

June 17, 2026

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Submitted online via: [Chapter 173-424 WAC and WAC 173-455-150, Clean Fuels Standard Rulemaking Informal Comment Period for Transportation Electrification](#)

Re: May 27, 2026 request for comments on Clean Fuel Standard (CFS) workshop

Dear Ms. Sanner and Department of Ecology CFS Rulemaking staff:

Thank you for the opportunity to comment on this important workshop on the CFS. Our seven undersigned utilities, Avista, Chelan County Public Utility District (PUD), Clark Public Utilities, Puget Sound Energy, Seattle City Light, Snohomish County PUD, and Tacoma Power, (“joint utilities”), which collectively serve over 3.5 million residents in Washington, are active participants in the CFS and the rulemaking process to establish and update the CFS. The joint utilities are supporters of the CFS and appreciate the Department of Ecology's (Ecology's) work to implement it.

Our comments below cover the following issues:

- 1) Utility spending
- 2) Changes to EERs
- 3) Accelerating transportation electrification adoption with improvements to the CFS
 - a. verification requirements on transportation electrification (TE)
 - b. capacity credits for heavy-duty electric vehicles (HD-FCI)
 - c. guidance document on utility spending

1. Utility Spending

Ecology posed several questions during the workshop's whiteboarding session regarding utility issues and spending, as well as many resulting stakeholder comments.

For the benefit of stakeholders, we repeat the key statutory provisions from the Legislature:

All investments made with CFS residential EV charging credit revenues must be spent on transportation electrification projects. (RCW [70A.535.080](#))

The CFS law requires the credit revenue to be allocated into the following categories:

- **Category 1** - Spend a minimum of 50% of credit net revenues on transportation electrification projects selected from a list of GHG emissions-reducing project types developed jointly by Ecology and the Washington State Department of Transportation (WSDOT) (RCW 70A.535.080(2)(a)) (page 5 in the [Ecology guidance document](#))
- **Category 2** - Spend a minimum of 30% of credit net revenues on transportation electrification projects within or benefitting specific communities designated by the Environmental Protection Agency (EPA), Washington Department of Health (DOH), or Ecology. (RCW 70A.535.080(1)(b)) (page 8 in the [Ecology guidance document](#))
- **Category 3** - Spend any remaining net revenues on general transportation electrification projects. (RCW 70A.535.080(1)(a)). (page 9 in the [Ecology guidance document](#))

It's worth reiterating that utility spending is regulated by the Washington Utilities and Transportation Commission for the investor-owned utilities, as well as the governing boards of municipal and community-owned utilities. Utilities are obligated to follow the rules established by Ecology for CFS funds in specific areas under statutory guardrails and penalty provisions. By leveraging existing programs, utilities are uniquely and better positioned to advance transportation electrification in communities that Ecology wants to reach.

The utility commitment to CFS is strong. Utilities were instrumental in getting HB 1409 developed and passed so that an improved CFS would work to meet Washington's climate goals and create a better functioning credit market that does not slow the deployment of clean fuels. Most utilities are monetizing credits and spending on programs in 2026, and in 2027 all of the utilities signed onto this letter expect to have running programs. We also note that the current Ecology webpage showing annual utility spending does not reflect recent utility spending or commitments.

Utilities are limited by the number of residential EVs that are the primary factor in determining how many credits Ecology provides. We've consistently argued that credit prices are an important factor in how much funds utilities have to spend. Any unnecessary and unvetted changes are likely to only create additional uncertainty prolonging utilities ability to spend credit revenue responsibly and delaying the rollout of these programs.

We look forward to more workshops and discussions with Ecology regarding adding to or improving the CFS list of approved projects for utility investments (see the current [Ecology guidance document](#)). We believe this is a complex topic with many ideas presented at the May 27 whiteboarding session. In addition, we have already provided Ecology with an earlier list of recommended changes to the guidance document that we repeat in the appendix to this letter.

2. Changes to EERs (Energy Economy Ratios)

We support modifying the light-duty EER to approximately 4.1 to 4.7 (and note that Oregon Department of Environmental Quality is proposing 4.6). We are not sure about changing the EER for transit, as it is not clear if the EER will go up or down. Ecology's pioneering effort to change the transit EER is very complex, and a time-consuming effort might be better spent on increasing the EER for larger markets such as heavy-duty electric vehicles.

3. Accelerating TE Adoption

The whiteboarding session asked questions on ways that Ecology could improve the CFS to accelerate TE. Given the recent obstacles to TE adoption, we appreciate that Ecology is asking how CFS can help TE. However, we question the urgency to expand the utilities' approved guidance document on spending, given the inherent issue of limited CFS near-term proceeds for utilities mentioned above. While we welcome adding flexibility and clearer language to the approved guidance document, expectations on what the utilities can achieve should be tempered by the amount of credits utilities receive (i.e., will grow with more EVs on the road) and the amount of CFS proceeds utilities have (obviously higher prices help). Also, CFS is not the only "tool in the toolkit" to achieve the policy goals in the whiteboarding session.

