



## 103RD GENERAL ASSEMBLY

### State of Illinois

2023 and 2024

SB1556

Introduced 2/8/2023, by Sen. David Koehler

#### SYNOPSIS AS INTRODUCED:

415 ILCS 5/52.15 new

Amends the Environmental Protection Act. Provides that, to the extent allowed by federal law, the Environmental Protection Agency shall propose, within 12 months after the amendatory Act's effective date, and the Pollution Control Board shall adopt, within 12 months after receipt of the Agency's proposal, rules establishing a clean transportation standard to reduce carbon intensity from the on-road transportation sector by 20% by 2038, with further reductions to be implemented at the discretion of the Agency based upon advances in technology. Contains requirements for the Board rules and for the clean transportation standard. Exempts aviation fuels from the clean transportation standard. Provides that producers of sustainable aviation fuel shall be eligible to generate monetary credits on an opt-in basis that may be applied to future obligations or traded to providers not meeting the clean transportation standard. Requires the Agency to submit a report to the General Assembly detailing the implementation of the clean transportation standard, the reductions in greenhouse gas emissions that have been achieved through the clean transportation standard, and targets for future reductions in greenhouse gas emissions from the transportation sector. Contains other provisions. Effective immediately.

LRB103 26950 CPF 56290 b

1 AN ACT concerning safety.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Environmental Protection Act is amended by  
5 adding Section 52.15 as follows:

6 (415 ILCS 5/52.15 new)

7 Sec. 52.15. Clean transportation standard.

8 (a) The General Assembly finds that:

9 (1) The transportation sector in Illinois is a leading  
10 source of criteria air pollutants and greenhouse gas  
11 emissions, which collectively endanger public health and  
12 welfare by causing and contributing to increased air  
13 pollution and climate change.

14 (2) Shifting from petroleum-based transportation fuels  
15 to alternative fuels has the potential to significantly  
16 reduce transportation emissions of air pollutants and  
17 greenhouse gases and is recommended by the  
18 Intergovernmental Panel on Climate Change as an important  
19 pathway for holding global warming at 1.5 degrees Celsius.  
20 A clean transportation standard would promote innovation  
21 in and production and use of nonpetroleum fuels that  
22 reduce vehicle-related and fuel-related air pollution that  
23 endangers public health and welfare and disproportionately

1 impacts disadvantaged communities.

2 (3) Credits generated through the use of clean fuel  
3 under this Section will promote innovation and investment  
4 in clean fuels.

5 (b) In this Section:

6 "Carbon intensity" means the quantity of greenhouse gas  
7 emissions per unit of fuel energy, expressed in grams per  
8 megajoule.

9 "Clean transportation standard" means the standard adopted  
10 by the Board under subsection (c) for the reduction, on  
11 average, of life cycle carbon intensity of fuels used for  
12 on-road transportation.

13 "Credit" means a unit of measure generated when a fuel  
14 with a carbon intensity that is less than the clean  
15 transportation standard is produced, imported, or dispensed  
16 for use in Illinois, such that one credit is equal to one  
17 metric ton of carbon dioxide equivalent.

18 "Life cycle carbon intensity" means the quantity of  
19 greenhouse gas emissions per unit of energy, expressed in  
20 grams per megajoule, included in a fuel and emitted during  
21 extraction, production, manufacture, importation, and  
22 distribution of the fuel, as calculated annually by the Agency  
23 under paragraph (2) of subsection (d) using the methods  
24 described under subsection (f).

25 "Provider" includes, but is not limited to, any refiner,  
26 blender, producer, or importer of a transportation fuel and

1 any enabler of electricity being used as a fuel source for  
2 transportation.

3 (c) To the extent allowed by federal law, the Agency shall  
4 propose, within 12 months after the effective date of this  
5 amendatory Act of the 103rd General Assembly, and the Board  
6 shall adopt, within 12 months after receipt of the Agency's  
7 proposal, rules establishing a clean transportation standard  
8 in order to reduce the life cycle carbon intensity of fuels for  
9 the on-road transportation sector by 20% by 2038, with further  
10 reductions to be implemented at the discretion of the Board,  
11 upon its own initiative or upon the petition of any other  
12 person, based upon advances in clean fuel technology. The  
13 rules adopted by the Board under this subsection shall include  
14 fees for the registration of providers to offset the costs  
15 incurred by the Board and the Agency that are associated with  
16 implementing the clean transportation standard.

17 (d) The clean transportation standard adopted by the Board  
18 shall:

19 (1) apply to all providers in the State;

20 (2) be measured based on a life cycle carbon intensity  
21 that shall be calculated annually by the Agency in  
22 accordance with subsection (f); and

23 (3) take into consideration the low-carbon clean  
24 transportation standards adopted in other states,  
25 including the carbon intensity values established for  
26 transportation fuels.

1       (e) The clean transportation standard adopted by the Board  
2 may be met through market-based methods by which providers  
3 reaching or exceeding the required reduction of life cycle  
4 carbon intensity under the clean transportation standard shall  
5 receive credits as determined under the rules adopted by the  
6 Board. The system of credits created under this subsection  
7 shall provide credits based on a life cycle emissions  
8 performance-based approach that is technology neutral,  
9 feedstock neutral, and has the purpose of achieving fuel  
10 decarbonization.

11       (f) The life cycle carbon intensity calculation conducted  
12 by the Agency under paragraph (2) of subsection (d) shall use  
13 the Argonne National Laboratory's GREET model and shall  
14 include all stages of fuel and feedstock production and  
15 distribution, from feedstock generation or extraction through  
16 the distribution, delivery, and use of the finished fuel by  
17 the ultimate consumer. In calculating the life cycle carbon  
18 intensity, the mass values for all greenhouse gases that are  
19 not carbon dioxide must be adjusted to account for each of  
20 their relative global warming potentials. This adjustment  
21 shall be performed using the global warming potential deemed  
22 most accurate by the Agency for each greenhouse gas for the  
23 period during which reductions in greenhouse gas emissions are  
24 to be attained under the clean transportation standard.

25       (g) Aviation fuels are exempt from the clean  
26 transportation standard established under subsection (c), but

1 producers of sustainable aviation fuel shall be eligible under  
2 the rules adopted under this Section to receive credits on an  
3 opt-in basis that may be applied to future obligations or  
4 traded to providers not meeting the clean transportation  
5 standard.

6 (h) Within 24 months after the Board adopts the rules  
7 proposed by the Agency under subsection (c), the Agency shall  
8 submit a report to the General Assembly detailing the  
9 implementation of the clean transportation standard, the  
10 reductions in greenhouse gas emissions that have been achieved  
11 through the clean transportation standard, and targets for  
12 future reductions in greenhouse gas emissions.

13 (i) Nothing in this Section precludes the Agency or Board  
14 from adopting or maintaining other programs to reduce  
15 greenhouse gas emissions from the transportation sector.

16 Section 99. Effective date. This Act takes effect upon  
17 becoming law.