



DEPARTMENT OF  
**ECOLOGY**  
State of Washington

# Washington's Clean Fuel Standard

---

Joel Creswell – Climate Policy Section Manager

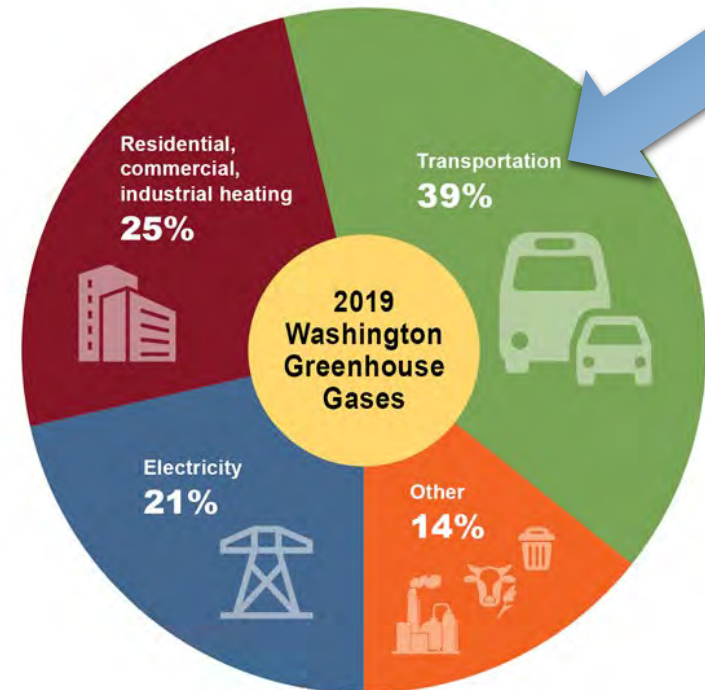
[joel.creswell@ecy.wa.gov](mailto:joel.creswell@ecy.wa.gov)

360-972-5035

# Why a Clean Fuel Standard?

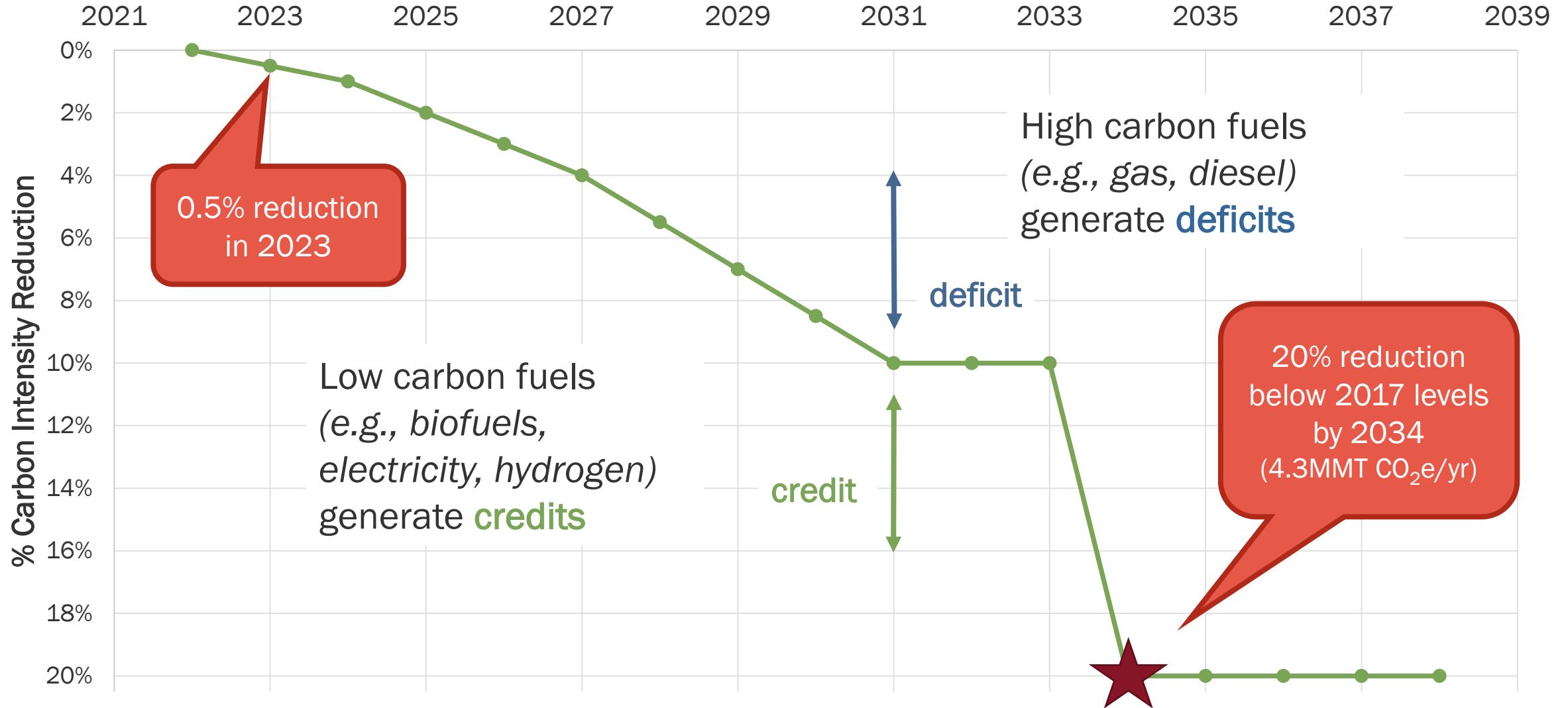
Transportation is Washington's greatest single source of greenhouse gas emissions.

