



Sen. David Koehler

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1 AMENDMENT TO SENATE BILL 1556

2 AMENDMENT NO. _____. Amend Senate Bill 1556 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the Clean
5 Transportation Standard Act.

6 Section 5. Findings. The General Assembly finds that:

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

12 (2) Shifting from petroleum-based transportation fuels
13 to alternative fuels has the potential to significantly
14 reduce transportation emissions of air pollutants and
15 greenhouse gases and is recommended by the

1 Intergovernmental Panel on Climate Change as an important
2 pathway for holding global warming at 1.5 degrees Celsius.
3 A clean transportation standard would promote innovation
4 in and production and use of nonpetroleum fuels that
5 reduce vehicle-related and fuel-related air pollution that
6 endangers public health and welfare and disproportionately
7 impacts disadvantaged communities.

8 (3) Credits generated through the use of clean fuel
9 under this Act will promote innovation and investment in
10 clean fuels.

11 Section 10. Definitions. As used in this Act:

12 "Agency" means the Environmental Protection Agency.

13 "Aggregator" or "credit aggregator" means a person who
14 registers to participate in the clean transportation standard
15 program on behalf of one or more credit generators to
16 facilitate credit generation and to trade credits.

17 "Aviation fuel" means a fuel suitably blended to be used
18 in aviation engines.

19 "Backstop aggregator" means a qualified nonprofit entity
20 approved by the Agency to aggregate credits for electricity
21 used as a transportation fuel when those credits would not
22 otherwise be generated.

23 "Board" means the Pollution Control Board.

24 "Carbon intensity" means the amount of lifecycle
25 greenhouse gas emissions per unit expressed in grams of carbon

1 dioxide equivalent per megajoule.

2 "Clean fuel" means a transportation fuel that is
3 domestically produced and has a carbon intensity below the
4 clean transportation standard carbon intensity standard in a
5 given year.

6 "Clean transportation standard" means the standard adopted
7 by the Board under Section 15 for the reduction, on average, of
8 lifecycle carbon intensity of fuels used for on-road
9 transportation. If there is an industry-accepted standard for
10 calculating the carbon intensity of different modes of
11 transportation, such as off-road, light rail, and other forms
12 of mass transportation, the Board shall adopt that standard.

13 "Consumer Price Index for All Urban Consumers" means a
14 measure that examines the changes in the price of a basket of
15 goods and services purchased by urban consumers, and is
16 published by the U.S. Bureau of Labor Statistics.

17 "Credit" means a unit of measure generated when clean fuel
18 is produced, imported, or dispensed for use in this State,
19 such that one credit is equal to one metric ton of carbon
20 dioxide equivalent.

21 "Credit generator" means a fuel reporting entity that
22 generates a credit in the clean transportation standard.

23 "Deficit" means a measure of the degree to which the
24 carbon intensity of a fuel provider's transportation fuel
25 volume produced or imported for use in this State exceeds the
26 carbon intensity of the applicable annual clean transportation

1 standard, expressed in metric tons of carbon dioxide
2 equivalent.

3 "Deficit generator" means a fuel reporting entity that
4 generates a deficit in the clean transportation standard.

5 "Fuel" means a transportation fuel that is used directly
6 in a vehicle for transportation purposes without requiring
7 additional chemical or physical processing.

8 "Fuel pathway" means a detailed description of all stages
9 of a transportation fuel's production and use, including
10 feedstock growth, extraction, processing, transportation,
11 distribution, and combustion or use by an end user.

12 "Lifecycle carbon intensity" means the quantity of
13 greenhouse gas emissions per unit of energy, expressed in
14 carbon dioxide equivalent per megajoule, emitted by the fuel,
15 including both direct and indirect sources, as calculated
16 annually by the Agency under subsection (b) of Section 20
17 using the methods described under Section 30.

18 "Military tactical vehicle" means a motor vehicle owned by
19 the U.S. Department of Defense or the U.S. military services
20 and used in combat, combat support, combat service support,
21 tactical or relief operations, or training for such
22 operations.