We offer below a few practical recommendations that will help utilities accelerate heavy-duty TE adoption and not have a huge impact on the credit market. We also note that Ecology, in response to letters in 2025, points out that Ecology has a statutory requirement to "harmonize" the CFS with other clean fuels jurisdictions. We agree and have slightly modified our recommendations on capacity credits and verification (compared to our March 3, 2026 letter) to respond to Ecology's point.

Capacity credits: Ecology in the whiteboarding session asked how to improve capacity credits. In addition to the existing Advanced Credits, Ecology should add capacity credits for heavy-duty fleets (HD FCI) - both private and public individual fleets - and use the California LCFS formula, which appropriately provides a smaller credit than Washington's current capacity credit (HD-FCI) for charging at shared depots and truck stops. Given the early state of the heavy-duty capacity credit program, there should not be concerns about hitting the cap (5% of deficits each quarter) by adding individual fleets, especially if the light-duty capacity credit program is indicative.

We agree with Tesla's point in the workshop regarding the benefit of capacity credits to a fleet: It's much more cost-effective for a fleet to go big and install all the needed DCFC all at once, rather than a slow incremental process over many years. See the joint comment letter by six utilities (March 3, 2026) that goes into detail on why capacity credits are needed in order to

accelerate heavy-duty EVs – especially for the public sector. Our recommendations above, however, expand on the recommendations in the letter March 3, 2026.

Regarding using only advanced credits (and no capacity credits) to stimulate public fleet adoption of heavy-duty EVs, we would like Ecology to provide a more detailed comparison with the above option before we take a position. Even if the Advanced Credit system is reformed to allow more fleets, we are not sure if that will make a significant difference given the cap (5% of deficits), compared to our recommendation above.

We appreciate that for light- and medium-duty capacity credits for sites after November 20, 2025, only annual reporting is needed instead of quarterly reporting. However, it appears a new template is needed to implement this.

Verification: Ecology should align with California's LCFS and allow more time to encourage transportation electrification prior to the start of verification. One way that California did this was by starting verification for non-electric fuels in 2019 but waiting until now to begin verification of TE. Similarly, Ecology should delay verification of TE credit generation until 2032 (rather than starting in 2028 for 2027 data).

Further, to lower administrative costs and stimulate TE adoption, Ecology should require virtual site visits every three years for verification of TE after the first site visit, and train verifiers in the meter accuracy regulations of utilities and the Division of Weights and Measures in the Department of Agriculture in order to avoid double regulation of meters. The March 3, 2026 joint letter from utilities to Ecology provided justification on why improving the verification rules will help accelerate TE.

Guidance document for utilities: We reiterate for stakeholders and Ecology our March comments to accelerate TE and improve environmental justice outcomes by improving the guidance document on utilities:

- a) *Allow year-to-year flexibility in meeting the percentage requirements in the CFS guidance document on Residential EV Charging Credit Revenue Requirements:* Allow a carry-over provision or multi-year averaging to lower compliance costs and address the different sizes of utilities.
- b) *Claiming Incremental Credits for Metered Residential EV Charging:* use a less restrictive GPS radius for incremental credits following CARB's expected leadership on this issue.

- c) *Include projects and spending in designated Named Communities and Tribal areas as eligible expenses to meet the 30% minimum Category 2 funding requirements in the CFS guidance document on Residential EV Charging Credit Revenue Requirements.*
- d) *Because only one out of three options for Category 2 compliance exists, Ecology should identify their areas of concern when updating the guidance document.*
- e) *Allow for reporting of EVSE maintenance spending as a percentage ratio of Category 1 and Category 2 locations in the CFS guidance document on Residential EV Charging Credit Revenue Requirements and in reporting templates.*

The details of our guidance document recommendations in our March 3, 2026 letter to Ecology is repeated in the Appendix to this letter.

Conclusion: The joint utilities appreciate the opportunity to comment at this early scoping stage of this rulemaking and appreciate the importance of Ecology's work on this matter. We are encouraged by Ecology's willingness to harmonize with California and Oregon's Clean Fuel Standards and share Ecology's interest in rapidly expanding transportation electrification to achieve Washington's climate goals.

Please reach out to Landon Bosisio at Landon.Bosisio@seattle.gov for any questions or to discuss these comments further.



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Appendix

The joint utility letter from March 3, 2026 on recommended guidance document changes for utility spending:

a) Allow year-to-year flexibility in meeting the percentage requirements in the CFS guidance document on Residential EV Charging Credit Revenue Requirements.¹

There are many sizes of electric utilities with different circumstances. Amending the current CFS guidance document to allow a carry-over provision or multi-year averaging regarding meeting investment allocation percentages would make CFS more efficient and lower compliance costs.

b) Claiming Incremental Credits for Metered Residential EV Charging.²

Ecology should update its guidance on Claiming Incremental Credits for Metered Residential EV Charging when CARB updates its similar guidance document on incremental credits. CARB has received letters from Rivian, Tesla, and the California Electric Transportation Coalition who have requested that the EV telematics GPS radius in CARB's guidance document be reduced to 10 or 20 meters. Any change by Ecology to reduce the GPS radius should also benefit all stakeholders who are using EV telematics in today's CFS, and not just those who generate incremental credits.

c) Include projects and spending in designated Named Communities and Tribal areas as eligible expenses to meet the 30% minimum Category 2 funding requirements in the CFS guidance document on Residential EV Charging Credit Revenue Requirements.