- Transportation also a major source of air pollutants
- Washington will join California, Oregon and British Columbia in having clean fuel standards.



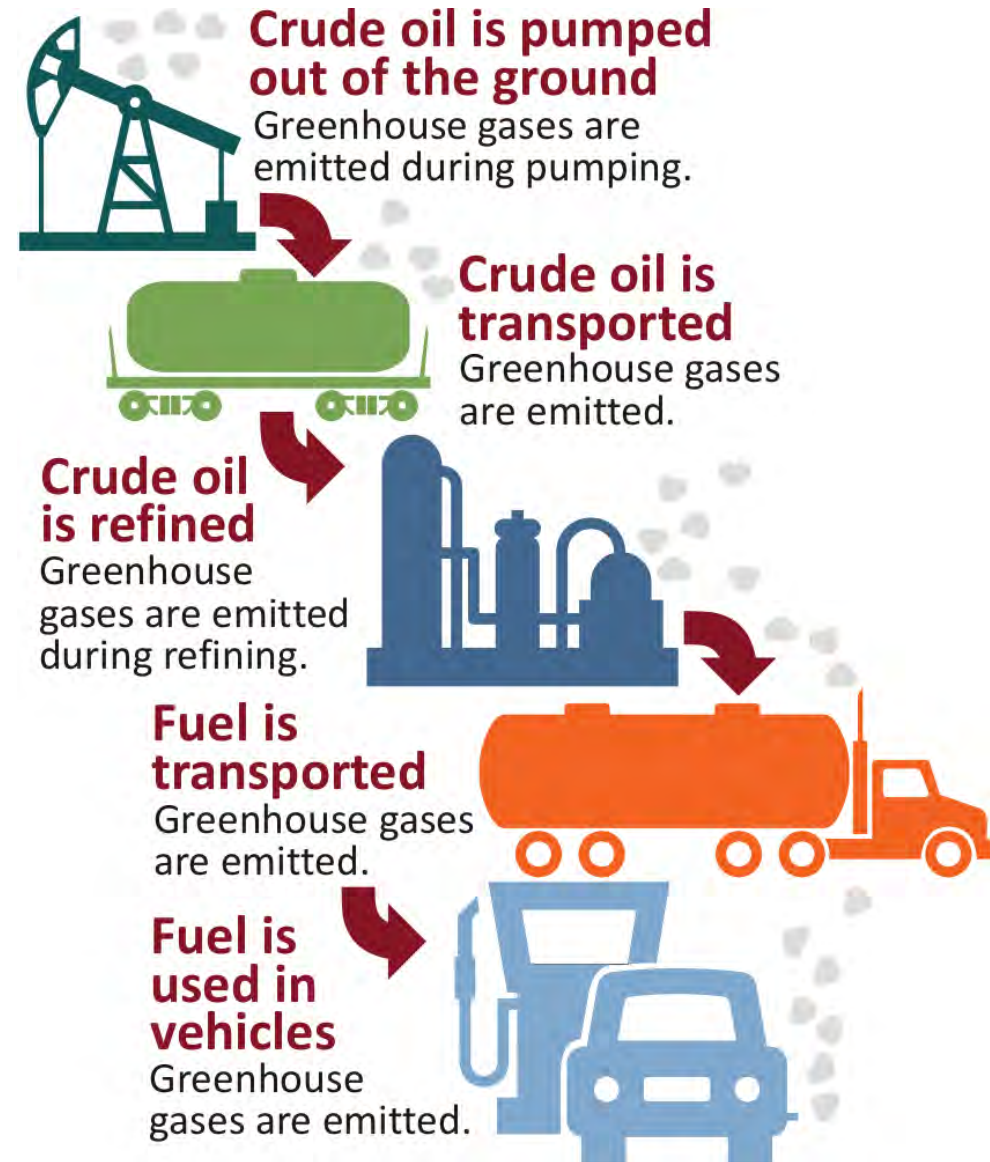
The Clean Fuel Standard will spur economic development, and will increase availability and affordability of low carbon fuels.

