

HOUSE No. 3859

The Commonwealth of Massachusetts

PRESENTED BY:

Marjorie C. Decker

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to fuel standards.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Marjorie C. Decker</i>	<i>25th Middlesex</i>	<i>1/20/2023</i>

HOUSE No. 3859

By Representative Decker of Cambridge, a petition (accompanied by bill, House, No. 3859) of Marjorie C. Decker relative to clean fuel standards. Telecommunications, Utilities and Energy.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Third General Court
(2023-2024)**

An Act relative to fuel standards.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Chapter 25A of the General Laws, as appearing in the 2020 Official Edition, is hereby
2 amended by inserting after section 11F½ the following section:-

3 Section 11F 2/3. (a) As used in this section, the following words shall, unless the context
4 clearly requires otherwise, have the following meanings:

5 “Carbon intensity”, the quantity of lifecycle greenhouse gas emissions associated with a
6 unit of specific transportation fuel, expressed in grams of carbon dioxide equivalent per
7 megajoule of transportation fuel.

8 “Clean fuel”, a transportation fuel that has a carbon intensity level that is below the clean
9 fuels carbon intensity standard in a given year.

10 “Credit”, a unit of measurement equal to 1 metric ton of carbon dioxide equivalent and
11 that serves as a quantitative measure of the degree to which a fuel provider’s transportation fuel
12 volume is lower than the carbon intensity established by the clean fuel standard.

13 “Deficit”, a quantitative measure of the degree to which a fuel provider’s volume of
14 transportation fuel is greater than the carbon intensity than permissible according to the annual
15 clean fuel standard.

16 “Full fuels lifecycle”, the aggregate of greenhouse gas emissions, including direct
17 emissions and significant indirect emissions, such as significant emissions from land use
18 changes.

19 (b) The department of energy resources shall establish a clean fuel standard that requires
20 the aggregate carbon intensity of transportation fuel providers be reduced by 80 per cent from
21 1990 levels by 2050, establish a market for tradeable credits to offset carbon deficits and ensure
22 compliance with these standards. The clean fuel standard shall apply to all

23 providers of transportation fuels, including electricity, and shall be measured on a full
24 fuels lifecycle basis. Providers shall include but are not limited to refiners, blenders, producers or
25 importers of transportation fuels, or enablers of electricity used as a transportation fuel. The full
26 fuels lifecycle shall be assessed annually and shall include all stages of fuel and feedstock
27 production and distribution, from feedstock generation or extraction through the distribution and
28 delivery and use of the finished fuel by the ultimate consumer.

29 (c) The department shall establish an annual schedule to phase in implementation of the
30 clean fuel standard that steadily decreases the maximum allowable carbon intensity of
31 transportation fuels. This standard shall be satisfied by producing or importing transportation
32 fuels with an aggregate carbon emission intensity that is at or below the standard as determined
33 by the department or by purchasing credits to offset any aggregate deficit incurred from
34 transportation fuels exceeding the maximum allowable carbon intensity for that year. Credits

35 shall be generated by fuel providers exceeding that year's clean fuel standards through the
36 application of clean fuels. Credits may be applied to future obligations or traded at a market-
37 based rate. The department shall determine qualifying fuel providers based on the fuel's relative
38 environmental impact compared to gasoline and diesel. Credits shall be quantified based on the
39 total emissions across the lifecycle of the provider's fuel and the annual maximum allowable
40 carbon emission intensity for that year.

41 (d) The department shall promulgate rules, regulations, plans, proposals and procedures
42 as are necessary and appropriate to effectuate a clean fuel standard and credit marketplace to
43 ensure compliance with this section.