



CFP Expansion 2022 - Listening Session

Oregon Clean Fuels Program

Oct. 13, 2021
Webinar

General Webinar Etiquette

- Please set your display name to your name and organization (ie, “Bill Peters, Oregon DEQ”)
- Please stay on mute when you are not speaking
- When you want to speak, **use the “Raise Hand” button to get in the queue**; if joined by phone, press *9 to raise hand
 - When it is your turn to speak, we will call on you
 - Say your name and affiliation before speaking
- Use the “Chat” only for troubleshooting technical issues

Today's Agenda

- ❑ Introductions
- ❑ Updates from DEQ
- ❑ Plan for the CFP Expansion 2022 Rulemaking
- ❑ Initial Thoughts from DEQ
- ❑ Stakeholder Input
- ❑ Next Steps

Since 2016, the Clean Fuels Program has...

- Reduced about 5.3 million tons of GHGs on a lifecycle basis
- Met and exceeded the CFP GHG reduction standards every year
- Supported the displacement of about 1 billion gallons of fossil fuels
- Lowered the carbon intensity of ethanol and biodiesel by about 20%
- Increased the blend rate of biodiesel & renewable diesel to about 13%
- Enabled the state's utilities to invest almost \$20 million in EV projects

Implementing the CFP Electricity 2021 Rulemaking

- We have:
 - Issued Updated Electricity Carbon Intensity Values for 2021
 - Added REC-based claims pathway
 - Added new EERs to the reporting system
- Guidance has been issued on:
 - How to Retire Renewable Energy Certificates to Generate Incremental Credits
 - Requesting an EER-adjusted Carbon Intensity Using a Tier 2 Pathway Application
 - Requesting a Biogas-to-Electricity Pathway Using a Tier 2 Pathway Application
 - How to Apply for Advance Crediting Projects
- Still working on:
 - Incremental Credits and the Incremental Aggregator
 - Equity Advisory Committee
 - New Reporting Requirements for Electric Utilities
 - How a Utility Voluntary Green Power Program can Generate Incremental Credits

Implementing Third Party Verification

- We have:
 - Accepted applications for verifiers and verification bodies
 - Completed Verifier Training on the Clean Fuels Program
 - Administered exams
- We are in the process of approving verifiers and verification bodies
- Verification statements are required for 2021 data:
 - Quarterly reporters that generate more than 6,000 credits/deficits
 - Holders of certified fuel pathways that generate more than 6,000 credits/deficits

