

10 June 2026

**Department of Ecology
State of Washington
P.O. Box 47600
Olympia, WA 98504-7600**

Re: Feedback on Possible Amendments to the Clean Fuel Standard (Chapter 173-424 WAC)

Dear Lauren Sanner,

Climate Solutions thanks you for the opportunity to submit informal comments on possible amendments to Chapter 173-424 WAC, the Clean Fuel Standard.

Climate Solutions strongly supported the passage of the Clean Fuel Standard (CFS) in 2021 and the bill expanding the program in 2025. We are excited to continue engagement in rulemakings to ensure that the program is effective and equitable, and that it reduces climate pollution to the maximum extent possible.

As you know, we are facing increasing headwinds in decarbonizing our transportation system. Examples include the illegal federal actions purporting to revoke the Clean Air Act waiver for the enforcement of the Advanced Clean Cars II regulations and the federal government cancelling electric vehicle tax credits. This means that state-level policies and incentives to bolster clean fuels and clean vehicles are all the more important.

Climate Solutions considers the Clean Fuel Standard to be a core policy in achieving Washington's greenhouse gas limits¹ and the program has already led to significant reductions in climate pollution, eliminating 2 million metric tons of pollution in 2023, the first year of the program's implementation.² It is vital that this program remain true to its purpose of increasingly boosting clean transportation fuels while cutting emissions over time.

The Clean Fuel Standard is designed to achieve essential reductions in the carbon intensity of transportation fuels.

The Legislature established the Clean Fuel Standard "to support the deployment of clean transportation fuel technologies through a carefully designed program that reduces the carbon intensity of fuel used in Washington," which will, in turn, 1) cut air pollution from the combustion of gas and diesel, 2) reduce greenhouse gas emissions, and 3) boost jobs and economic development associated with clean fuels.³ Transportation is Washington's largest source of climate pollution, contributing 40.2% of the state's total greenhouse gas emissions.⁴ On-road transportation is responsible for 60% of transportation emissions.⁵ The vast majority of on-

¹ [RCW 70A.45.020](#)

² State of Washington Department of Ecology, "Ahead of the curve: Washington's Clean Fuel Standard exceeded expectations during its first year." <https://ecology.wa.gov/about-us/who-we-are/news/2026/ahead-of-the-curve-washington-s-clean-fuel-standard-exceeded-expectations-during-its-first-year>. Accessed 10 June 2026.

³ [RCW 70A.535.005](#)

⁴ State of Washington Department of Ecology, "Washington State Greenhouse Gas Emissions Interim Inventory Report: 1990-2022" April 2026.

⁵ Ibid.

road transportation fuels carry a compliance obligation in the Clean Fuels Program. Decreasing the carbon intensity of fuels, particularly those used on road, is the heart of this program.

To achieve this, it is important to ensure that the rule is grounded in the best available data and that climate pollution reductions are real and verifiable. Decisions that would introduce additional credits into the market that are not backed by new, quantifiable emissions reductions dilute the impact of this program, both by lessening the real emission reductions the program would otherwise achieve and by putting downward pressure on credit prices, which in turn reduces further investments in clean fuel technologies and transportation electrification infrastructure. Climate Solutions has consistently advocated to ensure that credits do not over-promise pollution reductions from a variety of different feedstocks and crediting pathways.

We believe it is important to remain focused on what the Clean Fuels Program is designed to do and as intended in statute: reduce the carbon intensity of transportation fuels in a meaningful way that cuts climate and air pollution and boosts the clean fuels economy.

The proposed methodology for updating the light-duty EV EER is sound.

As mentioned in our previous comment, Climate Solutions supports updating the EER for light-duty EVs since the existing EER is outdated and vehicle efficiency has improved. Comparing the average mpge for all EVs registered in WA to the mpg of internal combustion engine vehicles in WA is an appropriate way to determine an EER that is as accurate as possible given the data available. Provided that the most recent year of data accounts for all vehicles registered in Washington, i.e. the current vehicle population, we do not think there is a need to average data from several years. We also think the process for joining the Washington vehicle registration dataset with the EPA fuel economy dataset as outlined in the 27 May 2026 workshop is sound. We note that it will be important to run a manual check to ensure items are paired correctly and to catch notably erroneous entries.

Public transit EERs should use diesel buses as the point of comparison.

We support continuing to use the current methodology for determining the electrified fixed guideway light rail EER, which compares the efficiency of electrified light rail to diesel buses on a passenger mile basis.

We believe the appropriate comparison for electric trolley buses is to diesel buses without a passenger mile factor. While using this factor makes sense for electrified light rail, which has a much larger passenger capacity, the electric trolley buses operating in Washington have the same passenger capacity as a diesel bus.

