

# Introduction to Washington's Clean Fuel Standard



**SRECTrade**  
AN XPANSIV COMPANY



# Who We Are

SINGLE PARTNER TO SOURCE, MANAGE, TRANSACT, & MONETIZE ESG COMMODITIES GLOBALLY



**Leaders in Environmental Commodity Management**



**Source of Funding to Deploy & Operate Clean Energy Assets**



**Regulatory Program and Market Experts**



**Proprietary Technology Platform**



UNIQUE COMMODITY PRODUCTS TRANSACTED



ANNUAL CUSTOMER RETENTION



ASSETS ON OUR PLATFORM



DISTINCT CLIENT ACCOUNTS



ENVIRONMENTAL COMMODITY VALUE SETTLED



RENEWABLE ENERGY USING OUR PLATFORM

# Washington Sets Aggressive Goals

**THE CLIMATE COMMITMENT ACT AIMS TO REDUCE GHG EMISSIONS BY 45% BY 2030**

- Cap-and-Invest Program
- Clean Building Act
- Clean Energy Transformation Act
- Clean Fuel Standard

# What is a Clean Fuel Standard?

## ACCELERATES INVESTMENT IN AND ADOPTION OF LOW-CARBON TRANSPORTATION FUELS AND VEHICLES

- **Market-based compliance program** that provides funding for deployment and operation of clean equipment
- System of **credits and deficits** based on the **carbon intensity** (lifecycle emissions) of regulated fuels
- Carbon intensity benchmark gets stricter each year
- **Cleaner fuels generate more credits**
- **Petroleum companies purchase credits** to demonstrate compliance