# What is a Clean Fuel Standard?

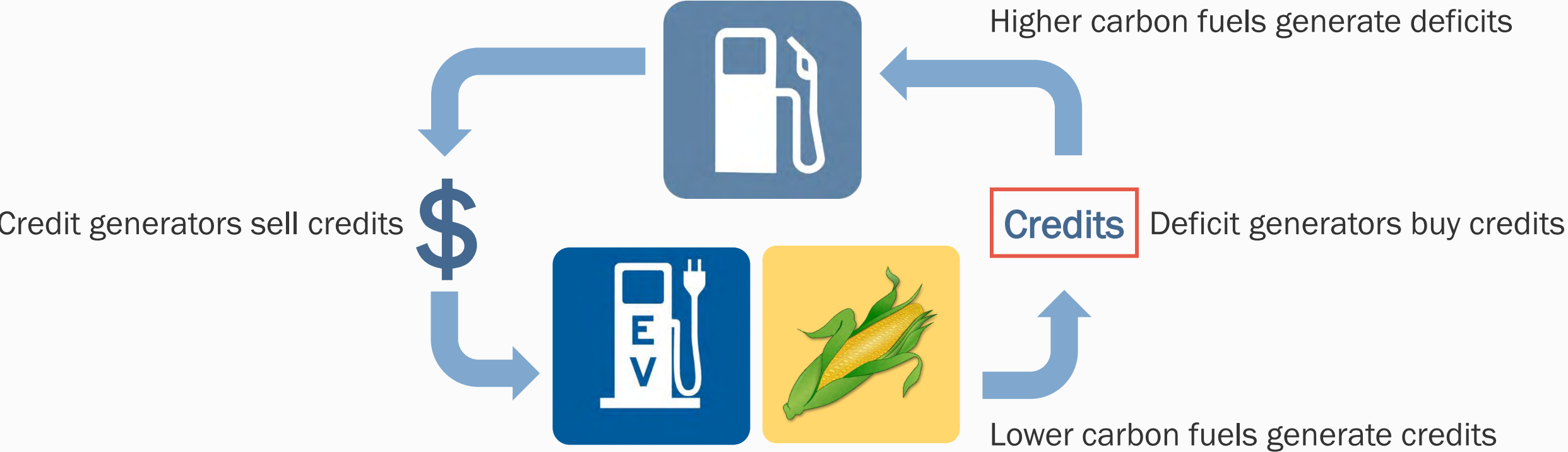


# What is Carbon Intensity?

“The quantity of  
life-cycle  
greenhouse gas  
emissions, per unit  
of fuel energy,  
expressed in grams of  
carbon dioxide equivalent  
per megajoule  
(gCO<sub>2</sub>e/MJ)”



# Market-Based System



# Regulated & Opt-in Fuels

## Regulated Fuels

(must participate)

Gasoline

Diesel or diesel fuel

Ethanol and blends 10 to 100%

Biomass-based diesel and blends

Fossil CNG, LNG, L-CNG

Propane/LPG

Hydrogen, compressed or liquefied

Any other liquid or non-liquid fuel

## Opt-in Fuels

(may participate)

Alternative Jet Fuel

Bio-CNG, bio-LNG, or bio-L-CNG

Electricity

# Exemptions

## Permanently Exempt Uses

Aircraft

Vessels

Railroad Locomotives

Military tactical vehicles

## Exempt Uses Through 2027

Dyed special fuels for offroad  
construction, logging, and mining

Dyed special fuel for agricultural use

# Credit Generation

## Credits for fueling a vehicle

## Capacity Crediting

Guaranteed return on investment for installing expensive infrastructure:

- Electric vehicle fast charging
- Hydrogen refueling

## Advance Crediting

Public entities borrow against future credit generation to fund electric vehicle/vessel purchases