23 "Petroleum-only portion" means the component of gasoline
24 or diesel fuel before blending with ethanol, biodiesel,
25 biofuel, or other low-carbon-intensity fuel.

26 "Producer" means:

1 (1) with respect to any liquid fuel, hydrogen fuel,
2 and renewable propane, the person who makes the fuel;

3 (2) with respect to any biomethane, the person who
4 refines, treats, or otherwise processes biogas into
5 biomethane;

6 (3) with respect to electricity, the person who is the
7 direct provider of electricity; or

8 (4) with respect to other types of fuel, a person
9 deemed appropriate by the Agency.

10 "Provider" includes, but is not limited to, a refiner,
11 producer, or importer of a transportation fuel and a direct
12 provider of electricity being used as a fuel source for
13 transportation, including, but not limited to, electric
14 vehicle charging service providers, electric utilities, and
15 electric vehicle fleet operators. For the purposes of the
16 clean transportation standard, "provider" does not include the
17 owner or operator of a residential charging station or the
18 owner or operator of a commercial property with on-site
19 charging stations independent of the primary function of the
20 business.

21 "Regulated entity" means any entity, whether a credit
22 generator or deficit generator, that has registered, on a
23 mandatory or permissive basis, to participate in the clean
24 transportation standard.

25 "Sustainable aviation fuel" means an aviation fuel with a
26 carbon intensity sufficient to generate credits under the

1 clean transportation standard upon its production or supply.

2 "Tactical support equipment" means equipment using a
3 portable engine, including turbines, that meets military
4 specifications, is owned by the U.S. Department of Defense or
5 the U.S. military services or its allies, and is used in
6 combat, combat support, combat service support, tactical or
7 relief operations, or training for such operations. "Tactical
8 support equipment" includes, but is not limited to, engines
9 associated with portable generators, aircraft start carts,
10 heaters and lighting carts.

11 Section 15. Rulemaking and baseline calculations for clean
12 transportation standard.

13 (a) To the extent allowed by federal law, within 24 months
14 after the effective date of this Act, the Agency shall propose
15 and the Board shall adopt rules establishing a clean
16 transportation standard in order to reduce, within 10 years of
17 the adoption of the Agency's rules by the Board, the lifecycle
18 carbon intensity of fuels for the ground transportation sector
19 by 20% below the 2019 baseline level as calculated under this
20 Section. The rules proposed and adopted shall be subject to
21 public notice and comment under the Illinois Administrative
22 Procedure Act. The Board may recommend to the General Assembly
23 reductions to the clean transportation standard below those
24 adopted in accordance with this Act, using factors, including,
25 but not limited to, advances in clean fuel technology. The

1 rules adopted by the Board under this Section shall include
2 fees for the registration of providers to offset the costs
3 incurred by the Board and the Agency that are associated with
4 implementing the clean transportation standard. These fees
5 shall be used only in connection with the administration of
6 the program and may be levied differently based on whether a
7 registered entity is a credit generator or deficit generator.
8 Except where otherwise provided in this Act, the Agency shall
9 consider rules that are harmonized, to the extent practicable,
10 with the regulatory standards, exemptions, reporting
11 obligations, and other clean transportation standard
12 compliance requirements and methods for credit generation of
13 other states that have adopted low-carbon fuel standards or
14 similar greenhouse gas emissions requirements applicable
15 specifically to transportation fuels.

16 (b) The Agency shall calculate the baseline carbon
17 intensities of the petroleum-only portion of all
18 transportation fuels produced or imported in 2019 for use in
19 this State by:

20 (1) reviewing and considering the best available
21 applicable scientific data and calculations; and

22 (2) using a lifecycle emissions, performance-based
23 approach that is technology-and-feedstock neutral.