# Clean Fuel Regulation is Expanding

**SRECTRADE ENSURES TIMELY AND OPTIMAL PROGRAM USE ACROSS NORTH AMERICA**

## LEGISLATION INTRODUCED

- New Mexico
- New York
- Minnesota
- Illinois

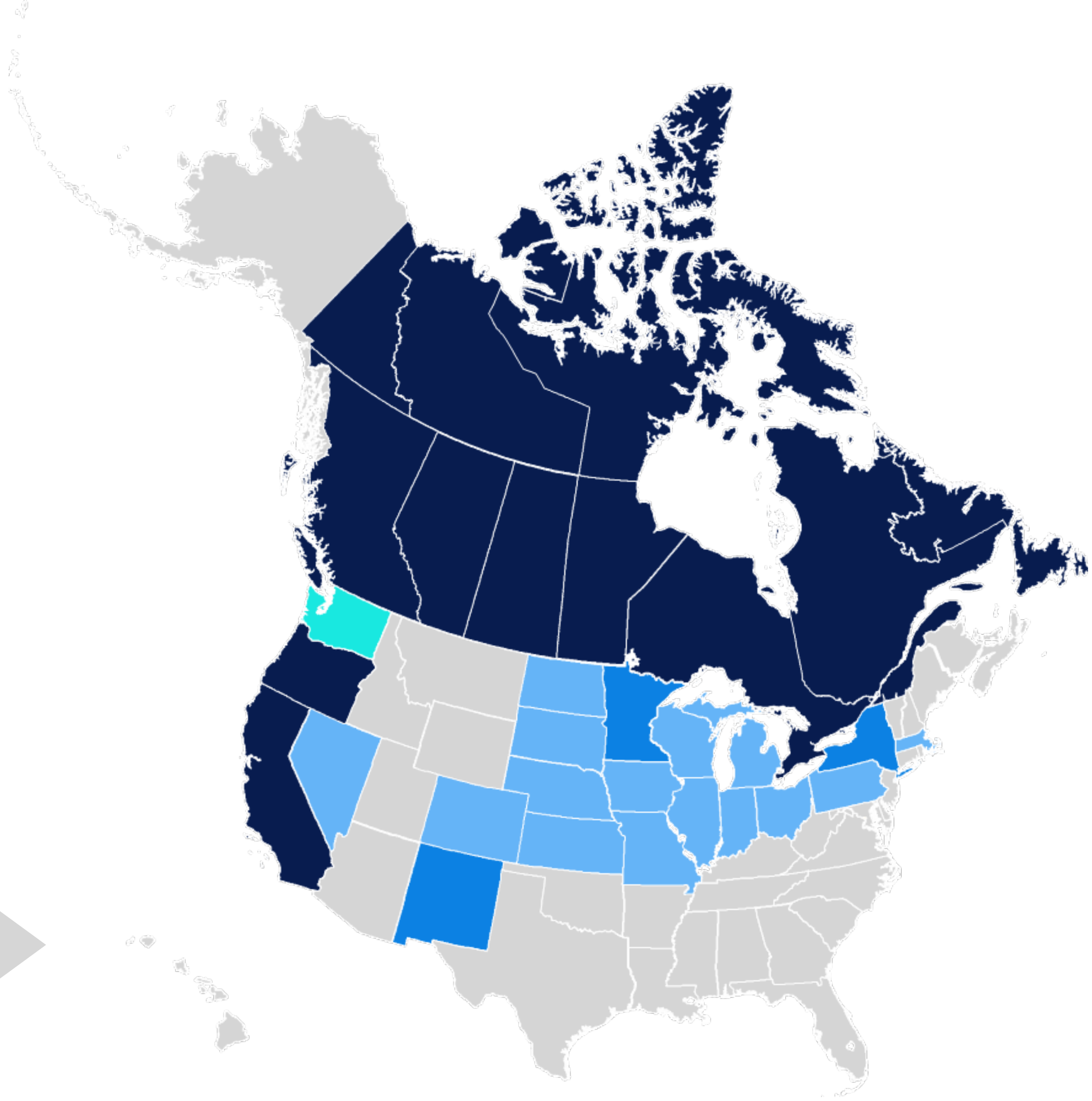
## ACTIVE PROGRAM

- California
- Oregon
- British Columbia



## REGULATORY RULEMAKING

- Washington (2023)



# Planning Ahead

## BEST PRACTICES FOR MAXIMIZING PROGRAM BENEFITS

- Understand which of your assets are eligible.
- Ensure you have the rights to the credits.
- Set up data collection practices to ensure eligibility.
- Understand ways to maximize the value of your credits.

# Eligible Assets

## MANY TYPES OF CLEAN FUEL ASSETS COULD BE GENERATING CREDITS

### Electric Vehicle Charging

- Public
- Workplace
- Publicly Accessible Dwellings
- Transit Fleets
- Commercial and Industrial Fleets
- Multi-unit Dwellings

### Electric Cargo Handling

- Bulldozers
- Loaders
- Cranes (e.g. RTG & RMG)
- Stackers
- Lifters
- Excavators

### Electric Lift Trucks

- Motor Ride Trucks
- Forklifts
- Narrow Aisle Trucks
- Pallet Jacks
- Tow Tractors and Tuggers
- Rough Terrain Forklifts

### Shore Power

- Tanker
- Bulk/General
- Ro-Ro/Auto Carrier
- Cruise
- Container
- Reefer

### Electric Fixed Guideways

- Light Rail
- Heavy Rail
- Cable Car
- Streetcar
- Trolley Bus

### Gaseous Fuels

- Compressed Natural Gas
- Renewable Natural Gas
- Hydrogen
- Bio-Fuels

# Credit Rights and Ownership

VEHICLE/FUEL TYPE	REGISTERED ASSET	DEFAULT CREDIT GENERATOR*
EVs, CNG, & Hydrogen Fueling	Fueling Station	Station Owner
eForklifts, eCHE, and eOGV <small>CHE = cargo handling equipment  OGV - ocean going vessel</small>	Facility	Facility Owner
eTRUs <small>TRU = transportation refrigeration unit</small>	Each eTRU	eTRU Owner
Renewable Liquid and Gaseous Fuels	Fueling Station	Fuel Producer

\* Credit rights are structured differently for residential charging.



# Usage Reporting

For EV charging, your data must be accurate & collection must meet program rules

## BEST PRACTICE

- Smart Metering

## ACCEPTABLE / NOT PREFERRED

- Utility Metering
- Submeter Photos

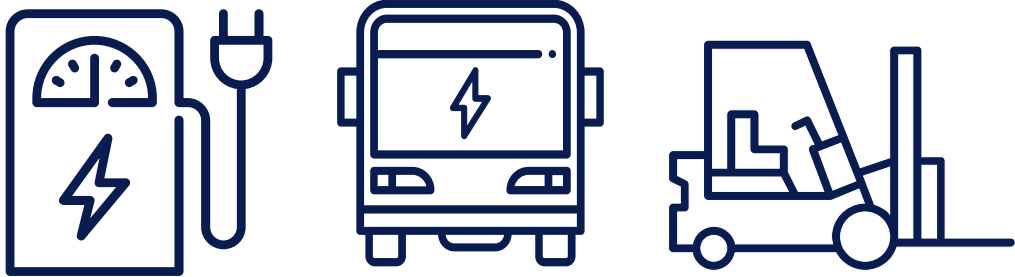
## NOT ACCEPTABLE

- Vehicle Telematics (with limited exceptions)
- Mixed Load Meter
- kWh Estimation (except forklifts)

