

Clean Fuel Standard Participation Fee 2026 - draft

Workload analysis, estimated budget, proposed fee

Introduction

Ecology charges a fee to participate in the Clean Fuel Standard program, as explained in the fee rule (WAC 173-455-150). This fee helps pay the cost of running the program and is based on the estimated budget for the year. Everyone in the program must pay a fee.

In 2026, Ecology will determine who has credits or deficits based on reports submitted during 2026.

The fee rule requires Ecology to:

- Post the draft 2026 workload analysis, annual budget, estimated fees, and list of deficit generators on Ecology's website by May 15, 2026.
- Provide 30 days for public comment.
- Post the final workload analysis, budget, and fees by June 30, 2026.

Workload analysis

A core team of staff work full-time to run the Clean Fuel Standard. Other staff from the Climate Pollution Reduction Program help when needed, including program leadership, fiscal staff, and legislative staff, as well as Assistant Attorneys General representing Ecology.

Primary implementation staff include:

- Green House Gas Inventory and Transportation Section Manager - WMS Band 2
- Technical Lead - Environmental Planner 5
- Fuel Pathway Specialists - Natural Resource Scientist 4, two positions
- Senior Program Analyst - Environmental Specialist 5
- Program Analysts - Environmental Specialist 4, two positions
- Rulemaking lead - Environmental Planner 3
- Community Outreach & Environmental Education Specialist 4
- Administrative Assistant 3
- IT App Development - Journey
- Partnership Specialist - Environmental Planner 4 - position on hold
- Third-party verification lead -Environmental Planner 4 - pending hiring

The Department of Commerce has two staff contributing to the annual Fuel Supply Forecast:

- Senior Energy Policy Specialist, Energy Policy Specialist

Estimated annual budget

The estimated budget for 2026 is based on workload assessments performed by Ecology and Commerce, which is responsible for the annual fuel supply forecast. The estimated budget covers staff and other costs needed to run the CFS program and meet legal requirements. We will explain any changes between the proposed and final fee in the final fee document when it is published on June 30.

Certain costs in calendar year 2026 have increased from the previous year: agency overhead costs that the CFS contributes to have increased, as well as Climate Pollution Reduction Program costs to the Attorney General's Office to support policies like the CFS.

Estimated 2026 Budget for CFS Implementation

Total Estimated budget for 2026	**FTE**	**Total Cost** (Rounded to the nearest whole dollar)
Total Ecology Staffing & Benefits Costs	12.60	$ 1,697,776
Other Cost		
Professional Service Contracts: Fuel supply forecast (Commerce)		$ 50,000
Senior Energy Policy Specialist: Fuel supply forecast (Commerce)	0.2	$ 100,000
Professional Services Contract: CFS cost analysis for annual legislative report		$ 50,000
Attorney General's Office		$ 30,000
Goods and Services; travel; and equipment		$ 82,192
Agency overhead costs		$ 508,615
Total Other Costs		$ 1,230,227
Grand total estimated budget for CFS implementation in 2026		**$ 2,518,583**

Table 1: Breakdown of estimated Ecology staffing and other costs for implementing the Clean Fuel Standard (CFS) in 2026.

Estimated fee for 2026

All participants must pay the flat participation fee. If a participant generates deficits, they must pay an additional fee based on how many deficits they earned in 2025.

- Only fuels that had a carbon intensity higher than the standard in 2025 will be considered deficit generators for this fee. These fuels will be placed into a deficit generator fee category.
- Fee categories are based on how many pure deficits a fuel generated, not the net amount that accounts for credits a deficit generator may have in their account as well.

A list of participants who fall into this category will be posted on the CFS Program Documents page under the **Participation fee** section.

2026 Budget Allocation Summary

Percentage of total budget	**Total dollar amount per category**
95% of total – deficit generators	$2,392,654
5% of total – all participants	$125,929

Table 2: This table shows the total dollar amount for 2026 and the breakdown of that total into 95% and 5% portions.

Proposed Fee Structure for Clean Fuel Standard Participants

	Number of participants in this category	Allocation of budget per category	Fee amount per participant
Participation fee *Representing 5% of the estimated program cost.*	346	$ 125,929	$ 364
Category 1 *Top 30% of deficit generators, 70% of deficit fee amount.*	23	$ 1,674,858	$ 72,820
Category 2 *Middle 30% of deficit generators, 20% of deficit fee amount.*	23	$ 478,531	$ 20,806
Category 3 *Lower 30% of deficit generators, 10% of deficit fee amount.*	23	$ 239,265	$ 10,043
Lowest 10% of deficit generators *Only paying the participation fee.*	9	N/A	N/A

Table 3: Breakdown of the proposed participation and deficit-based fees for CFS participants, grouped by categories based on the number of deficits generated. The participation fee represents 5% of the program's estimated cost.

Deficit generators categories

The deficit generator fee categories are based on how many deficits a participant generated in 2025:

- Category 1: More than **1,140** deficits
- Category 2: **657 – 1,039** deficits
- Category 3: **160 – 656** deficits
- Category 4: **145** and fewer deficits

You can find information on leaving a comment related to this proposed fee on our Clean Fuel Standard requirements for participation webpage under the **Program Fee** section header. The final fee will be posted on June 30.

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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