility credit generator supersede an

electric utility's claim to residential base credits if the nonutility is metered and the electric utility is non metered for the same base credit?

- On page 48 of the draft rules, regarding subsection f, Ecology's change to electric forklift reporting requirements raises a question related to general requirements for non-residential charging requirements.
 - Are the same requirements for non-residential EV charging applicable to electric forklifts? That is, when an entity submits electric forklift registration, do we have to submit documentation, evidence, sample methodology, and other supportive information that demonstrates how we are measuring electricity dispensation for forklifts?
 - If this is required, can Ecology state in current or future guidance that forklifts are subject to the same level of dispensation methodology and process review as non-residential chargers and provide any specific guidance, expectations, requirements, or needs to support registration of electric forklifts?

173-424-560: Generating and calculating credits for ZEV fueling infrastructure pathways

- On page 74 of the draft rules, part (iii), Ecology moved the end of the FCI pathway application from 2029 to 2026 due largely to accommodating the inclusion of pathways for MD/HD charging. Regarding this change, Seattle City Light shares the following:
 - We have concerns about impacts to the lost incentivization for fast charging in the latter part of this decade as a result of this change. Specifically, Seattle City Light envisions that this infrastructure pathway funding will be critical for funding infrastructure that fills gaps in geographic or specific end use settings. Due to the high capital costs and anticipated ongoing challenging financial conditions in operating EV fast charging stations, additional incentivization like that from the FCI pathway provides a critical financial lifeline for these projects. Due to the highly dynamic and fraught fast charging market now and expected to continue, the rapid adoption of EVs later in the decade that result from policy and market conditions, and obstacles to charging many residential EV owners will face in urban markets, Seattle City Light believes that maximal support for fast charging in certain circumstances will be essential.
 - These circumstances include providing reliable, affordable, and accessible charging for highly impacted communities, vulnerable populations, minority-, women-, and veteran-owned businesses, and community-based organizations. These demographics and groups will likely continue to face barriers to charging that the market will not sufficiently meet.
 - Because of these circumstances and the expectation that market, financial, and technological conditions will not dramatically improve through the end of the decade due to upward EV adoption pressure, Seattle City Light is requesting that

Ecology consider keeping the 2029 application window for **only** FCI that meet specific equity and related criteria. Seattle City Light is happy to ideate with Ecology as well as community partners about what these specific parameters could be, and we believe any additional time for infrastructure incentivization will provide meaningful and enduring benefits for the transportation decarbonization for communities and organizations that benefit the most from these investments.

- Related to this, Seattle City Light questions the strategic value and impact providing FCI pathway credits to MD/HD. Seattle City Light does not disagree with the notions that building infrastructure that serves electrified MD/HD use cases is essential or that incentivization is necessary for these MD/HD chargers, but rather that the amount of incentive provided by these pathway credits may have little impact on the overall project success due to the sheer cost and scale of these complex and power-intensive projects.
- Whereas the incentive amount provided by the FCI pathway for LD charging can be meaningfully beneficial in proportion to the total cost of fast charging projects, Seattle City Light speculates with current information and expectations that the FCI incentive amount will be a much smaller proportion of the total cost of MD/HD charging. This of course ignores other financial incentives or rewards that both types of charging can leverage, but the point remains that this FCI incentive pool is limited and begs the question about how to maximize its beneficial impact. Seattle City Light can be persuaded by data that demonstrates FCI pathway credits for MD/HD can be meaningfully beneficial and looks forward to continued conversations with Ecology on this matter.

173-424-8xx: Validation and Verification

- Before diving into specifics, Seattle City Light would like to provide overall comments regarding the updated verification section. Overall, Seattle City Light supports mechanisms that result in a more robust, reliable, secure, and trustworthy CFS program for both participants in the program as well as residents of Washington state. Seattle City Light also supports efforts that provide administrative and operational relief to Ecology such that they can focus on other aspects of the program. This in turn also results in an overall better experience for all participants, and in turn, should enhance the performance and outcomes of the CFS.