# Reducing Carbon & Increasing Revenue

GENERATE MORE CREDITS AND VALUE USING 100% RENEWABLE ENERGY

## Grid Electricity



CFS Credits

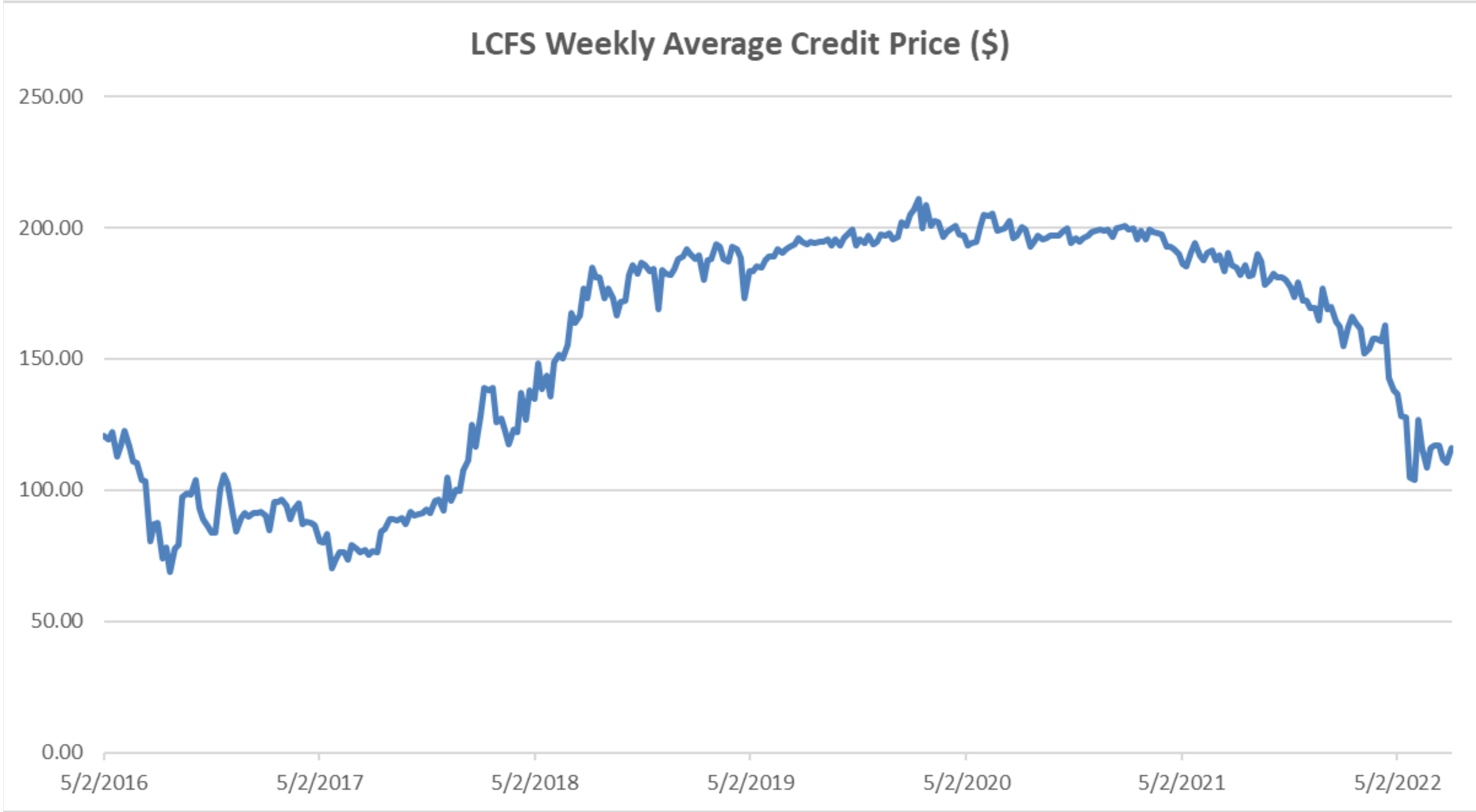
## 100% Renewable



More CFS Credits

# What Will Credits Be Worth?

## MARKET FLUCTUATES BASED ON SUPPLY AND DEMAND FOR CREDITS



### Gross Value for Light-Duty EV Charging

~\$0.20/kWh @ \$175

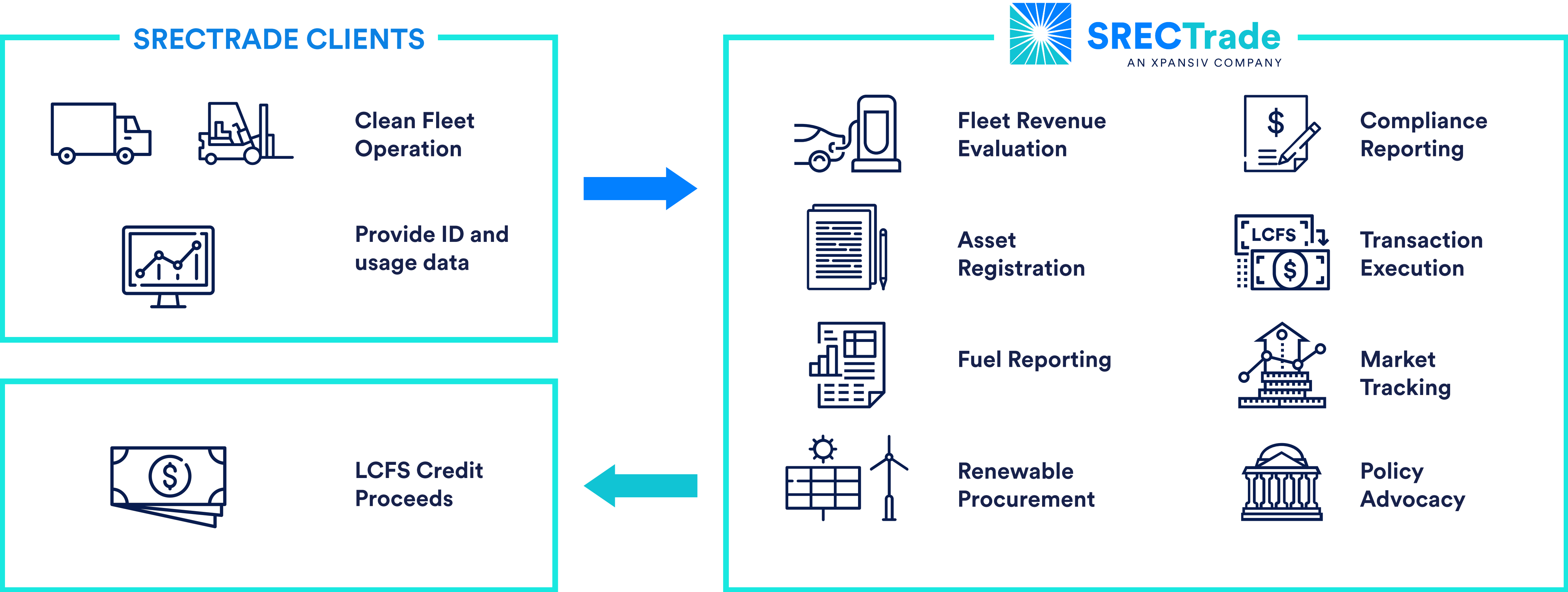
~\$0.14/kWh @ \$125

~\$0.08/kWh @ \$75

Note: This data from CARB only reflects "Type 1" transfers and is not fully indicative of market prices available at the time

# SRECTrade Management & Transaction Services

FULL-SERVICE MANAGEMENT OF ALL ENVIRONMENTAL COMMODITY ACTIVITIES WITH NO OUT-OF-POCKET COST



# Clean Fuel and REC Management Services

SINGLE PARTNER TO SOURCE, MANAGE, TRANSACT, AND MONETIZE ESG COMMODITIES GLOBALLY

1

## Find how much you can get paid

Provide information describing equipment and use. SRECTrade will provide a detailed revenue estimate.

2

## Review the simple service agreement

Short and clear. No long-term obligations. Declining fee reductions. No upfront cost or invoice.