Illustrative Compliance Scenarios

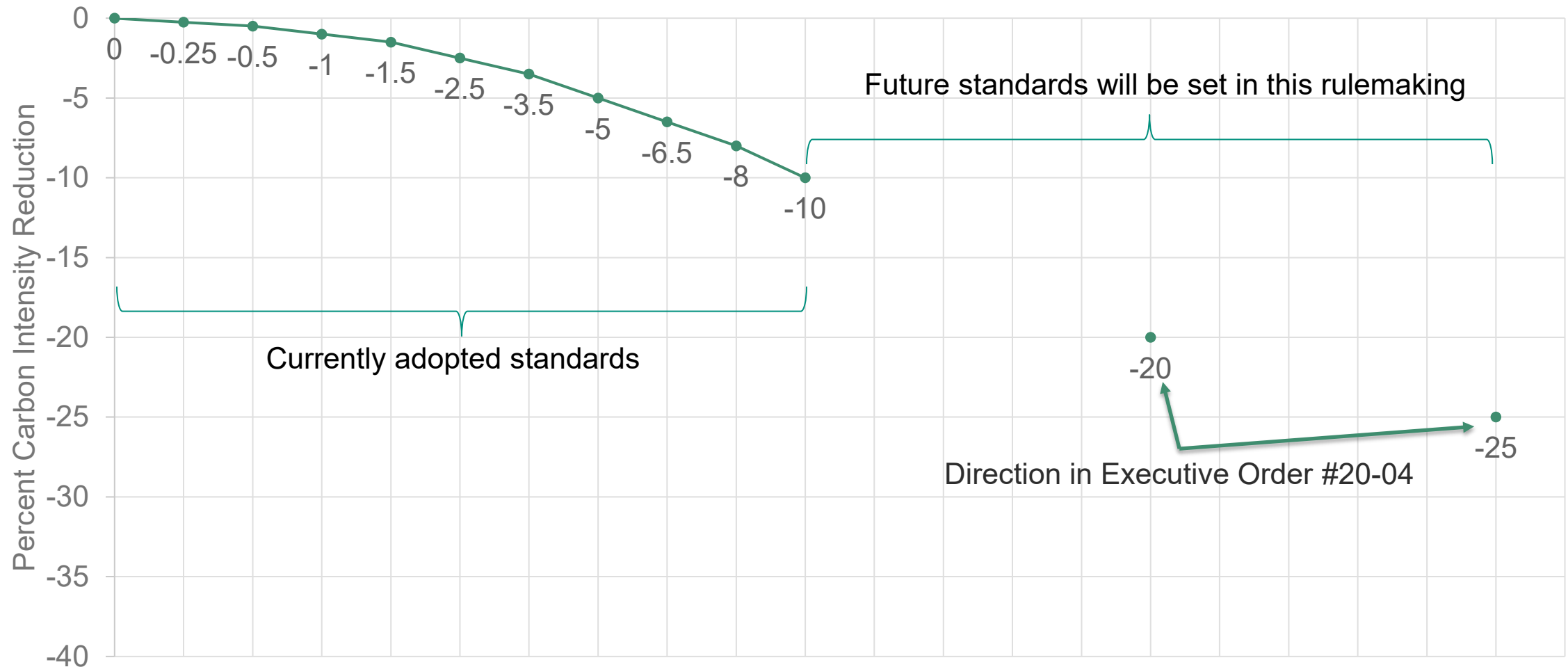
ICF developed three main scenarios where:

- A – compliance is met primarily through credits generated from electricity associated with the adoption of additional LD and MD/HD ZEV regulations including Advanced Clean Cars for the LD and Advanced Clean Trucks for MD/HD. Biofuels are then used to achieve the remainder of the 20% by 2030 and 25% by 2035 CI reduction targets.
- B – compliance is met through a combination of existing LD ZEV regulations and biofuels to achieve the 20% by 2030 and 25% by 2035 CI reduction targets.
- C – potential CI reduction targets in excess of the 20% by 2030 and 25% by 2035 CI reduction targets are demonstrated by: adding the LD and MD/HD ZEV regulations from Scenario A; maintaining biofuel blending levels from Scenario B; and adding additional consumption of other fuels requiring alternative technologies (i.e., natural gas and hydrogen).

Draft Timeline for this Rulemaking

- 4 - 5 meetings are scheduled between November 2021 and June 2022
- Start of public comment period, issuance of Notice of Proposed Rulemaking: July 2022
- Public hearing, End of public comment period: August 2022
- EQC consideration of rulemaking: September 2022

Extending the Oregon Clean Fuel Standards



Other Potential Rulemaking Topics

- Possible addition of new Energy Economy Ratios
- Possible corrections and updates to the models/calculators to calculate carbon intensity
- Other housekeeping changes such as:
 - Clarify language for regulated parties for liquid fuels
 - Clarify language for propane fuel supply equipment
 - Include more process language about deregistration, acquisition by another registered party, etc.

Listening Session

- Provide a balance of speaking time
- Listen to understand and ask questions to clarify
- Respect each other's viewpoints, values and interests
- When you want to speak, **use the “Raise Hand” button to get in the queue**; if joined by phone, press *9 to raise hand
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Additional written comments will be accepted
through Wednesday, Oct. 20, 2021 at:

CFP2022@deq.state.or.us