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bp America Inc.
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Oregon Department of Environment Quality
VIA Email Transmission
CFP2022@deq.state.or.us

Re: Oregon Clean Fuels Program Expansion 2022 Pathways Workshop Feb.17, 2022

Dear Department of Environmental Quality Staff:

On behalf of bp America Inc., thank you for the opportunity to participate in the Oregon Department of Environmental Quality's ("DEQ") rulemaking on the Clean Fuels Program ("CFP") as a member of the Rules Advisory Committee ("RAC").

bp's ambition is to become a net zero company by 2050 or sooner, and to help the world reach net zero, too. Consistent with bp's ambition, we are actively advocating for policies that address greenhouse gas ("GHG") emissions.

For two of the workshop topics – rule language for pathways and related topics; and Green-e requirement for biogas to electricity projects – our comments are captured in the letter submitted by the RNG Coalition, of which we are a member. Additionally, we have no specific comments to share on the OR-GREET topic.

We do have specific suggestions on the following workshop topic:

Hydrogen Book-and-Claim Accounting

As we have stated in previous comment letters to DEQ in this rulemaking, bp supports the broader adoption of book-and-claim accounting, as it enables environmental attributes to be recognized without the need for the physical molecule to enter the jurisdiction to qualify. In addition to hydrogen, Renewable Natural Gas ("RNG") also should be considered eligible for book-and-claim accounting into clean fuel production facilities rather than be limited to direct transportation fuel applications. We urge DEQ to adopt this approach to support meeting the program's expansion targets.

With respect to the questions raised during the workshop around hydrogen book-and-claim and the complexity of different hydrogen sources and their implications for finished fuel carbon intensities, bp would suggest that DEQ consider adopting a project-based approach to accounting for GHG reductions from hydrogen rather than a pathway approach. Section 95489(g) of the California Low Carbon Fuel Standard contains a provision for a Renewable Hydrogen Refinery Credit Pilot Program. DEQ could adopt this California LCFS concept and apply it to not only refineries, but also to clean fuel production facilities. Taking this approach may offer a simpler way to account for GHG reduction contributions from hydrogen than having to manage multiple pathways.

Thank you for the opportunity to comment on these important topics and we look forward to working with DEQ and key stakeholders through this rulemaking process. In the meantime, do not hesitate to reach out to me at mark.bunch@bp.com or 708-228-6093 if you have any questions or need additional context.

Sincerely,

A handwritten signature in blue ink, appearing to read "M. Bunch". The signature is stylized and written in a cursive-like font.

Mark Bunch