



October 3, 2024

Clean Fuel Standard Department  
Washington Department of Ecology

Re: 2024 Proposed Rulemaking Comments

Submitted via electronic [docket](#),

Clean Fuels Regulatory Team,

RPMG Inc. (RPMG) appreciates the opportunity to comment on the Washington Clean Fuels Program proposed rulemaking and the September 9<sup>th</sup> workshop<sup>1</sup>. RPMG is a biofuel marketing company representing our owner and marketing partner facilities throughout the Midwest. Our member facilities provide bioethanol and distillers corn oil (DCO) as essential inputs to Washington's low-carbon transportation fuel market. These facilities continually invest in lower-carbon technologies, innovative production methodologies, and ways to reduce carbon emissions in furtherance of the CFS program goals. Our comments focus on an issue directly impacting RPMG and our member plants.

Though we recognize, and support, the valuable role that incentive-based compliance programs play in meeting GHG and low carbon fuel objectives, RPMG does not support automatic penalties in the form of additional credit ratio requirements. Staff stated the intent of Section WAC 173-424-700(3) was to increase the validity of reporting and provide an incentive to self-report errors. RPMG believes the existing authority and enforcement structure at Ecology provides sufficient incentive to remain in compliance.

Creating a new, tiered, and increasingly stringent and complex credit ratio scheme will not prevent errors from occurring. A clear and concise regulatory and reporting structure is the best way for diligent stakeholders to accurately report under the Clean Fuel Standard. Focusing on clear guidance and procedures is far more effective than carrying a bigger enforcement hammer. Self-reported errors would be subject to less severe penalty ratios compared to errors identified by Ecology. Depending on the quantity of credits or deficits reported and the number of infractions during a rolling 36-month period, the penalty increases from 1:1 to 4:1.

We are concerned that increasing 'penalties', in the form of newly proposed credit ratios could unduly punish entities. We, along with our plants, strive for full compliance with all regulations, including those for reporting and recordkeeping. Ecology already has enforcement procedures for incorrect, incomplete or false reporting, therefore the concepts proposed at the recent Clean Fuels workshop are unnecessary. We are also concerned that the new penalty structure is a disincentive to cooperative, incentive-based compliance programs in favor of an enforcement-oriented program.

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<sup>1</sup> <https://ecology.wa.gov/getattachment/c760f8cb-3812-4695-99cc-6c03062ab6ea/Sep-CFS-Rule-Workshop-Slides.pdf>

Please contact me with any questions, or if additional follow up discussions would be helpful. I can be reached at (952) 465-3255 or [jnowicki@rpmglc.com](mailto:jnowicki@rpmglc.com).

Thank you,

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