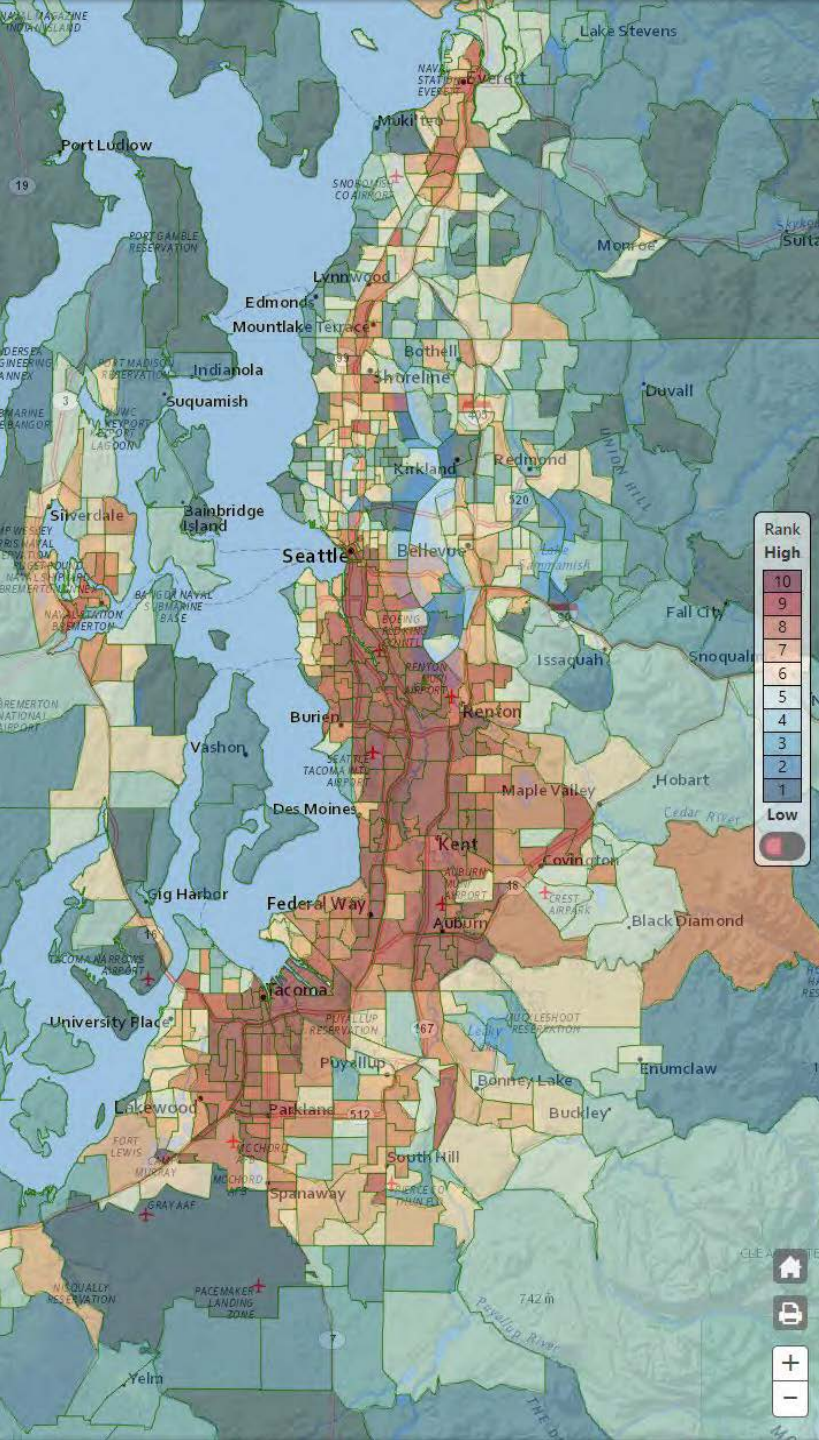


# Equity Provisions

- Electric utilities generate credits from residential EV charging
- Utilities *must* invest 30% and *are encouraged to* invest 80% of credit revenue in projects serving overburdened communities.

Ecology & WSDOT determine eligible project types.

Utilities report reinvestment activities to Ecology.