At the same time, Seattle City Light greatly emphasizes concern regarding additional obligations, some quite considerable under the proposed language, that come on the heels of many organizations not only just getting somewhat comfortable with a regular cadence of the CFS (Seattle will fully operationalize CFS across all departments and programs by 2026) but that will also be coming at a time when transportation electrification efforts will be scaling substantially, especially in certain sectors like

maritime, medium- and heavy-duty, and with private and public fleets. We believe that we will be able to successfully integrate these competing pressures, expectations, and obligations, but ask Ecology to incorporate flexibility and iteration in the early years of the validation obligation. We reserve the concern that these verification requirements may become overly burdensome, restrictive, costly and ultimately detrimental to the program for EV charging, which, due to the nature of the fuel, equipment, and implementation, differ from the other fuels the CFS regulates.

Furthermore, we request Ecology along with entities subject to the CFS as well as the CCA (and CETA were applicable) to coordinate regulatory efforts like third-party verification. These can be major staff and financial endeavors for regulated entities and opportunities for integration, coordination, and efficiencies are highly desired. However, those often can only be achieved when the regulator, regulated, and third-party entities are in strong synchrony and communication. We look forward to identifying opportunities to connect the dots regarding verification across the various statewide climate regulations that cover electric utilities.

Specific comments are as follow:

- -800: definitions
 - On page 116, subsection 6, regarding the definition of “less intensive verification:” why is electricity excluded from this verification option?
- -810: general requirements
 - On page 117 under subsection 1, regarding “...and operational data from calendar year 2026 and 2026 for fuel pathway reports.” Is an Ecology-assigned utility-specific CI fuel pathway subject to this verification?
 - On page 118 under subsection 3-part a, regarding “...on or before September 15 of the year a report is submitted, for the following reports, for any CFP report as applicable...” Seattle City light is uncertain about the intended outcomes of this sentence, specifically by the phrases “for the following reports” and “for any CFP report as applicable.” Does Ecology intend with this line to say that verification reports are due Sept. 15, 2027, and every ensuing year thereafter? Clarification would be appreciated.
 - On page 118 under subsection 4, part b, subpart iii, why are electricity-based transactions excluded from less intensive verification?
- -830: Requirements for Validation and Verification Services
 - Regarding site visits described throughout this section: How are site visits expected for EV charging stations? Will the third-party verifier expect to visit every charger Seattle City Light owns or operates? Will a subset of chargers that fall into a broader category (e.g., fleet charging or MFD charging) be selected to represent the entire pool of those chargers?

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- How will verification of EV charger operations and data comport with WSDA 16-662 WAC, which governs, amongst other things, dispensation verification for EVSE subject to the rules? Will reports from one regulation satisfy the other? Is Ecology coordinating with WSDA and affiliated parties regarding the potential overlap of these verification and inspection requirements?
- On page 125 under subsection 2, regarding “...the responsible entity and the verification team must discuss the activities and scope of the validation or verification services...” Will guidelines, requirements, minimum expectations, or other instructions be provided about what that “scope” entails? If disagreement exists between the responsible party and verifier about the nature and extent of scope, how is it resolved? Does Ecology anticipate reviewing all scopes to meet minimum requirements, if those exist?
- -840: Applications and Criteria for Ecology approval of Verification Bodies and Verifies
 - Seattle City Light wants to note a concern regarding the availability of quality, reliable, affordable, and accessible verifiers for CFS when considering these services are in high demand not only in Washington, but also California and Oregon (as well as other jurisdictions if and when other climate programs execute). Seattle City Light would like to see language by Ecology that provides relief for responsible parties in case third-party verification services are not available or reasonably accessible to responsible parties. Seattle City Light believes that Ecology alone does not have the ability to transform the verifier market nor increase the size and quality of services in a period of time that would accommodate a dramatic increase in need of these services.

Michael Breish
Partnership and Policy Advisor
Seattle City Light