<u>2SHB 1110</u> - H AMD 301 By Representative Fitzgibbon

ADOPTED 03/12/2019

- On page 3, line 26, after "Washington." insert "The standards established by the rules must be based on the carbon intensity of gasoline and gasoline substitutes and the carbon intensity of diesel and diesel substitutes."
- On page 5, line 26, after "section" insert ". Where such provisions would not produce results counter to the emission reduction goals of the program or prove administratively burdensome for the department, the rules should provide each participant in the clean fuels program with the opportunity to demonstrate appropriate carbon intensity values taking into account both emissions from production facilities and elsewhere in the production cycle"
- 12 On page 7, after line 18, insert the following:
- "NEW SECTION. Sec. 6. (1) The rules adopted under sections 3 and 4 of this act may allow the generation of credits from activities that support the reduction of greenhouse gas emissions associated with transportation in Washington, including but not limited to:
- 17 (a) Carbon capture and sequestration projects, including but not 18 limited to:
- 19 (i) Innovative crude oil production projects that include carbon 20 capture and sequestration;
 - (ii) Refinery investments in carbon capture and sequestration; or
 - (iii) Direct air capture projects;

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- (b) The fueling of electric vehicles using electricity certified by the department to have a carbon intensity of zero. Such electricity must include, at minimum:
- (i) Electricity for which a renewable energy credit or other environmental attribute has been retired or used only for purposes of the clean fuels program; and
- 29 (ii) Electricity produced using a zero emission resource, 30 including but not limited to solar, wind, geothermal, or the 31 industrial combustion of biomass consistent with RCW 70.235.020(3),

- that is directly supplied as a transportation fuel by the generator of the electricity;
- 3 (c) The provision of zero emission vehicle refueling 4 infrastructure, including but not limited to fast charging battery 5 electric vehicle infrastructure and hydrogen electric vehicle 6 refueling infrastructure; and
- 7 (d) The use of smart vehicle charging technology that results in 8 the fueling of an electric vehicle during times when the carbon 9 intensity of grid electricity is comparatively low.
- 10 (2) The rules adopted by the department may establish limits for 11 the number of credits that may be earned each year by persons 12 participating in the program for some or all of the activities 13 specified in subsection (1) of this section."
- Renumber the remaining sections consecutively and correct any internal references accordingly.
- On page 8, line 34, after "projects," strike "including" and insert "which may include"
- On page 9, line 3, after "projects," strike "including" and insert "which may include"
 - EFFECT: (1) Authorizes the Clean Fuels Program rules adopted by the Department of Ecology to allow the generation of credits for activities that support the reduction of greenhouse gas emissions associated with transportation ("Supportive Credit Generation Activities"), including, at minimum: (a) Carbon capture and sequestration projects; (b) electricity supplied as a transportation fuel from zero carbon resources; (c) the provision of zero emission vehicle infrastructure; and (d) smart vehicle charging technology.
 - (2) Authorizes the Department of Ecology's Clean Fuels Program rules to limit the number of credits that may be generated from Supportive Credit Generation Activities.
 - (3) Requires the Clean Fuels Program rules adopted by the Department of Ecology to establish transportation fuel carbon intensity reduction requirements based on the carbon intensity of gasoline and gasoline substitutes and diesel and diesel substitutes.
 - (4) Encourages the Department of Ecology's rules to encourage Clean Fuel Program participants with the opportunity to demonstrate carbon intensity values that take into account emissions from production facilities and elsewhere in the production cycle, where such rules would not produce results counter to emission reduction goals or prove administratively burdensome.

(5) Clarifies that renewable hydrogen projects are a type of transportation electrification project eligible for, but not required of, electric utility expenditures of Clean Fuel Program revenues.

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