August 1, 2025

Adam Saul, Washington Department of Ecology

PO Box 47600, Olympia, WA 98504-7600

Via Electronic Submission

Re: Rule Proposal Notice: Washington State Clean Fuel Standard (Chapter 173-424 WAC)

Dear Mr. Saul,

On behalf of the Iowa Biodiesel Board (IBB) and the farmers and biodiesel producers across the state of Iowa, thank you for the opportunity to comment on the Rule Proposal Notice: *Washington State Clean Fuel Standard (Chapter 173-424 WAC)*. The Iowa Biodiesel Board values ongoing engagement with the Washington Department of Ecology to support the development and implementation of a successful, sustainable Clean Fuel Standard (CFS) for the state.

The Iowa Biodiesel Board (IBB) is a biodiesel producer-led association that represents the biodiesel industry in Iowa, from distribution to end users, manufacturing, and farming to produce the natural feedstocks used in biodiesel production. Founded by the Iowa Soybean Association in 2007, IBB operates an independent organization and board. The IBB works to promote the commercial and economic success of biodiesel in Iowa.

We support the State of Washington's climate goals and policy initiatives to achieve them through harnessing one of America's competitive advantages in energy production – the efficiency of American agriculture. By contrast, the California Air Resources Board (CARB) has hamstrung both American agriculture and its path to achieving California's climate goals by disadvantaging the use of home-grown, crop-based feedstocks used for biofuels in its California Low Carbon Fuel Standard (LCFS) program.

It is with concern for both the State of Washington's climate aims and the supply chain from farmers to biodiesel producers who enable achieving these aims that we submit the following comments, concerns, recommendations to build a science-based Clean Fuel Standard that bolsters Washington's economic and environmental resilience while supporting American agriculture.

Practical Traceability and Verification of Feedstocks

The Iowa Biodiesel Board strongly supports the Washington Clean Fuel Standard rule's updated requirements for attestation of specified-source feedstocks, including waste-based feedstocks. Ensuring the integrity of feedstock sources is vital to the credibility and success of low-carbon fuel programs.

Recent interim guidance from the U.S. Department of Treasury on the Section 45Z Clean Fuel Production Credit excludes imported used cooking oil (UCO) due to verification concerns.

Over the last several years, the California LCFS and its credit scoring system has enabled a flood of imported foreign feedstocks – predominantly used cooking oil (UCO) from China and tallow from Brazil – to be used in biofuels production at the expense of domestically-produced feedstocks like soybean oil.

In 2024 alone, the US imported over 7.3 billion pounds of used cooking oil and tallow – volume equivalent to the oil crushed from over 450 million bushels of soybeans or over 10% of total U.S. soybean production and nearly four-fifths of Iowa's soybean production. For broader context, from 2022-2024 the US imported over 14 billion pounds of UCO and tallow – nearly three times the volume imported from 2000-2021 *combined*.

Given this disconcerting trend, we applaud the inclusion of professional verification services, expert judgment, and risk assessments to support traceability. This approach is consistent with best practices adopted in other states and will help prevent fraud in the clean fuels marketplace, maintaining the integrity of the CFS.

The Iowa Biodiesel Board encourages the Department of Ecology to work closely with federal agencies, including the Treasury, USDA, EPA, USTR, and U.S. Customs and Border Protection, to ensure consistency in substantiation and recordkeeping requirements.

If the Department of Ecology ever chooses to pursue agricultural feedstock traceability requirements, we urge that these be voluntary, science-based, and incentivize the adoption of sustainable practices beyond those already assumed in lifecycle analysis (LCA) models.

Incentivizing Climate-Smart Agricultural Practices

The USDA has developed tools to quantify carbon intensity (CI) reductions from practices such as no-till farming, use of cover crops, and nitrogen inhibitors. Additional practices, including low- and reduced-tillage, nutrient management, buffer strips, tree planting, and improved fertilizer technologies, also reduce production-based carbon intensity and are already tracked through USDA conservation programs.

Any potential future traceability framework should recognize and reward these practices with lower CI scores and provide market-based incentives for farmers, who bear the

financial cost of implementing such carbon-reducing practices. We further note that many soybeans are double-cropped, grown as a secondary crop without additional land use, contributing positively to carbon sequestration while growing a sustainable feedstock for clean energy production.

Scoring systems should reward farmers who reduce the carbon intensity of production using science-based, conservation-focused practices. We encourage the Department of Ecology to collaborate with USDA in developing consistent, transparent mechanisms to account for climate-smart practices in CI calculations, ensuring that U.S. farmers who invest in sustainability receive recognition, economic incentives and enhanced market access under the Clean Fuel Standard.

The Iowa Biodiesel Board recommends that the Department of Ecology proactively engage with USDA to ensure alignment on methodology for quantifying such practices in CI calculations while working towards further incentivization for farmers.

Avoiding U.S. Vegetable Oil Feedstock Caps and Supporting U.S. Agriculture

As the Department of Ecology finalizes present and future rule updates, The Iowa Biodiesel Board urges that it does not impose any cap on U.S.-grown vegetable oil feedstocks. These feedstocks are already subject to federal guardrails to ensure production on land not converted since 2008. The Renewable Fuels Standard (RFS) was designed specifically to prevent land conversion for biofuel production; total principal row crop area has declined from over 325 million acres in 2008 to just over 310 million acres in 2025 – a decline of roughly 5 percent and an area roughly the size of West Virginia.

Capping U.S. vegetable oil usage would:

- Artificially limit the availability of the most efficient, cost-effective feedstocks.
- Undermine domestic renewable diesel and biodiesel production.
- Increase reliance on foreign feedstocks, some of which may be less verifiable.
- Limit improvements in air quality and human health enabled through low-particulate biomass-based diesel

Such a policy would not only contradict Washington's clean energy goals but would also unfairly penalize American farmers, processors, and taxpayers.

A Sustainable Pathway Forward

The Iowa Biodiesel Board is encouraged by the Department's continued efforts to advance the use of low-carbon fuels. As Washington State's Clean Fuel Standard evolves, we urge the Department of Ecology to ensure that:

- Regulatory decisions are grounded in the latest science.
- U.S. agricultural feedstocks are equitably included and prioritized.
- Vegetable oil caps are avoided.
- Traceability requirements remain voluntary and economically feasible.
- Incentives are provided for sustainable, climate-smart practices for farmers.

Recognizing the role of American agriculture in decarbonizing transportation fuels offers a pathway that balances environmental integrity with economic opportunity. With thoughtful implementation, Washington can lead the way in promoting clean fuels while supporting domestic farmers and processors.

We respectfully request a written response to the issues and recommendations outlined in this letter. Transparency and stakeholder engagement are essential to sound, science-based public policy, and we look forward to continued engagement with the Department of Ecology as it serves its administrative remit of protecting Washington State's environment and citizens.

The Iowa Biodiesel Board looks forward to continued collaboration with the Department of Ecology and other stakeholders to expand the use of U.S. soy-based biofuels and increase market opportunities for American soybean farmers, including participating in enabling Washington State to achieve its ambitious climate goals.

Sincerely,

Grant Kimberley

Executive Director

Iowa Biodiesel Board