

Chapter 194-29 WAC

PRACTICABLE USE OF ELECTRICITY AND BIOFUELS TO FUEL LOCAL GOVERNMENT VEHICLES, VESSELS, AND CONSTRUCTION EQUIPMENT

NEW SECTION

194-29-010

Authority and purpose.

This chapter is pursuant to the authority granted in RCW [43.325.080](#), which requires the department to adopt rules to define practicability and clarify how local governments will be evaluated in determining whether they have met the goals set forth in RCW [43.19.648](#). The goals call for all local governments, to the extent practicable, to satisfy one hundred percent of their fuel usage for operating publicly owned vehicles, vessels, and construction equipment from electricity or biofuel, effective June 1, 2018.

NEW SECTION

194-29-020

Definitions and abbreviations.

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

- (1) “Biofuel” – Means a liquid or gaseous fuel derived from organic matter intended for use as a transportation fuel, including, but not limited to, biodiesel, ethanol, and renewable natural gas.
- (2) “Department” – Means the department of commerce.
- (3) “Electric vehicle” – Means vehicles, vessels, and construction equipment with motive energy supplied solely by an electric motor.
- (4) “Hybrid electric vehicle” – Means vehicles, vessels, and construction equipment with motive energy supplied by both an internal combustion engine and an electric motor powered primarily by externally supplied sources of energy. Vehicles that utilize externally supplied energy for electric power take-off functionality are also considered hybrid electric vehicles.
- (5) “Hybrid vehicle” – Means vehicles, vessels, and construction equipment with motive energy supplied by both an internal combustion engine and an electric or hydraulic motor powered solely by regenerative braking or the internal combustion engine. Vehicles that utilize regenerative braking for electric power take-off functionality are also considered hybrid vehicles.
- (6) “Lifecycle cost” – Means the total cost of ownership over the life of an asset, including, but not limited to, purchase or lease cost, financing costs, taxes, incentives, operation, maintenance, depreciation, resale or surplus value, incremental cost of associated refueling infrastructure, engine conversion, and the social cost of carbon emissions.
- (7) “Local government” – Means any unit of local government including, but not limited to, counties, cities, towns, municipal corporations, quasi-municipal corporations, special purpose districts, and school districts.
- (8) “Practicable” or “practicability” – Means the extent to which alternative fuels and vehicle technologies can be used to displace gasoline and diesel fuel in vehicles, vessels, and construction equipment as determined

by multiple dynamic factors including cost and availability of fuels and vehicles, changes in fueling infrastructure, operations, maintenance, technical feasibility, implementation costs, and other factors.

- (9) “Procure” – Means to purchase or lease.
- (10) “Renewable natural gas” – Means biogas derived from landfills, wastewater treatment facilities, anaerobic digesters, and other sources of organic decomposition that has been purified to meet requirements for use as a transportation fuel.
- (11) “Revenue fleet” – Means all vehicles used in to provide transportation services where a transit agency is directly or indirectly compensated for the services provided to passengers.
- (12) “Social cost of carbon” – Means a calculation of the economic impacts of greenhouse gas emissions as determined by the department in cooperation with the Washington State Department of Ecology.
- (13) “Vehicles” – Means motorized vehicles, watercraft, and construction equipment. It does not mean aircraft, railed vehicles, or stationary electrical generating equipment.
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NEW SECTION

194-29-030

Applicability.

All local governments are required to transition all vehicles to electricity or biofuels to the extent practicable. The provisions of this chapter apply statewide. Pursuant to RCW [43.19.648](#):

- (1) Transit agency revenue fleets with a majority of vehicles using compressed natural gas on June 1, 2018 are exempt from these rules. Non-revenue fleet vehicles remain subject to these rules.
 - (2) These rules do not require engine retrofits that would void warranties, or replacement of equipment before the end of its useful life.
 - (3) If a local government believes it is not practicable to use electricity or biofuels to fuel police, fire, and other emergency response vehicles, including utility vehicles frequently used for emergency response, they are encouraged to consider alternate fuels and vehicle technologies to displace gasoline and diesel fuel use. Local governments that opt to exempt emergency response vehicles from these rules must notify the department as part of their annual reporting under WAC [194-29-080](#).
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NEW SECTION

194-29-040

Assessment data and reporting.

For purposes of assessing and reporting compliance with these rules, the department will use data collected, compiled, and reported by each local government using 200,000 or more total gallons of gasoline and diesel fuel on an annual basis. The department will use the most recent data from the National Transit Database, as published by the Washington State Department of Transportation, to determine which transit agencies meet the reporting threshold. Any local government with fuel use that initially meets the reporting threshold, but whose subsequent fuel use drops below the threshold, is encouraged to continue filing annual reports.

