

SENATE BILL REPORT

SB 5362

As of February 3, 2023

Title: An act relating to advancing the due date for the department of ecology's report on the effects of the clean fuels program.

Brief Description: Advancing the due date for the department of ecology's report on the effects of the clean fuels program.

Sponsors: Senators MacEwen, Dozier, Short, Torres and Wilson, L..

Brief History:

Committee Activity: Environment, Energy & Technology: 2/03/23.

Brief Summary of Bill

- Requires the Department of Ecology to post the report regarding the previous calendar year of Clean Fuels Program (program) activities beginning February 1, 2024, rather than May 1, 2025.
- Removes the requirement for the report on program activities to be submitted to the appropriate committees of the Legislature.

SENATE COMMITTEE ON ENVIRONMENT, ENERGY & TECHNOLOGY

Staff: Angela Kleis (786-7469)

Background: The Legislature enacted the Clean Fuel Program (program) in 2021, and directed the Department of Ecology (Ecology) to implement the program no later than January 1, 2023. The rules adopted must reduce greenhouse gas emissions attributable to each unit of the fuels to 20 percent below 2017 levels by 2038 based on a statutory schedule. Transportation fuels exported from the state are not subject to the greenhouse gas emissions reduction requirements of the program.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Beginning May 1, 2025, and each May 1st thereafter, Ecology must post a report on the its website that includes specified information, such as the number of credits and deficits generated by entities participating in the program, and volumes of each transportation fuel and average price per credit used to comply with the program, regarding the previous calendar year of the program's activities. Ecology must also submit this report to the appropriate committees of the Legislature by May 1, 2025, and each May 1st thereafter.

Ecology was directed to contract for a one-time ex-ante independent analysis of the best estimate or range in probable costs or cost savings attributable to the program per gallon gasoline, and per gallon of diesel covering each year of the program through 2038. Ecology submitted the analysis to the Legislature on May 15, 2022, and a cover letter for the analysis on July 1, 2022.

Summary of Bill: Ecology must post the report regarding the previous calendar year of program activities beginning February 1, 2024, rather than May 1, 2025. Each report thereafter must be posted in February rather than in May.

The requirement for the report on the program activities to be submitted to the appropriate committees of the Legislature, and the provisions requiring the one-time ex-ante independent analysis, are removed.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: We rely on information to make informed decisions. Moving up the reporting date is important as the Legislature continues to rely on this information to make decisions on the program and the Climate Commitment Act.

CON: Companies do not have to demonstrate compliance until 2025; information needed for an earlier report date will not be available. Ecology will regularly post program performance data on its website.

Persons Testifying: PRO: Senator Drew MacEwen, Prime Sponsor.

CON: Joel Creswell, Washington Department of Ecology.

Persons Signed In To Testify But Not Testifying: No one.