

Douglas County PUD (Shiloh Burgess)

Please see Douglas PUD's comments via the attached file. Thank you.



Public Utility District No. 1 of Douglas County

1151 Valley Mall Parkway • East Wenatchee, Washington 98802-4497 • 509/884-7191 • FAX 509/884-0553 • www.douglaspud.org

August 1, 2025

Attn: Adam Saul
Department of Ecology
Climate Pollution Reduction Program
Department of Ecology
PO Box 47709
Olympia, WA 98504-7709

Subject: Public Comment on Proposed Amendments to WAC 173-424 — Impacts on Hydrogen Fueling Station Capacity Credit Eligibility

Dear Mr. Saul:

Douglas County Public Utility District (Douglas PUD) appreciates the opportunity to comment on the Department of Ecology's proposed amendments to Washington Administrative Code Chapter 173-424, which governs the Clean Fuels Program (CFP).

Douglas PUD is a not-for-profit public utility in Washington State that owns and operates the Wells Dam, an 840MW hydroelectric project on the Columbia River serving 17,000 customer-owners with reliable, clean power. Guided by three elected Commissioners and a desire to support the longevity of the hydro project, Douglas PUD recognized the potential for green hydrogen production to complement its hydroelectric generation.

Working closely with Douglas PUD, in 2019 the Washington State Legislature unanimously passed legislation allowing for public utilities to advance hydrogen production. Following on the commitment to continue producing low-cost clean power while advancing new, green technologies, Commissioners approved construction of a hydrogen production facility and fueling station in April 2020.

Today, Douglas County PUD ("PUD") operates the first publicly accessible green hydrogen fueling station in Washington. We appreciate Ecology's efforts to update WAC 173-424 (the Clean Fuels Program rule) however, certain proposed revisions—particularly to capacity-credit eligibility under Part 5 (including Section 173-424-560)—may inadvertently disqualify our station from generating the capacity credits. Our comments are focused on ensuring equitable access to these credits consistent with legislative intent.

Limitation of Capacity Credits to Heavy-Duty Hydrogen Fueling Stations

The proposed amendments restrict HRI capacity credit eligibility to heavy-duty hydrogen fueling stations, excluding light- and medium-duty refueling sites. Our station has the ability to fuel at H70 and H35 pressure, which means it can serve **light-duty and heavy duty fuel cell vehicles**—consistent with fleet operations and public passenger uses in our service territory.

- **Impact:** If capacity credits are available only for heavy-duty-serving stations, early infrastructure investments serving passenger vehicles will be **disqualified**, despite meeting all other eligibility requirements under the law.
- **Legal basis:** We are unaware of any Washington statute or legislative directive limiting CFP hydrogen capacity crediting to heavy-duty stations only. Without clear legislative mandate, such a limitation would not reflect the statutory purpose of incentivizing **all** low-carbon hydrogen infrastructure built to serve multiple vehicle classes.
- **Recommendation:** Ensure capacity credits remain available for hydrogen stations serving light-, medium-, and heavy-duty vehicles, unless expressly changed via statute.

Negative Consequences if Light/Medium-Duty Capacity Crediting is Eliminated

- Disincentivizes early deployment of public hydrogen stations supporting **passenger FCV adoption**.
- Shifts CFP focus unduly to **freight and heavy-duty corridors**, delaying broader hydrogen network development.
- Creates inequity: PUDs, municipalities, and early adopters building light-duty-serving stations would miss capacity credit incentives alien to legislative aims.

Concerns about WSDA Weights & Measures Language

Section 173-424-560(D) requires that "all dispensers installed in the hydrogen refueling station have undergone a review by WSDA Weights & Measures, with either a temporary use permit or certificate of approval."

- **Issue:** Currently, WSDA has no established regulatory process or authority to certify or permit hydrogen dispensers under WAC 173-424. WSDA's involvement has historically focused on gasoline dispensers and EV electric meters, not high-pressure hydrogen systems. All thought discussions are underway between industry and WSDA, extending undeveloped regulatory review and permitting requirements unfairly hinders hydrogen stations developers from qualifying for the program and creates uncertainty and could delay station development.
- **Recommendation:** Clarify or remove WSDA review requirements as a requirement until a formal, documented statutory or regulatory program is in place. Ecology should consult with WSDA to develop realistic protocols and adoption timelines before mandating permitting as a qualifying requirement for hydrogen fueling station.

Operability withing 24 months

Under current language (WAC 173-424-560(vii)), station construction must reach operability within **24 months of application approval**, or the application is cancelled and reapplication limits crediting lifespan to nine years.

- **Issue:** Delays due to construction, permitting, supply chain, or grid interconnection—especially for novel hydrogen infrastructure—may fall outside the developers control. The strict 24-month window could eliminate eligibility for legitimate projects if unexpectedly delayed.
- **Recommendation:** Extend the operability window to **36 months** or include provisions for Ecology-approved extensions based on documented delays.

Conclusion

Douglas County PUD supports incentivizing hydrogen infrastructure across vehicle classes through the Clean Fuels Program. However, eliminating capacity credit eligibility for light- and medium-duty hydrogen stations—and imposing undeveloped WSDA review requirements—could thwart early public and private investment and statewide goals, absent legislative authority.

We respectfully request Ecology to:

1. Retain **capacity credit eligibility for all vehicle classes served**, not exclusively heavy-duty use, unless statutory language mandates otherwise.
2. **Remove or clarify any WSDA Weights & Measures requirements** unless official rulemaking for hydrogen dispenser certification has occurred.
3. **Maintain equitable treatment for early hydrogen infrastructure**, consistent with legislative intent.

Thank you for this opportunity. We welcome further engagement to ensure rule clarity, feasibility, and alignment with CFP objectives.

Respectfully,



Shiloh Burgess
Government Affairs Manager
Douglas County PUD