



Advance Credit Guide

Applying for Advance Credits under Washington's Clean Fuel Standard

Overview

Washington's [Clean Fuel Standard \(CFS\) program](#) helps lower climate pollution from transportation. The biggest source of greenhouse gases in Washington, and the CFS aims to cut emissions from transportation by 45% below 2017 levels by 2038. It supports making cleaner, low-carbon fuels more available and affordable across the state.

How the program works

- **Annual standard:** Ecology sets a requirement to reduce the amount of greenhouse gas emissions in transportation fuels. year. Each year, the standard lowers.
- **Fuel suppliers must meet the standard by:**
 1. Lowering the carbon emissions from the fuels they make or sell, or
 2. Buy credits from companies that already provide cleaner fuels in Washington

Cleaner fuels bring wide benefits

- **Healthier air** for our communities
- **New jobs** in clean energy
- **Lower fuel costs** as lower carbon technologies grow

Advance credits help bring these benefits home

Some projects, such as ferries, heavy-duty trucks, and large bus fleets, have higher upfront costs. [Advance credits](#) allow approved projects to gain CFS credits upfront, instead of waiting to generate them over time, to help agencies recover those early expenses and keep big projects moving.

Projects that may qualify

Public agencies can seek advanced credits for projects such as:

- **Medium and heavy-duty vehicles and infrastructure** (such as electric trucks or charging stations)
- **Light-duty vehicles and infrastructure**, if part of a plan to fully electrify its light-duty fleet within 15 years
- **Electrification of the state ferry fleet and other large vessels**
- **Public transit upgrades**, including replacing city buses or expanding charging and fueling infrastructure
- **Other projects** Ecology identifies as effective at reducing transportation emissions and able to generate credits under the CFS

Eligible applicants

Public agencies or organizations may apply for advance credits if projects are funded through the state's transportation budget, as long as those projects reduce greenhouse gas emissions and help decarbonize the transportation sector.

- Public transit agencies
- Cities, counties, and other political subdivisions
- Tribal governments
- School districts
- Contractors that serve a public agency or school district

Available credits and application period

Ecology opens at least one application period each year from July 1-31. Applications are scored based on eligibility and criteria developed by Ecology and the Washington Department of Transportation to identify projects that best reduce emissions from the transportation sector. Projects that score highest receive credits first. Each year, Ecology can offer up to 5% of the total CFS deficits from the prior year for advance credits. For example, if there were 904,758 deficits in 2024, the pool of available credits is 5% of that, or 45,237 credits, in 2025.

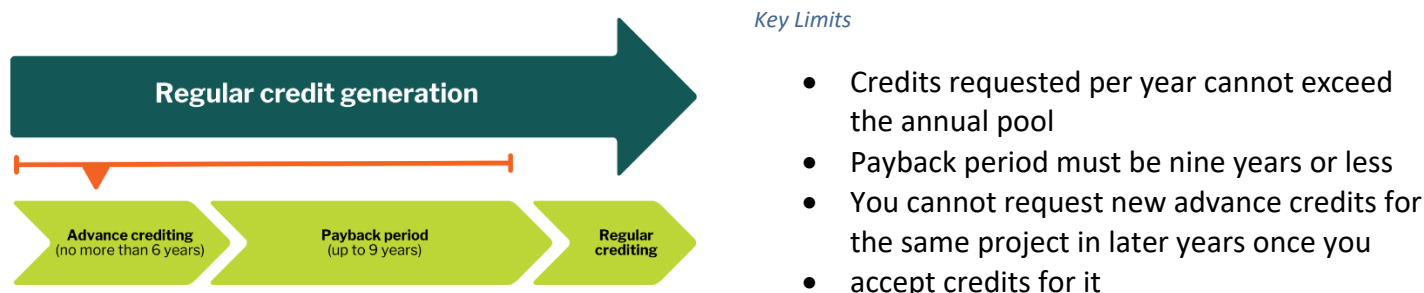


Figure 1: Overview of the Clean Fuel Standard credit lifecycle: Participants may receive advance credits for up to 6 years, followed by a 9-year repayment period, after which equipment continues to earn regular credits.

How to apply

1. Estimate credits using Ecology's online [credit estimation calculator](#). You will need:
 - Expected electricity or fuel use (kWh, gallons, etc.)
 - Carbon intensity of the electricity or fuel. (Ecology publishes [utility data](#) each year)

The calculator uses these two numbers to estimate how many credits your project will generate once the equipment is in use. This estimate becomes the number of advance credits the applicant can apply for, and that Ecology will issue if your application is approved.

After credits are issued, you can sell them to recover your investment or support related expenses, such as new vehicles, chargers, or training mechanics.

2. Register in the [Washington Fuels Reporting System \(WFRS\)](#)
3. Complete the online form and upload
 - Project description and timeline
 - Detailed credit generation estimate
 - Plan to monitor fuel use until credits are repaid
 - Location, materials, energy inputs, and emissions data
 - Proposed number of advance credits per vehicle or unit
 - Signed attestation on ownership or credit buyback if the equipment is sold early
4. Submit by July 31. Ecology will confirm receipt

Technical Guidance Available

Ecology staff and fuel pathway specialists are available to help applicants refine the carbon intensity calculation and answer other questions. If you're unsure how to complete your estimates, Ecology can provide [calculators](#) and technical guidance.

Ecology may request additional documentation before making a final decision. Applications missing required materials may be denied.

To apply for advance credits, applicants must register in the WFRS and apply via an Excel template, which can be found on the CFS webpage. We will reach out to confirm the application has been received.

Negotiating the agreement

After Ecology confirms that your application is complete, accurate, and reasonable, we'll meet with you to set the terms of the advance credit agreement. Together, we will decide:

- **Vehicles or equipment covered:** How many will count toward the estimate, and how many credits will we issue
- **Repayment timeline:** How long you have to repay the credits, and what happens if you need more time
- **Additional conditions:** Any other requirements that keep the project on track and protect both parties

Selling the credits and investing the revenue

Once the vehicles or equipment are in service, Ecology deposits the agreed-upon credits into your WFRS account. You may:

1. Sell the credits yourself, or
2. Work with a broker or third party to handle the sale

You can then reinvest the revenue to recover your upfront cost or expand your clean transportation efforts.

Paying back the advance

Each quarter, you report the actual fuel or electricity used by the vehicles or equipment in the agreement. Ecology subtracts the credits generated that quarter from your outstanding balance.

- If you repay the full balance within the agreed timeframe, you're all set
- If a balance remains at the end of the payback period, purchase and retire additional credits to close the gap

After you repay the advance in full, the same vehicles or equipment continue to earn CFS credits for as long as they operate. Providing ongoing value to your program.

Paying back the advance



Report each quarter

Track and report fuel or electricity used by covered equipment. Ecology subtracts credits earned from your remaining balance.



Balance repaid? You're done.

If your credits cover the full advance during the repayment period, you're all set. Your equipment continues earning regular CFS credits.



Still owe? Buy & retire credits

If a balance remains at the end of the term, purchase and retire credits to close the gap.

Figure 2: Steps to repay your Clean Fuel Standard advance: report quarterly usage, repay your balance with earned credits, and if needed, purchase credits to close any remaining gap.



CFS Team

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To request an ADA accommodation, contact Ecology by phone at 360-407-6800 or email at CFS@ecy.wa.gov, or visit <https://ecology.wa.gov/accessibility>. For Relay Service or TTY call 711 or 877-833-6341.