A MASSACHUSETTS CLEAN FUEL STANDARD

Would Cut Transportation Pollution, Improve Our Health, and Deliver Cost Savings

Although Massachusetts' climate law requires the state to reach net-zero emissions by 2050, emissions from our cars, trucks, and buses remain too high.

A Clean Fuel Standard (CFS) will cut transportation pollution, accelerate electrification, improve our health, and deliver economic investment – while also lowering costs.

CFS will drive a $580 million investment into Massachusetts' zero emissions vehicle infrastructure and clean transportation sector.

CFS will accelerate the clean-up of dirty diesel trucks and buses.

CFS will reduce low-carbon prices for consumers by $8 –$29 million per year.

A CFS Would Help Make Massachusetts' Zero-Emission Vehicle Mandates Affordable

Massachusetts has committed to 100% zero-emission new vehicle sales by 2035, and has ZEV mandates for passenger vehicles. ACFS will make the necessary infrastructure investments more cost-effective by:

- **Creating a revenue source to fund vehicles and charging infrastructure**
- **Dedicating a revenue stream to ensure that funds are allocated to the State's disadvantaged communities**
- **Lowering the total cost of ZEV ownership**
- **Offsetting potential loss of federal ZEV funding support**

A CFS Would Improve the Health of Massachusetts Residents

By phasing out dirty fossil fuels and incentivizing cleaner alternatives, a CFS will reduce particulate and smog-forming pollution to improve health for Commonwealth Residents from the Berkshires to Boston.

And, because a significant portion of the CFS revenues will be dedicated to the State's most diesel-plagued disadvantaged communities, those neighborhoods will reap significant health benefits, especially among children, the elderly, and people with heart and lung conditions.

- **The CFS would prevent 14 premature deaths per year by improving air quality**
- **The CFS would deliver an estimated economic value of $400 – $850 million from the reduced air pollution risk**

Quantitative estimates made by Scioto Analysis.

WHAT IS A LOW-CARBON FUEL STANDARD?

& What does it mean for Massachusetts

WHAT IS AN LCFS?

A Low-Carbon Fuel Standard (LCFS) is a market-based policy that gradually lowers the carbon intensity of transportation fuels use in the state. Instead of banning fuels or raising taxes, an LCFS uses market incentives to reward cleaner fuels and reduce the application of carbon-intense fuels.

HOW IT WORKS:

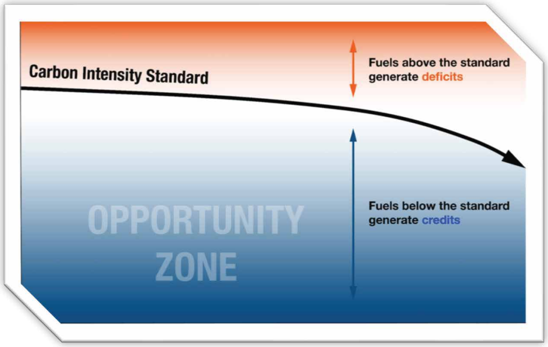
The state sets a clean-fuel target that gets stronger over time.

Fuels cleaner than the target earn credits.

Dirtier fuels incur deficits, and generators can either purchase credits, blend with cleaner fuels, or change their refining processes to comply

Entities buy and sell credits to comply.

The result is a predictable market signal that encourages private investment in cleaner fuels and infrastructure.



HOW AN LCFS CONVERTS MARKETS INTO JOBS:

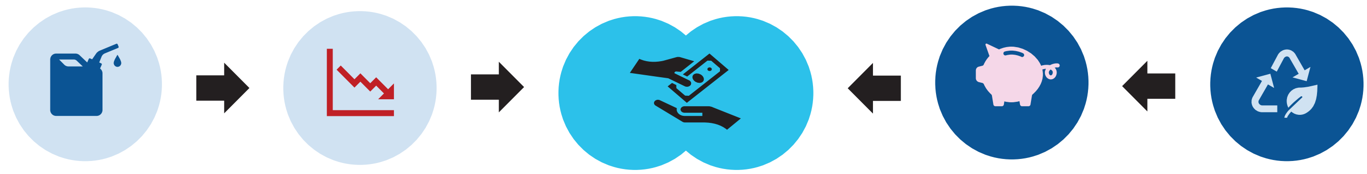
STEP 1 - SET THE STANDARD:
Massachusetts establishes a declining carbon-intensity benchmark for transportation fuels.

STEP 2 - MARKET RESPONSE:
Lower-carbon fuels earn credits; higher-carbon fuels incur deficits; credits are traded to comply.

STEP 3 - PRIVATE INVESTMENT:
To earn credits, companies invest private capital in low-carbon fuel production and infrastructure.

RESULT - JOB GROWTH
Capital flows into job-creating projects without state appropriations.

THE CREDIT MARKET



POLLUTING FUELS EMIT CO2

FUEL PROVIDER INCURS DEFICIT

CLEANER FUEL PROVIDERS SELL CREDITS TO DEFICIT GENERATORS

FUEL PROVIDER EARNS CREDITS

CLEANER FUELS DEPLOYED

KEY ECONOMIC BENEFITS INCLUDE:

Drives construction of fueling and charging infrastructure.
Long-term operations and maintenance jobs in transportation and energy.
New revenue streams for agriculture and waste-to-fuel projects.
Investment in ports, freight corridors, and distribution hubs, reducing emissions from logistical operations.
Keeps fuel and infrastructure dollars circulating within Massachusetts.
Modernizes transportation and energy infrastructure.

A Low-Carbon Fuel Standard gives Massachusetts a market-driven way to create jobs, modernize transportation infrastructure, and attract private investment, without relying on state spending or disrupting fuel supply.