Per RCW 70A.535.080(1)(b), 30% or more of utility annual spending of Clean Fuels Program revenues must be for projects located within or benefiting communities located in a Federally designated non-attainment or maintenance area, projects located within or benefiting communities located in areas of rank 9 or 10 on Environmental Health Disparities map, or projects located within or benefiting communities located in a designated Ecology Areas of Concern. This is also referred to as a "Category 2" project type per Ecology's guidance document "CFS Guidance on Residential EV Charging Credit Revenue Requirements", as differentiated from "Category 1" projects requiring 50% or more of total annual spending, and "Category 3" projects which may be up to 20%. WAC 173-424-420(7) specifies a number of annual reporting requirements of electric utility credit revenue but does not specifically address the categorical spending requirements of the governing statute.

¹ [CFS Guidance on Residential EV Charging Credit Revenue Requirements](#)

² [Clean Fuel Standard Participation Guidance on Claiming Incremental Credits for Metered Residential EV Charging](#)

Of these three acceptable location types, only the Environmental Health Disparities Map is available to verify if a project meets the prescribed criteria. For example, a large proportion of one of the utility's service territories, typically in more rural areas with lower population density, Named Communities as defined by the Clean Energy Implementation Plan (CEIP) as governed by the Clean Energy Transformation Act (CETA), and Tribal lands, do not meet the 9 or 10 ranking. Other utilities also face this issue. As a result, these locations may not be included to meet the 30% spending requirement. From a practical perspective, it can also be difficult and laborious to pre-designate projects at the beginning of each year to ensure the minimum 30% funding requirement which excludes a large geographic footprint of a utility's service territory. Allowing Named Communities and Tribal lands to qualify as vulnerable populations will make it easier to pre-designate projects at the beginning of the year.

In Washington State, tribal areas are recognized as vulnerable populations due to their unique challenges and needs. The Healthy Environment for All (HEAL) and Climate Commitment (CCA) Acts define "overburdened communities" as geographic areas where vulnerable populations face combined, multiple environmental harms and health impacts. These include Tribal lands and highly impacted communities as defined in the Clean Energy Transformation Act (CETA). The identification of these communities is based on an assessment of the potential impacts of agency actions and is supported by data from the Washington Environmental Health Disparities (EHD) Map and Tribal Lands data.

For continuity across Washington state government agencies in recognizing Named Communities and Tribal lands as vulnerable populations, Ecology should expand Category 2 spending guidelines to include them. This change would be a beneficial improvement to Clean Fuel Program spending, allowing for more flexibility to support projects in alignment with the intent of the Clean Fuels Program and the identified spending categories. This perhaps should be accomplished by including Named Communities and Tribal lands as designated Ecology Areas of Concern, as allowed by statute.

d) Because only one out of three options for Category two compliance exists, Ecology should identify their areas of concern when updating the guidance document.

The two options unavailable for Category two compliance are the federal non-attainment map which is no longer available on the USEPA website and list from the Department of Ecology on areas of concern. The joint utilities respectfully request Ecology convenes a stakeholder process to develop such a list when updating the CFS guidance document on Residential EV Charging Credit Revenue Requirements.

e) Allow for reporting of EVSE maintenance spending as a percentage ratio of Category 1 and Category 2 locations in the CFS guidance document on Residential EV Charging Credit Revenue Requirements and in reporting templates

Developing efficient processes and reporting standards to demonstrate compliance with Clean Fuel Standard spending is critical to ensure funding is being maximized towards electric transportation projects. CFS spending guidelines allow for funds to be used towards operations and maintenance of EV charging equipment to ensure reliability. This is an excellent use of funds, enabling long-term EV adoption and helping to mitigate range and charging anxiety, which remains a top concern for many potential and existing EV drivers today.

As charging infrastructure grows from tens to hundreds, and thousands of charging ports across the service territory, maintaining records of maintenance activities and spending by location is burdensome and inefficient. As the rule stands, this is necessary to allow for accurate reporting of spending across both Category 1 and Category 2. To reduce administrative burden and ensure CFS funds are being prioritized towards projects to support advancement of electric transportation across the state, Ecology should allow an aggregate reporting option to allow for applying a percentage of operations and maintenance spending towards Category 2 spending that aligns with the percentage of total ports in a service territory compared to total ports in Category 2 areas. This methodology significantly reduces the administrative burden of tracking spending at an asset level, while enabling station reliability across a utility's service territory.