



# Agenda Item B1 – Response to Comments on the Proposed Forecasted Fuel Supply Methodology

Meeting #2 – Friday, Dec. 16, 2016

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The purpose of this document is to demonstrate how ICF incorporated the comments received regarding their proposed forecasted fuel supply methodology presented at the November 2<sup>nd</sup> advisory committee meeting. All of the comments can be found here:

<http://www.deq.state.or.us/aq/cleanFuel/docs/cfacmeet1commentsmethodology.pdf>.

Commenter	Summary of Relevant Comments	Response and Recommended Changes to Memo
RPMG	<ul style="list-style-type: none"> <li>Noted that timing of fuel availability, duration, magnitude of estimated shortfall and any other info DEQ may need should be considered in the analysis.</li> </ul>	<ul style="list-style-type: none"> <li>No changes made.</li> </ul>
Oregon Fuel Association	<ul style="list-style-type: none"> <li>Availability: OFA makes the argument that if a fuel is not being shipped to the State of Oregon, it cannot be bought and that “it is as if the fuel does not even exist.”</li> <li>New Projects. Weight projects by completion date</li> <li>Banked fuel credits: implicit suggestion to weight banked fuel credits for “later years” of program, rather than immediate year.</li> <li>ODOT data: Note that ODOT and other trends may not account for increased rate of tourism that can increase demand for fuel.</li> </ul>	<ul style="list-style-type: none"> <li>Availability: ICF has addressed this in the current memo. The CFP creates value for fuels that are lower carbon so even if it isn’t used or doesn’t exist in Oregon, that wouldn’t hold true in the future.</li> <li>New projects: These will be accounted for properly in our analysis. No change to memo required.</li> <li>Banked fuel credits: Banked credits are exogenous to the model ICF is creating to conduct the fuel forecast. DEQ will use this information in determining whether the deferral gets triggered.</li> <li>ODOT data: ICF added this to the memo.</li> </ul>
Clean Energy	<ul style="list-style-type: none"> <li>Lack an economic impact analysis</li> <li>Lacks a narrow definition of “available fuel supply”; does not take into account the amount of fuel that is already committed to California under the LCFS</li> </ul>	<ul style="list-style-type: none"> <li>DEQ has directed ICF to consider physical constraints to fuels getting to Oregon, not economic ones.</li> <li>It is not the explicit objective of the fuel forecast to determine available fuel supply as a function of</li> </ul>

		<p>every conceivable variable. ICF has accounted for the critical variables in the memo.</p> <ul style="list-style-type: none"> <li>• No changes made.</li> </ul>
WSPA	<ul style="list-style-type: none"> <li>• Competition for alt fuels: Note demand for low CI fuels in California (domestic); international biofuel imports come from many places with many factors outside of CFP</li> <li>• Jurisdictional constraints by Portland: city is issuing new amendments on land use requirements for fossil fuel infrastructure</li> <li>• Current infrastructure: Dept of Weights/Measures requires E10; obligated parties will have to 2x max cargo size; vehicle availability</li> <li>• Banked credits: important to “tread carefully”</li> </ul>	<ul style="list-style-type: none"> <li>• ICF believes that their methodology already accounts for this.</li> <li>• ICF will track jurisdictional constraints enacted by City of Portland and consider in the fuel forecast methodology.</li> <li>• The constraints on infrastructure are already explicitly accounted for in our methodology.</li> <li>• See comment re: banked credits above.</li> </ul>

## Accessibility

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