24 Section 20. Contents of clean transportation standard. The
25 clean transportation standard adopted by the Board, by rule,

1 shall:

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

3 (2) be measured based on a lifecycle carbon intensity
4 that shall be calculated annually by the Agency in
5 accordance with Section 30;

6 (3) recognize voluntary farm emissions reductions that
7 contribute to the reduced carbon intensity of fuels by
8 allowing credit generators to use individualized
9 farm-level carbon intensity scoring for approved
10 sustainable agricultural practices. The Agency shall, for
11 the purposes of determining individualized farm-level
12 carbon intensity scoring, use the GREET model's Feedstock
13 Carbon Intensity Calculator (FD-CIC);

14 (4) take into consideration the low-carbon clean
15 transportation standards that are pending or have been
16 adopted in other states;

17 (5) include a credit price cap to be determined by the
18 Agency and confirmed by the Board to contain costs if the
19 fuel supply forecasts determine that not enough credits
20 will be available. The price cap shall be adjusted
21 annually by the rate of inflation as measured by the most
22 recently available 12 months of the Consumer Price index
23 for All Urban Consumers. The price cap shall be published
24 on the first Monday of a month to be determined by the
25 Agency, and the cap shall go into effect the first Monday
26 of the second successive month following publication;

1 (6) contain a structure for compliance that conforms
2 with the marketplace system described in Section 25,
3 including, but not limited to, details, such as:

4 (A) methods for assigning compliance obligations
5 and methods for tracking tradable credits;

6 (B) mechanisms that allow credits to be traded,
7 transferred, sold, and banked for future compliance
8 periods;

9 (C) mechanisms that provide for the creation of a
10 list of accepted credit transactions and a list of
11 prohibited forms of credit transactions, which may
12 include trades involving, related to, or associated
13 with any of the following:

14 (i) any manipulative or deceptive device;

15 (ii) a corner or an attempt to corner the
16 market for credits;

17 (iii) fraud or an attempt to defraud any other
18 entity;

19 (iv) false, misleading, or inaccurate reports
20 concerning information or conditions that affect
21 or tend to affect the price of a credit; and

22 (v) applications, reports, statements, or
23 documents required to be filed under this Act that
24 are false or misleading with respect to a material
25 fact or that omit a material fact necessary to
26 make the contents therein not misleading;

1 (C) procedures for verifying the validity of
2 credits and deficits generated under the clean
3 transportation standard;

4 (D) mechanisms by which persons associated with
5 the supply chains of transportation fuels that are
6 used for purposes that are exempt from the clean
7 transportation standard described in Section 40 and
8 persons that are associated with the supply chains of
9 transportation fuels and will generate credits may
10 register with the Agency to participate in the clean
11 transportation standard program; and

12 (E) an administrative procedure by which a
13 regulated entity may contest the Board's or Agency's
14 calculation prior to the levying of a penalty for
15 failure to remedy a given deficit;

16 (F) procedures that will allow the Agency to
17 cancel or reverse (i) a credit transfer that is
18 determined to be a prohibited transaction under items
19 (i) through (v) of subparagraph (B) or (ii) any other
20 prohibited transaction as determined by the Board in
21 rulemaking;

22 (7) contain a program review procedure whereby the
23 Board or Agency shall solicit feedback from and annually
24 consult with representatives from stakeholder groups,
25 including representatives from the fuel production
26 industry, the transportation industry, the agricultural

1 industry, environmental advocacy organizations, labor
2 organizations, representatives from impacted
3 environmental justice communities, as defined in Section
4 801-10 of the Illinois Finance Authority Act, and
5 representatives from related State agencies; the substance
6 of the annual consultations shall include, but may not
7 limited to, a review of the economic impact of the clean
8 transportation standard, whether the clean transportation
9 standard is adhering to the established carbon intensity
10 reduction goals, the health impact of the emissions
11 reductions on disadvantaged communities, and whether
12 access to transportation has been affected as a result of
13 the implementation of the clean transportation standard;