# How does the market work?

## Register

Fuel suppliers register in the Washington Fuel Reporting System

## Track energy usage

Track the fuel (e.g., kWh, gallons) used in transportation

## Submit reports

Report quarterly & annually on fuel supplied

## Verify

ECY reviews data, issues credits or deficits based on amount of energy used & carbon intensity

## Generate credits or deficits

Bank or sell credits in open market

# Program fee

- Ecology charges program participation and deficit generation fees.
- Participation fee: 5% of annual budget, deficit generation fee: 95%
- 2023 proposed fee: Credit generators – \$2,276; deficit generators – \$77,074

2024 and beyond	
Category 1 (highest fee)	Top 30% of deficit generators ✓ 70% of fee amount
Category 2 (middle fee)	Middle 30% of deficit generators ✓ 20% of fee amount
Category 3 (lowest fee)	Lower 30% of deficit generators ✓ 10% of fee amount
Exempt	Lowest 10% of deficit generators

# What's next?

# 2023

## January

Program Launch

WFRS Launch – registration open

Guidance documents and training materials available

## February

AFP Portal launch

Draft Fee Posted

Fee comment period  
Feb. 1 – Mar. 3

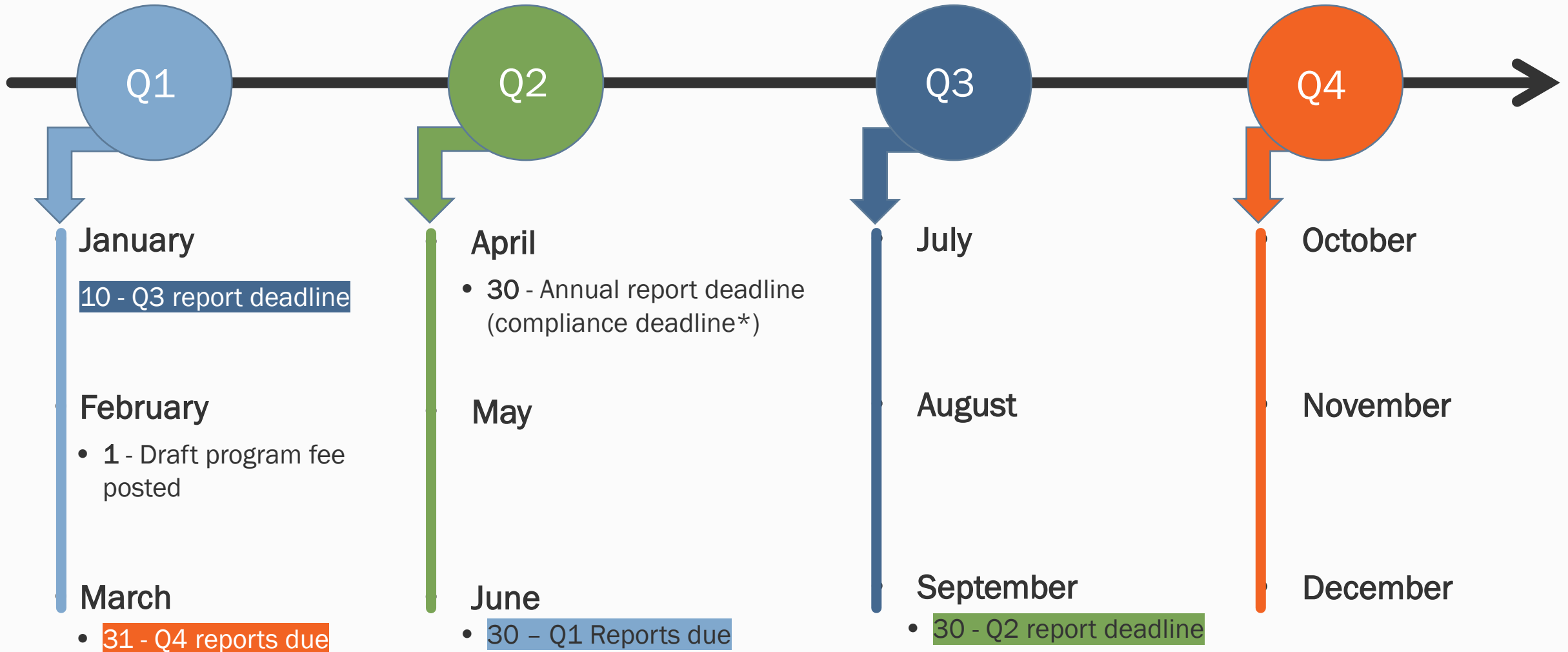
Training, webinars,  
technical support

## April & beyond

Reporting starts in Q2

Credit market begins

# Annual Program Deadlines



Credits are generated as soon as quarterly reports are verified by Ecology

\*2023 compliance obligations are deferred to 2024

# Thank you

Joel Creswell

[joel.creswell@ecy.wa.gov](mailto:joel.creswell@ecy.wa.gov)

360-972-5035

[ecology.wa.gov/cfs](http://ecology.wa.gov/cfs)

