

North Dakota Soybean Growers Association 4852 Rocking Horse Circle South, Fargo, ND 58104 (701) 566-9300 | www.ndsoygrowers.com

July 31, 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 North Dakota Soybean Growers Association (NDSGA), thank you for the opportunity to comment on the Rule Proposal Notice: Washington State Clean Fuel Standard (Chapter 173-424 WAC). NDSGA 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.

NDSGA is a statewide, not-for-profit, member-driven organization. NDSGA is one of 26 soybean-producing states affiliated with the American Soybean Association (ASA). We exist to conduct legislative activities in Bismarck, ND and Washington, D.C. to improve the sustainable prosperity of our members and the US soybean industry.

We respectfully submit the following comments, concerns, and recommendations with the goal of ensuring Washington's Clean Fuel Standard is built on sound science, promotes environmental and economic resilience, supports American agriculture, and helps the state achieve its climate goals while avoiding the key pitfalls of what has been experienced with the drastic and inequitable pivot the California Air Resources Board (CARB) has made related to agricultural feedstocks used for biofuels in the California Low Carbon Fuel Standard (LCFS) program.

Practical Traceability and Verification of Feedstocks

NDSGA 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.

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.

Of particular relevance, 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.

NDSGA 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.

North Dakota farmers are experienced with traceability and identity preservation systems, particularly when required by domestic and international buyers. If agricultural feedstock traceability is pursued, our farmers are well-prepared to adapt to voluntary, science-based systems without significant disruption.

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 Ag Practices

If ever enacted, and voluntary verification can demonstrate additional CI reductions, scoring systems should reward farmers 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.

More specifically, 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 CI 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 fair incentives for farmers.

North Dakota soybean farmers are already adopting no-till and minimum-till practices at increasing rates. These conservation-based approaches not only preserve soil health but also reduce greenhouse gas emissions, directly contributing to the goals of Washington's Clean Fuel Standard.

We further note that many soybeans are double-cropped, grown as a secondary crop without additional land use, contributing positively to carbon sequestration. NDSGA 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. Veg Oil Feedstock Caps and Supporting U.S. Agriculture

As the Department of Ecology finalizes present and future rule updates, NDSGA 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 RFS was designed specifically to prevent land conversion for biofuel production, and USDA data shows a decrease in farmland over the same period.

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.
- Raise fuel costs for Washington consumers.
- Diminish air quality gains by encouraging increased use of fossil diesel.

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

Soybeans are ideally suited for North Dakota's diverse climate and soil types and have become a staple in our state's crop rotation. Recent investments in two new soybean processing plants in North Dakota are helping meet growing biofuel demand while creating high-paying, long-term jobs in rural communities. These facilities expand access to domestic feedstocks that can help Washington meet its clean fuel targets.

A Sustainable Pathway Forward

NDSGA is encouraged by the Department's continued efforts to advance the use of low-carbon fuels. As the 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.

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- Traceability requirements remain voluntary and economically feasible.
- Incentives are provided for sustainable, climate-smart practices for farmers.

North Dakota soybean growers are prepared to be part of the solution. Our farms range from first-generation to multi-generational operations, and our producers take pride in preserving the land while adapting to meet global food and fuel needs. We are ready to help meet Washington's demand for carbon-reducing fuels with proven, domestically grown solutions like biodiesel and renewable diesel.

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. As a regulatory body tasked with protecting Washington's environment and citizens, transparency and stakeholder engagement are essential. NDSGA 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.

Sincerely,

Justin Sherlock President