14 (8) include annual carbon intensity reduction
15 standards that are to be met by regulated entities and
16 that result in the attainment of carbon intensity
17 reduction targets set by the Board;

18 (9) maximize benefits to the environment and natural
19 resources and develop safeguards and incentives to protect
20 natural lands and enhance environmental integrity,
21 including biodiversity;

22 (10) aim to support, through credit generation or
23 other financial means, voluntary farmer-led efforts to
24 adopt agricultural practices that benefit soil health and
25 water quality;

26 (11) support equitable transportation electrification

1 that benefits all communities and is powered primarily
2 with low-carbon and carbon-free electricity;

3 (12) seek to improve air quality and public health,
4 targeting communities that bear a disproportionate health
5 burden from transportation pollution;

6 (13) establish, in consultation with the Department of
7 Agriculture and the Department of Transportation, a
8 procedure for determining fuel pathways that:

9 (A) is consistent for all fuel types;

10 (B) is based on science and engineering;

11 (C) reflects differences in vehicle fuel
12 efficiency and drivetrains; and

13 (D) accounts for any on-site additional energy use
14 by a carbon capture technology employed in the fuel
15 production process, including, but not limited to,
16 generation, distillation, and compression;

17 (14) recognize that farmers who can demonstrate use of
18 production methods that lower the carbon intensity of
19 their commodities shall be compensated a fair market value
20 that is, at minimum, commensurate with costs associated
21 with those low-carbon production methods or shall be
22 provided a fair share of the increased market value of the
23 end-use product that their commodity is used to produce.
24 Compensation may come in a variety of forms, including,
25 but not limited to, practice-based incentive payments,
26 outcome-based incentive payments, price premiums, or other

1 forms of payment. The Agency shall also protect farm data
2 by ensuring farmer ownership of data for a specific amount
3 of time or negotiated on an annual basis;

4 (15) contain mechanisms to excuse excess emissions
5 from enforcement action if such excess emissions are
6 unavoidable. The rules shall specify the criteria and
7 procedures for the Agency to determine whether a period of
8 excess emissions is excusable;

9 (16) include mechanisms by which producers who would
10 be eligible to generate credits from electricity used as
11 transportation fuel may assign their right to generate
12 credits to an aggregator, and include mechanisms by which
13 a backstop aggregator may register with the program to
14 generate credits if an electric utility opts out of the
15 program; and

16 (17) provide indirect accounting mechanisms such as
17 book-and-claim or mass-balancing for clean fuels entering
18 fungible supply systems that can access this State.

19 Section 25. Credit market; verification and data privacy;
20 compliance and penalties.

21 (a) The clean transportation standard adopted by the Board
22 shall take the form of a credit marketplace with the following
23 structure. The marketplace shall consist of a system of
24 credits and deficits monitored by the Agency. The Agency shall
25 compile a list of fuel pathways that producers and providers

1 may use to generate credits. Producers and providers seeking
2 to be credit generators must register with the Agency and
3 attest to the transportation fuels they produce, import, or
4 dispense in the State in order to qualify to generate credits.
5 Each producer or importer of any amount of a transportation
6 fuel that is ineligible to generate credits consistent with
7 the requirements of this Act must register and comply with the
8 program. Fuels that are registered with the program must have
9 a dedicated, verifiable fuel pathway with a carbon intensity
10 score measurable by software described in Section 30 and
11 assigned a unique identifier by the Agency. Providers reaching
12 or exceeding the required reduction of lifecycle carbon
13 intensity under the clean transportation standard shall
14 receive credits from the Agency upon verification described in
15 subsection (b) at the end of a reoccurring reporting period as
16 determined by the Agency. Fuel providers that are deficit
17 generators during a year shall eliminate the deficit by either
18 producing or importing transportation fuels whose carbon
19 intensity is at or below the level of that year's annual clean
20 transportation standard or by purchasing credits to offset the
21 deficit. The system of credits created under this subsection
22 shall provide credits based on a lifecycle emissions
23 performance-based approach that is technology neutral,
24 feedstock neutral, and has the purpose of achieving fuel
25 decarbonization.