3

## Get started

Credits not generated are lost each quarter. "Learn while doing" and getting paid. Leave when you like — 99%+ of clients stay annually.

### ELIGIBLE ASSETS CHECKLIST

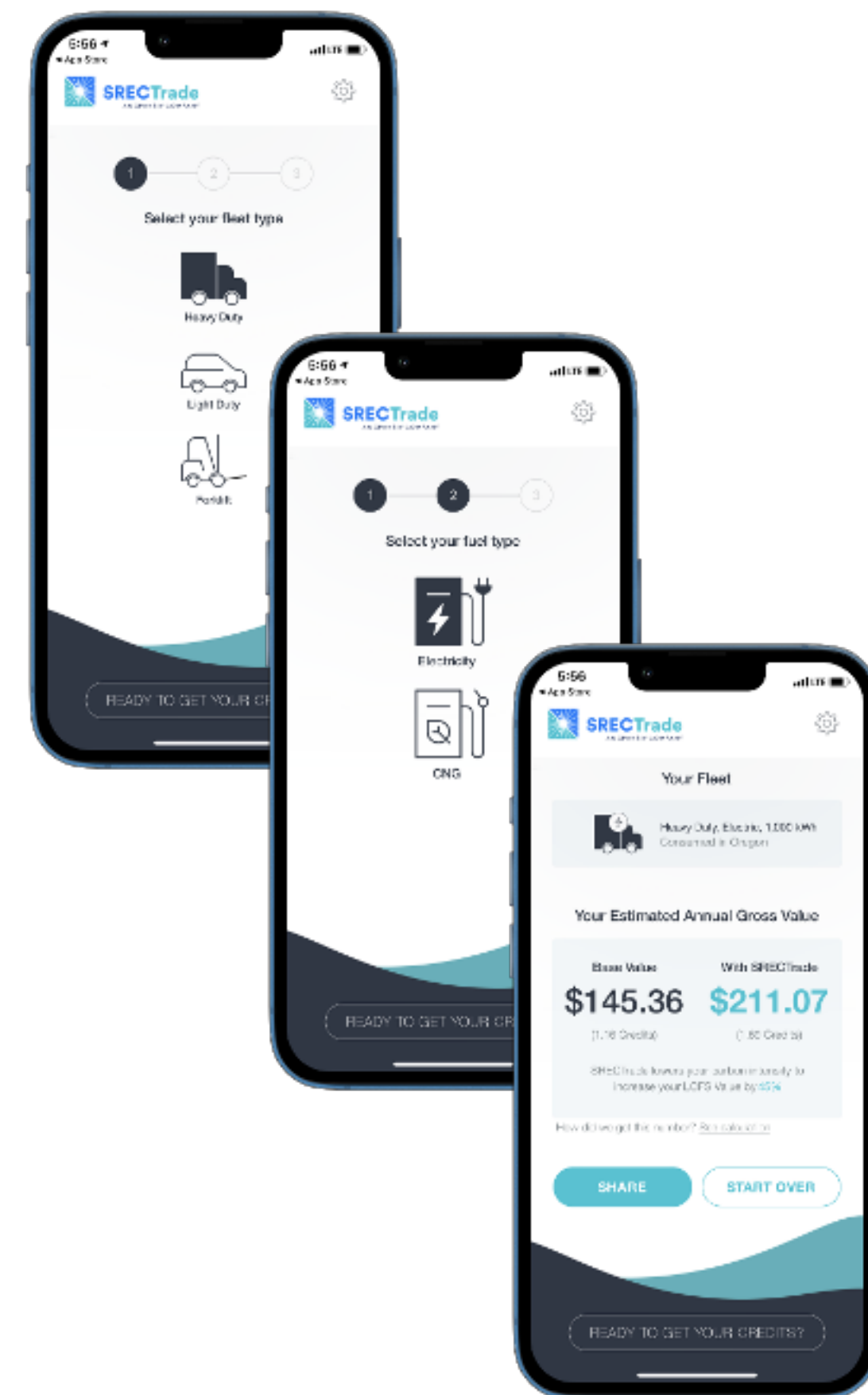
<b>Heavy Duty Vehicles</b> <ul style="list-style-type: none"><li><input type="checkbox"/> Yard Truck, Coal Hauler</li><li><input type="checkbox"/> Utility Tractor Rig (UTR)</li><li><input type="checkbox"/> On-Road EV Charging</li><li><input type="checkbox"/> Prime Mover (Includes Automated Guided Vehicles)</li></ul>	<b>Electric Power for Ocean Going Vessels</b> <ul style="list-style-type: none"><li><input type="checkbox"/> Tanker</li><li><input type="checkbox"/> Bulk/General</li><li><input type="checkbox"/> Ro-Ro/Auto Carrier</li><li><input type="checkbox"/> Cruise</li><li><input type="checkbox"/> Container</li><li><input type="checkbox"/> Reefer</li></ul>
<b>Light and Medium Duty</b> <ul style="list-style-type: none"><li><input type="checkbox"/> Level 2</li><li><input type="checkbox"/> DCFC - CHADEMO</li><li><input type="checkbox"/> DCFC - CCS</li><li><input type="checkbox"/> DCFC - TESLA</li></ul>	<b>Cargo Handling Equipment</b> <ul style="list-style-type: none"><li><input type="checkbox"/> Bulldozer</li><li><input type="checkbox"/> Side Handler</li><li><input type="checkbox"/> Loader</li><li><input type="checkbox"/> Top Handler</li><li><input type="checkbox"/> Aerial Lift</li><li><input type="checkbox"/> Beach Stacker</li><li><input type="checkbox"/> Excavator</li><li><input type="checkbox"/> Aerial Stacker</li><li><input type="checkbox"/> Rubber-Tired Gantry Crane (RTG)</li><li><input type="checkbox"/> Rail-Mounted Gantry Crane (RMG)</li><li><input type="checkbox"/> Automated Stacking Crane</li></ul>
<b>Electric Lift Trucks</b> <ul style="list-style-type: none"><li><input type="checkbox"/> Forklifts</li><li><input type="checkbox"/> Walkie Riders</li><li><input type="checkbox"/> Pallet Jacks</li><li><input type="checkbox"/> Rider Trucks</li><li><input type="checkbox"/> Order Pickers</li><li><input type="checkbox"/> Aisle Trucks</li><li><input type="checkbox"/> Tuggers</li><li><input type="checkbox"/> Hand Trucks</li><li><input type="checkbox"/> Towing Tractors</li><li><input type="checkbox"/> Rough Terrain Forklifts</li></ul>	<b>Gaseous Fuels</b> <ul style="list-style-type: none"><li><input type="checkbox"/> CNG</li><li><input type="checkbox"/> Bio-Fuels</li><li><input type="checkbox"/> RNG</li><li><input type="checkbox"/> Hydrogen</li></ul>
<b>Fixed Guideways</b> <ul style="list-style-type: none"><li><input type="checkbox"/> Light Rail</li><li><input type="checkbox"/> Street Car</li><li><input type="checkbox"/> Heavy Rail</li><li><input type="checkbox"/> Trolley Bus</li><li><input type="checkbox"/> Cable Car</li></ul>	<p>Other equipment types or those known by other names may qualify. Contact SRECTrade today to discuss what can earn you an additional, recurring income stream.</p>



