

October 3, 2024

Adam Saul Clean Fuels Program Washington State Department of Ecology 300 Desmond Drive SE Lacey, WA 98503

Via electronic submission

## Re: Proposed Changes to the Clean Fuels Program Rulemaking (Chapter 173-424 WAC)

Mr. Saul:

Thank you for the opportunity to comment in response to the proposed changes to the Washington Clean Fuels Program (CFS) Rulemaking (Chapter 173-424 WAC). The National Oilseed Processors Association (NOPA) appreciates being able to share our observations. NOPA members have a vital interest in these issues.

Organized in 1930, NOPA represents the U.S. soybean, canola, flaxseed, safflower seed, and sunflower seedcrushing industries. NOPA's membership includes 17 members that are engaged in the processing of oilseeds for meal and oil that are utilized in the manufacturing of food, feed, renewable fuels, and industrial products. NOPA member companies operate over 70 softseed and soybean solvent extraction plants across 21 states. NOPA members crush over 95% of all soybeans processed in the United States. Soybeans are made of up of approximately 80% meal and 20% oil meaning as more oil becomes available for renewable energy use, even more meal will become available for food and feed use. NOPA members have been building capacity to process domestic row crops into biofuel feedstocks in line with state and federal renewable fuel provisions. NOPA members – and new entrants into the soy processing sector — have announced plans to invest approximately \$6 billion to expand U.S. crushing capacity by nearly 30% relative to 2023 installed capacity.

NOPA supports Washington's CFS which drives demand for biodiesel, renewable diesel and sustainable aviation fuel (SAF), and encourages investment in low carbon feedstocks and value-added agricultural opportunities. We appreciate the work that the Washington Department of Ecology is doing to update the program.

While NOPA appreciates Ecology's inclusion of new third-party verification measures to align with provisions adopted by California and Oregon, we would urge Ecology to take additional steps to address the legitimacy of imported feedstocks as domestic biodiesel fuel producers are increasingly preferring imported foreign waste feedstocks such as Used Cooking Oil (UCO) and tallow. In fact, from January 1, 2023 to June 30, 2024, the United States imported a total of 7.9 billion pounds of UCO and tallow, roughly equal to the soybean oil crushed from an equivalent of over 650 million bushels. NOPA members crush approximately 2 billion bushels annually. To put this into perspective, the United States imported a total of 10 billion pounds of UCO and tallow between 2000 and 2021. While we recognize and support the need for low carbon and waste-

based feedstocks, NOPA encourages Ecology to undergo additional scrutiny, monitoring, and traceability of imported feedstocks. Such actions will ensure continued program confidence and compliance.

In addition, while NOPA appreciates the need for regulatory compatibility to align with other state LCFS programs, including California, we urge Ecology to continue to oppose restrictions on the use of vegetable oil as a biofuel feedstock. First and foremost, capping the use of vegetable oils will significantly increase fuel costs. Because vegetable oil is currently one of the most efficient and cost-effective feedstocks, limiting use will constrain the supply of biodiesel and renewable diesel, which is already an important component of Washington's efforts to reduce greenhouse gas emissions and transition to cleaner energy sources. Such an artificial limitation will create a supply-demand imbalance, driving up both the costs of renewable diesel production and the price at the pump for consumers. Indeed, an artificial cap on vegetable oil feedstocks will lead to more combustion of fossil diesel fuel, higher fuel prices at the pump, and poorer air quality. It may also lead to a surge of imported foreign feedstocks - some of which may not be legitimate - to fuel Washington instead of local U.S. grown options - all at the expense of the U.S farmer, the U.S. crusher and the Washington state taxpayer. Capping vegetable oil usage would create a bottleneck in renewable diesel production and risk stalling the progress already made to reduce carbon emissions. In 2022 alone, California's greenhouse gas emissions decreased by 2.4%, or 9.3 million metric tons, in part due to increased renewable fuels use and cargo trucks shifting from diesel to biofuels. In fact, from 2000 to 2022, emissions fell by 20% in California. Biofuels have been a key driver to California's success in lowering emissions and we look forward to helping Washington state lower its emissions through biofuel usage.

NOPA is eager to continue working with Ecology to support the role of agriculture in diversifying the fuel supply through more sustainable feedstocks and supporting cleaner fuel options in Washington and beyond. On behalf of America's soybean processors, we appreciate this opportunity to comment and look forward to collaborating with Ecology and other relevant stakeholders to enact policies that will address climate change while expanding the use of soy-based biofuels and market opportunities for soybean farmers.

Sincerely,

## Kailee Tkacz Buller

Kailee Tkacz Buller President & CEO National Oilseed Processors Association www.nopa.org