Finally, we believe that electric buses should be compared to diesel buses. As the current rule notes, an EER “represents the efficiency of a fuel as used in a powertrain as compared to a reference fuel used in the same powertrain”⁶. This is the best like-for-like comparison and avoids speculation about counterfactuals that may not be accurate.

The Clean Fuels Program already accounts for the climate impacts of transit.

We do not support modifying the rule language to account for the indirect climate effects of public transit, most notably because the program encompasses them as it is. There are no good data on the climate impacts of mode

⁶ [WAC 173-424-110](https://www.wa.gov/legislation/bills/2024/173-424-110)

shift to transit across Washington State: the vast differences in route ridership, average trip length, and what mode a transit trip is displacing make it incredibly difficult to establish a counterfactual and estimate actual climate pollution impacts. However, *the real climate impacts are already accounted for in the program*, whether that mode shift is skipping a short bike ride and instead taking a diesel bus on a route with low ridership or swapping out a long drive for taking a bus rapid transit route with high ridership. Trips in a gas vehicle that are avoided thanks to public transit use translate to deficits that are not being generated in the clean fuels market. Even if there were ample data to establish a counterfactual baseline, a new pathway for credits based on avoided fossil fuel-powered car trips would be double counting benefits and thus weakening the climate pollution reduction potential of the program.

We are excited by the benefits that the Clean Fuels Program is already providing transit agencies. These include boosting the local market for renewable diesel so it is now more cost-competitive with fossil diesel and monetized credit reinvestment in fleet electrification. There are possible program updates that could further support public transit and other agencies, such as changes to advance crediting, which are detailed later in this comment.

Incentivizing transportation electrification

Washington's own research, including the Transportation Electrification strategy modeling and the State Energy Strategy, shows that we must electrify our on-road transportation system rapidly to meet our greenhouse gas pollution limits in law. Right now, the Clean Fuel Standard is one of the most effective tools the state has to do this.

Utilities, as the first eligible to collect the base credits from residential EV charging, are required by statute to reinvest monetized credits in furthering transportation electrification in their service territories. This not only provides a significant opportunity to spur a virtuous cycle for transportation electrification, but it is also a way to socialize and return the benefits accrued from residential customers. Unfortunately, this potential is not yet happening across most of Washington.

Out of the 20 utilities whose 2025 utility investment reports are posted, only five have monetized and invested Clean Fuels revenue. Only three have spent revenue on tangible transportation electrification projects. Both large and small utilities are represented among those that have not yet invested in projects. Two of these utilities have used monetized credits only to cover indirect costs, not projects that benefit their customers and support transportation electrification in their territory. Two utilities do not have reports posted for 2025, and their 2024 reports indicate no spending.

Clearly, the potential for the Clean Fuels program to incentivize transportation electrification is not yet being met since utilities are not, with a few exceptions, investing their Clean Fuels revenue. While credit prices were relatively low in 2025 and there is rationale for waiting for prices to increase (as they now are) to monetize credits, it is also true that climate pollution reductions today are more valuable, investing in capital projects now avoid emissions for years to come, and utility customers rightly should benefit from the Clean Fuels Program.

We would like the Department of Ecology to explore ways to ensure that utility investments are meaningful and timely. These may include:

- Requiring credit monetization and spending after a certain time period,
- Requiring unmonetized credits to be sold in the Credit Clearance Market,
- Directing a portion of credits (or in the case of some utilities, potentially all credits) to state transportation electrification programs (such as EV rebate programs or EV charger grant programs) that will more quickly make investments that benefit people, and/or
- Updating the CFS Guidance on Residential EV Charging Credit Revenue Requirements to better ensure investments support transportation electrification and benefit customers.

Advance credits could spur needed near-term emissions reductions.

Advance credits hold significant promise for public entities, including public transit agencies, that need capital for significant transportation electrification investments that will, in turn, reduce emissions, cut air pollution, and increase their credit generation in the Clean Fuels Program. Advance credits are backed by real emissions reductions and are paid back such that they maintain pollution reductions but simply temporally shift credit generation.

Applications for advance credits open soon, and it will be important to learn from demand and see if adjustments to the rule should be made. For example, if demand is far larger than the advance credit cap of 5% of total deficits in the previous compliance year, perhaps this cap should be raised if credit prices continue to increase and additional advance credits will not be likely to create a market imbalance. It will also be important to evaluate whether current guidance or rule appears to be excluding important and worthy projects that would otherwise be eligible or that may have additional barriers to participation.

This rulemaking supports one of our state's key climate policies.

As stated above, the Clean Fuel Standard is one of Washington's key tools for reducing climate pollution. As such, this rulemaking is extremely important. We would like to thank the Clean Fuels Program staff for their hard work. We are eager to continue working with the Department of Ecology on implementing and improving this program over time.

Sincerely,



Leah Missik
WA Legislative Director
Climate Solutions