# Estimating the Proceeds SRECTrade Pays You

UPON SALE SRECTRADE NOTIFIES CLIENTS TO CHECK BANK AND SRECTRADE ACCOUNTS

1. Download the SRECTrade LCFS Calculator App to your iPhone or Android.
2. Use the app to estimate the gross revenue potential from assets operating in current clean fuel markets.
3. Contact SRECTrade for a more detailed revenue analysis, identifying eligible assets and the variables that maximize value



# Questions?

## Evan Rosenberg

Sr. Manager, Business Development

[Evan.Rosenberg@SRECTrade.com](mailto:Evan.Rosenberg@SRECTrade.com)

(415) 651-7781

## Iman Nordin

Business Development Manager

[Iman.Nordin@SRECTrade.com](mailto:Iman.Nordin@SRECTrade.com)

(415) 508-6625

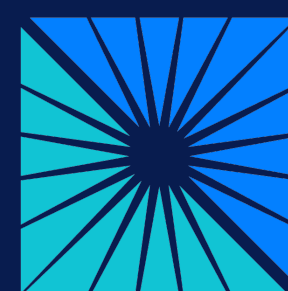
VISIT US AT

# The Green Transportation Summit & Expo

AUGUST 16 - 18 | BOOTH #301

# Thank You

[CleanFuels@SRECTrade.com](mailto:CleanFuels@SRECTrade.com)



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