



**August 1, 2025**

Adam Saul  
Climate Pollution Reduction Program  
Washington Department of Ecology  
P.O. Box 47600  
Olympia, WA 98504-7600

**Re: DVO, Inc. Comments on Washington Clean Fuels Program – Draft Rule (Chapter 173-424 WAC)**

Dear Mr. Saul:

DVO, Inc. is a US-based manufacturer and provider of anaerobic digesters & support systems designed to capture and utilize otherwise fugitive methane to produce renewable natural gas (RNG) and or renewable power for transportation fuel purposes. Since 2001 DVO has provided anaerobic digester systems at over 100 locations worldwide, including 8 digesters on dairies in Washington state that capture otherwise fugitive methane, provide non-fossil-derived fertilizers for crops, and help dairy operators reduce operating costs and environmental impacts.

In addition to being an engineering and manufacturing company, DVO is a vendor to the anaerobic digester industry working with developers, digester facility owners, investors, fuel market participants (RNG and green electricity) and other entities. From this position, DVO has a good overview of the activities relating to the development of methane capture projects. From our experience over the years, when we see regulatory uncertainty project development and investment activities slow down or even halt.

We are supportive of the Washington Clean Fuels program and invite its further and responsible development. We also note with concern however, some of the proposed changes to regulation that Ecology is evaluating and offer our following comments based on our industry experience and position:

- Proposed reduction in crediting period to two 7.5-year terms: We believe this should be three x 10-year terms in order to attract investment in new methane capture projects. Most financings that utilize debt are typically 10 to 20 years in term. Most investors require a minimum 20 to 30 year term for investment purposes. From our experience, we strongly believe the proposed shortened crediting period will decrease project values and discourage investors.

- Deliverability requirements: Should not be restricted as proposed. Again, to encourage project investment, developers and facility operators need flexibility to direct RNG into Washington and other markets to help account for potential changes in gas grid operations over the term of any given project. We can also foresee increased costs to Washington-based RNG fleet users by such restrictions.
- RNG Dispensing Capacity Restrictions: One bottleneck we are seeing that may hinder further project development is the reduction in dispensing capacity in West Coast markets. The proposed restriction in pipeline delivery options will foreseeably fragment the RNG market, reduce options for sourcing and drive up prices to consumers.
- Phase out eligibility for existing projects: This provision needs to be eliminated or structured so as not to penalize existing projects. DVO's first digester in Washington was installed in 2004. Several other methane capture projects utilizing DVO technology have been installed since. These operators took the initiative and risk to incorporate environmentally-sound practices into their operations. In our view, good deeds should be rewarded and not punished.
- True-Up Provisions: We believe that Ecology should retain alignment with California's LCFS through the inclusion of a "true-up" mechanism that properly reconciles differences between Temporary and Provisional carbon intensities (CI) and ultimately Verified (actual) CI scores. As in the LCFS, Washington should enable credit adjustments upon Provisional CI approval—rather than requiring projects to wait until final verification in the following year. This policy supports investment certainty and ensures fuel producers are fairly credited for actual environmental performance in a timely fashion.
- Penalties: Ecology should avoid implementing overly punitive CI reconciliation mechanisms (such as a 4-to-1 credit retirement ratio for over-crediting) that may hinder project participation. A symmetrical true up balances accountability with feasibility of investment and recognition of actual GHG benefit.

In summary, we encourage the work the State and Ecology have done to create a new and viable CFS program. When done properly, it should result in increased program participation and related investment in new projects that will benefit Washington residents.

Sincerely,



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