Given the findings of the underlying legislation and associated policies guiding public sector use of alternative fuels and vehicles, the department intends to continue to monitor local government compliance beyond June 1, 2018.

NEW SECTION

194-29-050

Compliance threshold.

Pursuant to RCW [43.325.005](#), all local governments are expected to comply with these rules.

NEW SECTION

194-29-060

Technical coordination.

The department, in cooperation with the Washington State University energy program and external stakeholders with appropriate knowledge and expertise, will convene meetings at least quarterly of the agencies listed in WAC [194-28-050](#) and the local governments required to report under this rule to discuss trends in alternative fuel and vehicle development, including current and near-term market availability, procurement costs and pricing differentials, performance metrics, innovative procurement opportunities, and fleet management tools. The meetings will take place in person, by phone, via the Internet, or any combination thereof through the year 2020, and thereafter as may be warranted.

NEW SECTION

194-29-070

Compliance evaluation.

RCW [43.325.080](#) requires the department to specify how local government efforts to meet the goals set forth in RCW [43.19.648](#) will be evaluated. While local governments are responsible for determining the most effective means of displacing their gasoline and diesel consumption through vehicle electrification and biofuel use, procurement decisions should be guided primarily through a comparison of alternatives on a comprehensive, lifecycle cost basis. The department will provide an analytical tool to assist local governments in their assessment of lifecycle costs. Local governments may use alternate means of determining lifecycle costs so long as all the variables included in the department's analytical tool are taken into consideration.

Local governments must consider the following criteria in determining whether they have, to the extent practicable, satisfied one hundred percent of fuel usage for operating vehicles, vessels, and construction equipment from electricity or biofuel, effective June 1, 2018:

(1) Vehicles.

- (a) It is considered practicable to procure an electric or hybrid electric vehicle when the following criteria are met; a vehicle is available that meets operational needs, charging requirements can be met during

routine use or through fleet management strategies, and the lifecycle cost is equal to or less than the lowest lifecycle cost of any equivalent hybrid vehicle. If equivalent hybrid vehicles are not available, then when compared to the lifecycle cost of the vehicle the local government would otherwise procure.

- (b) If the criteria in (a) cannot be met, it is considered practicable to procure a hybrid vehicle when a vehicle is available that meets operational needs, and the lifecycle cost is equal to or less than the lifecycle cost of the vehicle the local government would otherwise procure.
- (c) If the criteria in (a) and (b) cannot be met, it is considered practicable to procure or convert a vehicle to be fueled in whole or in part by natural gas or propane when the lifecycle cost is equal to or less than the lifecycle cost of the vehicle the local government would otherwise procure.
- (d) It is considered practicable for local governments to procure natural gas-fueled vehicles regardless of lifecycle cost for the purpose of using primarily renewable natural gas.
- (e) When making procurement decisions involving vehicles with diesel engines, local governments are expected to select vehicles with engine warranties covering the highest level of biodiesel use.

(2) Biofuels.

- (a) Biodiesel: Unless otherwise limited by law, it is considered practicable for local governments to:
 - (i) Use a minimum five percent biodiesel-blended fuel (B5) in all applications when the fuel is available at retail or for delivery to on-site storage tanks at a price equal to or less than #2 ultra-low sulfur diesel.
 - (ii) Use fuel blends up to twenty percent biodiesel (B20) in all applications unless otherwise restricted by warranty or air quality regulation when the fuel is available for delivery to on-site storage tanks at a price equal to or less than #2 ultra-low sulfur diesel, including the cost of any additives necessary to ensure reliable storage and performance.
- (b) Ethanol: It is considered practicable for local governments with vehicles capable of using high-blend ethanol fuel (E85) to make good faith efforts to identify sources and purchase E85 when the price is at least twenty percent less than regular gasoline.
- (c) Renewable Natural Gas: It is considered practicable for local governments with natural gas-fueled vehicles to purchase renewable natural gas when the fuel is available at a price equal to or less than fossil natural gas.

- (3) Local governments are encouraged to install electric vehicle charging infrastructure in all fleet parking and maintenance facilities, and to incorporate charging into all new facility construction and substantial remodeling projects.

NEW SECTION

194-29-080

Demonstration of progress.

By July 1 of each year, each local government required to report under this rule must submit to the department an annual report on a form provided by the department documenting how it is complying with the criteria in WAC [194-29-070](#), including reasons for noncompliance and plans for future compliance.