26 (b) The Agency must, in collaboration with the Department

1 of Agriculture and the Department of Transportation, establish
2 acceptable methods to verify that the transportation fuel used
3 by regulated entities has been produced or imported following
4 the pathway bearing the unique identifier as attested by the
5 regulated entity. The Agency is authorized to contract with
6 third party verifiers to accomplish this requirement. Upon
7 registering with the program, regulated entities must agree to
8 provide data related to the registered fuel pathway used to
9 generate credits or deficits with the Agency as required to
10 administer the program. Upon registering with the program,
11 regulated entities must agree to be subject to periodic audits
12 as determined by the Agency.

13 All information gathered by or provided to the Agency or
14 contractors of the Agency, either by regulated entities,
15 agents of regulated entities, or growers of feedstock used in
16 a registered fuel pathway by regulated entities, through
17 either voluntary disclosure or audit, must not be shared by
18 the Agency with any party except in relation to the
19 administration of the clean transportation standard absent
20 written consent by the regulated entity and the entity from
21 which the data was gathered. This data must not be used for any
22 purpose outside of the administration and enforcement of the
23 clean transportation standard except by written consent from
24 the original data holder. Ownership of all data shared or
25 collected by the Agency for the administration and enforcement
26 of the clean transportation standard is retained with the

1 entity from which the data originates. Data protected under
2 this subparagraph does not include a regulated entity's credit
3 or deficit balance, which may be publicly disclosed by the
4 Agency.

5 (c) Deficit generators who fail to offset their deficits
6 at the conclusion of any compliance period administered by the
7 Agency shall be subject to a civil penalty established by the
8 Agency subject to the following limitations:

9 (1) the value of the penalty shall correspond to the
10 amount of deficits attributed to a given regulated entity
11 at the time the transaction has completed; and

12 (2) for every one deficit the regulated entity fails
13 to offset, the penalty for failure to offset that deficit
14 shall not exceed 10 times the value of the credit needed to
15 offset the deficit.

16 (d) Regulated entities that submit false information in
17 support of an application to register for the clean
18 transportation standard, that share false information during
19 an audit or in support of an attestation, or that otherwise
20 share false or inaccurate information to the Agency or a
21 contractor working under the direction of the Agency shall be
22 subject to penalties to be determined by the Agency by rule.
23 Penalties under this paragraph may include monetary penalties,
24 forfeiture of credits, and reversals of prohibited
25 transactions as described in subparagraph (B) of paragraph (6)
26 of Section 20. The Agency may waive penalties under this

1 subparagraph. If the violator under this subsection is a
2 credit generator, following 3 violations, the Agency may
3 remove the violating credit generator from the clean
4 transportation standard. In determining whether penalties
5 should be applied and, if a penalty is to be applied, the
6 amount of penalties to be levied for violations under this
7 subparagraph, the Agency shall consider:

8 (1) evidence of willfulness by the regulated entity to
9 submit false information;

10 (2) the scope of the false information;

11 (3) evidence of past submissions of false information;

12 and

13 (4) efforts undertaken by the regulated entity to
14 remedy the false submission.

15 (e) The penalties provided for in this Section may be
16 recovered in a civil action brought in the name of the people
17 of the State of Illinois by the State's Attorney of the county
18 in which the violation occurred or by the Attorney General.
19 Any penalties collected under this Section in an action in
20 which the Attorney General has prevailed shall be used to
21 offset registration fees in support of the administration of
22 the clean transportation standard program. Any amount of
23 penalties collected in addition to the amount needed to
24 administer the clean transportation standard program shall be
25 deposited in the Environmental Protection Trust Fund, to be
26 used in accordance with the provisions of the Environmental

1 Protection Trust Fund Act.

2 (f) The Attorney General or the State's Attorney of a
3 county in which a violation occurs may institute a civil
4 action for an injunction, prohibitory or mandatory, to
5 restrain violations of this Act or to require such actions as
6 may be necessary to address violations of this Act.

