

July 31, 2025

Department of Ecology Climate Pollution Reduction Program Attn: Adam Saul PO Box 47600 Olympia, WA 98504 Submitted Electronically via Ecology Public Comment Form

Mr. Saul,

CityServiceValcon, LLC appreciates the opportunity to provide the following comments with respect to Ecology's proposed updates to WAC 173-424, Clean Fuels Program Rule. We respectfully request Ecology to consider each of our comments below as it is our intent to provide actionable feedback and commentary on items that are unnecessarily burdensome without a commensurate level of benefit to Ecology or the citizens of Washington.

Comment 1: The language changes to WAC 173-424-130(1), do not provide a reliable mechanism for regulated entities to know if a specific type of fuel is exempt prior to the quarterly reporting deadlines. The revised language essentially imposes the need to report each fuel listed under WAC 173-424-120(2) that is not explicitly listed under WAC 173-424-130(2). Ecology should either update this section to make the exemption apply to each individual company or remove this entirely as how it is written does not currently benefit anyone, but rather adds unnecessary complication.

Comment 2: We appreciate the clarification provided in the new language added under WAC 173-424-410(e), which addresses how reporting deadlines should be managed if they fall on a Saturday, Sunday, or state holiday. In this case, we are simply acknowledging a noted improvement, and no action is required.

Comment 3: The language changes to WAC 173-424-700(3)(a) and (3)(b), including the addition of tables, is suggested to be revised to have all first occurrences to be handled with a warning + 1:1 vs. 2:1 or 3:1 due to the complexity of the program and multiple iterations of the regulation issued and proposed since the rules inception. As noted on Ecology's rulemaking page for Chapter 173-424 WAC – Clean Fuels Program (), "Ecology is also considering other changes based on learnings from the program's first two years...". This suggests that Ecology is still learning the ins and outs of this program along with industry. Until the program is well established, stable, and being implemented effectively, Ecology should provide more leniency and discretion, especially in instances where industry has self-identified and approached Ecology in order to correct their errors as they are doing this in good faith. Imposing strict penalties (such as 2:1 to 3:1 with no warnings) may deter regulated entities from self-reporting and requesting to correct errors. Please revise this section to provide more leniency especially as it relates to entities who choose to self-report and request to correct reporting errors.



In this section, it is also unclear what is meant by the language "within an initial 36-month period" — is that from when the rule was originally established or when these revisions become effective? Please clarify this language.

Comment 4: We disagree with the language changes to WAC 173-434-710(5), which appear to change Ecology's disclosure requirements. We believe that the citizens of Washington have the right to understand the full impact of the regulation.

Comment 5: We disagree with the inclusion of new section WAC 173-424-810 which appears to add annual third-party verification requirements to all regulated entities. This requirement will add an unnecessary burden to regulated entities both in terms of time and money without a commensurate level of assurances for Ecology. The current reporting process has built in validation in the form of the reconciliation process between parties, which provides a level assurance for Ecology as both parties must review and validate the values being reported. The reporting process for this rule is already burdensome and this section will make it much more so, thus increasing costs for end users. We recommend a wholesale removal of new section WAC 173-424-810 from the rule.

We also understand that Ecology may not agree with our recommendation to remove new section WAC 173-424-180, we would like to offer the following suggestions should this section remain. We highly suggest that Ecology push the first annual verification deadline out to further vs. making it effective in 2027 for reporting year 2026 as the start of 2026 is less than 6 months away. This will not only benefit industry, but also Ecology by allowing additional time for verifiers to get qualified and entities to complete all pre-verification activities, including the mandated conflict of interest.

Comment 6: With respect to third-party verification, specifically WAC 173-424-830(2)(c), please reconsider the requirement for site visits for fuel suppliers/distributors or alternatively consider allowance for remote site visits where there is no physical equipment to observe. Conducting an in-person site visit where there is no physical equipment to observe is an unnecessary expense to regulated entities and adds time/complexity to an already burdensome process without providing any notable value. Please revise the requirements for site visits to remove them entirely in instances where there is no physical equipment to observe or allow for virtual site visits.

Comment 7: If Ecology proceeds with adding new section WAC 173-424-810, we request that Ecology explicitly state in section WAC 173-424-850 that utilizing the same verification body for this rule and GHG verification in Washington state; GHG and/or LCFS verification in other states or countries; and other programs like EPA RFS RIN verification, does not constitute a conflict of interest. Not clarifying this specifically could result in unnecessary back and forth between Ecology, verifiers, and industry. Likewise, if industry is required to have separate verifiers for each of these programs for each entities, it is quite possible that they will run out of viable



options. Please add language clarifying that utilizing the same verification for this and like programs is allowable.

Thank you again for the opportunity to comment. Should you have any questions as it relates to these comments, please feel free to contact me via e-mail at environmental@nsenergy.com or by calling 907-265-3837.

On behalf of CityServiceValcon, LLC,

Christina Bentz

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