7 (g) The penalties and injunctions provided in this Act are
8 in addition to any penalties, injunctions, or other relief
9 provided under any other law. Nothing in this Act bars an
10 action by the State for any other penalty, injunction, or
11 other relief provided by any other law.

12 Section 30. Lifecycle carbon intensity calculations;
13 software. The lifecycle carbon intensity calculation conducted
14 by the Agency under paragraph (2) of Section 20 shall use the
15 Argonne National Laboratory's GREET model and shall include
16 all stages of fuel and feedstock production and distribution,
17 from feedstock generation or extraction through the
18 distribution, delivery, and use of the finished fuel by the
19 ultimate consumer. The Agency shall, as needed and
20 periodically as established by rule, use as up-to-date a model
21 as possible, taking into account staffing and hiring needs. In
22 calculating the lifecycle carbon intensity, the mass values
23 for all greenhouse gases that are not carbon dioxide must be
24 adjusted to account for each of their relative global warming
25 potentials. This adjustment shall be performed using the

1 global warming potential deemed most accurate by the Agency
2 for each greenhouse gas for the period during which reductions
3 in greenhouse gas emissions are to be attained under the clean
4 transportation standard. When measuring the carbon intensity
5 of biofuels, the Agency shall use the GREET model's Feedstock
6 Carbon Intensity Calculator (FD-CIC) for the purposes of
7 accounting for variations in farming practices across
8 different fuel pathways.

9 Section 35. Investments by backstop aggregators and
10 utilities. In implementing this Act, the Agency and Board are
11 empowered to, and shall consider establishing, rules under the
12 standard to support transportation electrification investments
13 in disadvantaged communities. Those rules may direct
14 participating utilities and backstop aggregators under the
15 standard to allocate revenue earned from trading credits, or a
16 fraction thereof, toward those investments. The Agency and
17 Board shall determine projects and goals under this Act in
18 consultation with relevant stakeholders, including, but not
19 limited to, credit generators, affected communities, and
20 environmental justice advocacy organizations.

21 Section 40. Exemptions. The following fuels are exempt
22 from the clean transportation standard established in Section
23 15:

24 (1) aviation fuels;

- 1 (2) transportation fuel used in locomotives;
- 2 (3) transportation fuel used in ocean-going vessels;
- 3 and
- 4 (4) fuel used in military tactical vehicles and
- 5 tactical support equipment owned by the U.S. Department of
- 6 Defense or the U.S. military services.

7 However, producers, providers, and suppliers of these fuels,

8 if deemed to be clean fuels, shall be eligible under the rules

9 adopted pursuant to this Act to receive credits on an opt-in

10 basis that may be applied to future obligations or sold to

11 deficit generators.

12 Section 45. Agency reporting obligation. Within 12 months

13 after the Board adopts the rules proposed by the Agency under

14 Section 15, the Agency shall submit a report to the General

15 Assembly detailing the implementation of the clean

16 transportation standard, the reductions in greenhouse gas

17 emissions that have been achieved through the clean

18 transportation standard, and targets for future reductions in

19 greenhouse gas emissions. These reports shall include feedback

20 solicited from stakeholders under paragraph (7) of Section 20.

21 Section 50. Fuel supply forecasting. In consultation with

22 the Department of Transportation and the Department of

23 Agriculture, the Agency must develop a periodic fuel supply

24 forecast to project the availability of fuels to the State

1 necessary for compliance with clean transportation standard
2 requirements. The fuel supply forecast for each upcoming
3 compliance period must include, but is not limited to, the
4 following:

5 (1) an estimate of the potential volumes of gasoline,
6 gasoline substitutes, and gasoline alternatives, and
7 diesel, diesel substitutes, and diesel alternatives
8 available to the State. In developing this estimate, the
9 Agency must consider, but is not limited to, considering:

10 (A) the existing and future vehicle fleet in this
11 State; and

12 (B) any constraints that might be preventing
13 access to available and cost-effective low-carbon
14 fuels by the State, such as geographic and logistical
15 factors, and alleviating factors to the constraints;

16 (2) an estimate of the total banked credits and
17 carried over deficits held by regulated parties, credit
18 generators, and credit aggregators at the beginning of the
19 compliance period, and an estimate of the total credits
20 attributable to fuels described in paragraph (1);

21 (3) an estimate of the number of credits needed to
22 meet the applicable clean transportation standard
23 requirements during the forecasted compliance period; and

24 (4) a comparison in the estimates of paragraphs (1)
25 and (2) with the estimate in paragraph (3), for the
26 purpose of indicating the availability of fuels and banked

1 credits needed for compliance with the requirements of
2 this chapter.

3 The Agency may appoint a forecast review team of relevant
4 experts to participate in the fuel supply forecast or
5 examination of data required by this Section. The Agency must
6 finalize a fuel supply forecast for an upcoming compliance
7 period by no later than 90 days prior to the start of the
8 compliance period.

9 Section 55. Forecast deferral.

10 (a) No later than 30 calendar days before the commencement
11 of a compliance period, the Agency shall issue an order
12 declaring a forecast deferral if the fuel supply forecast
13 under Section 50 projects that the amount of credits that will
14 be available during the forecast compliance period will be
15 less than 100% of the credits projected to be necessary for
16 regulated parties to comply with the scheduled applicable
17 clean transportation standard adopted by the Agency for the
18 forecast compliance period.

19 (b) An order declaring a forecast deferral under this
20 Section must set forth:

21 (1) the duration of the forecast deferral;

22 (2) the types of fuel to which the forecast deferral
23 applies; and

24 (3) which of the following methods the Agency has
25 selected for deferring compliance with the scheduled

1 applicable clean transportation standard during the
2 forecast deferral:

3 (A) temporarily adjusting the scheduled applicable
4 clean transportation program standard to a standard
5 identified in the order that better reflects the
6 forecast availability of credits during the forecast
7 compliance period and requiring regulated entities to
8 comply with the temporary standard;

9 (B) requiring regulated entities to comply only
10 with the clean transportation standard applicable
11 during the compliance period prior to the forecast
12 compliance period; or

13 (C) suspending deficit accrual for part or all of
14 the forecast deferral period.

15 (c) In implementing a forecast deferral, the Agency may
16 take an action for deferring compliance with the clean
17 transportation standard other than, or in addition to,
18 selecting a method under paragraph (3) of subsection (b) only
19 if the Agency determines that none of the methods under
20 paragraph (3) of subsection (b) will provide a sufficient
21 mechanism for containing the costs of compliance with the
22 clean transportation standard during the forecast deferral.

23 (d) If the Agency makes the determination specified in
24 subsection (c), the Agency shall:

25 (1) include in the order declaring a forecast deferral
26 the determination and the action to be taken; and

1 (2) provide written notification and justification of
2 the determination and the action to:

3 (A) the Governor;

4 (B) the President of the Senate;

5 (C) the Speaker of the House of Representatives;

6 (D) the Majority and Minority Leaders of the
7 Senate; and

8 (E) the Majority and Minority Leaders of the House
9 of Representatives.

10 (e) The duration of a forecast deferral may not be less
11 than one calendar quarter or longer than one compliance
12 period. Only the Agency may terminate, by order, a forecast
13 deferral before the expiration date of the forecast deferral.
14 Termination of a forecast deferral is effective on the first
15 day of the next calendar quarter after the date that the order
16 declaring the termination is adopted.

17 Section 60. Conflicts with other State programs. Nothing
18 in this Act precludes the Agency or Board from adopting or
19 maintaining other programs as permitted or required by
20 existing or future legislation to reduce greenhouse gas
21 emissions from the transportation sector.

22 Section 99. Effective date. This Act takes effect upon
23 becoming law."