Introduction to Washington's Clean Fuel Standard

SRECTrade
AN XPANSIV COMPANY



Who We Are

SINGLE PARTNER TO SOURCE, MANAGE, TRANSACT, & MONETIZE ESG COMMODITIES GLOBALLY



Leaders in Environmental Commodity Management



Source of Funding to Deploy & Operate Clean Energy Assets



Regulatory Program and Market Experts



Proprietary Technology Platform

20 UNIQUE COMMODITY PRODUCTS TRANSACTED

OVER 99% ANNUAL CUSTOMER RETENTION

175 THOUSAND ASSETS ON OUR PLATFORM

64 THOUSAND DISTINCT CLIENT ACCOUNTS

$750 MILLION ENVIRONMENTAL COMMODITY VALUE SETTLED

2.3 GIGAWATTS RENEWABLE ENERGY USING OUR PLATFORM

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Washington Sets Aggressive Goals

THE CLIMATE COMMITMENT ACT AIMS TO REDUCE GHG EMISSIONS BY 45% BY 2030

- Cap-and-Invest Program
- Clean Building Act
- Clean Energy Transformation Act
- Clean Fuel Standard

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What is a Clean Fuel Standard?

ACCELERATES INVESTMENT IN AND ADOPTION OF LOW-CARBON TRANSPORTATION FUELS AND VEHICLES

- **Market-based compliance program** that provides funding for deployment and operation of clean equipment
- System of **credits and deficits** based on the **carbon intensity** (lifecycle emissions) of regulated fuels
- Carbon intensity benchmark gets stricter each year
- **Cleaner fuels generate more credits**
- **Petroleum companies** purchase credits to demonstrate compliance



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Clean Fuel Regulation is Expanding

SRECTRADE ENSURES TIMELY AND OPTIMAL PROGRAM USE ACROSS NORTH AMERICA

LEGISLATION INTRODUCED

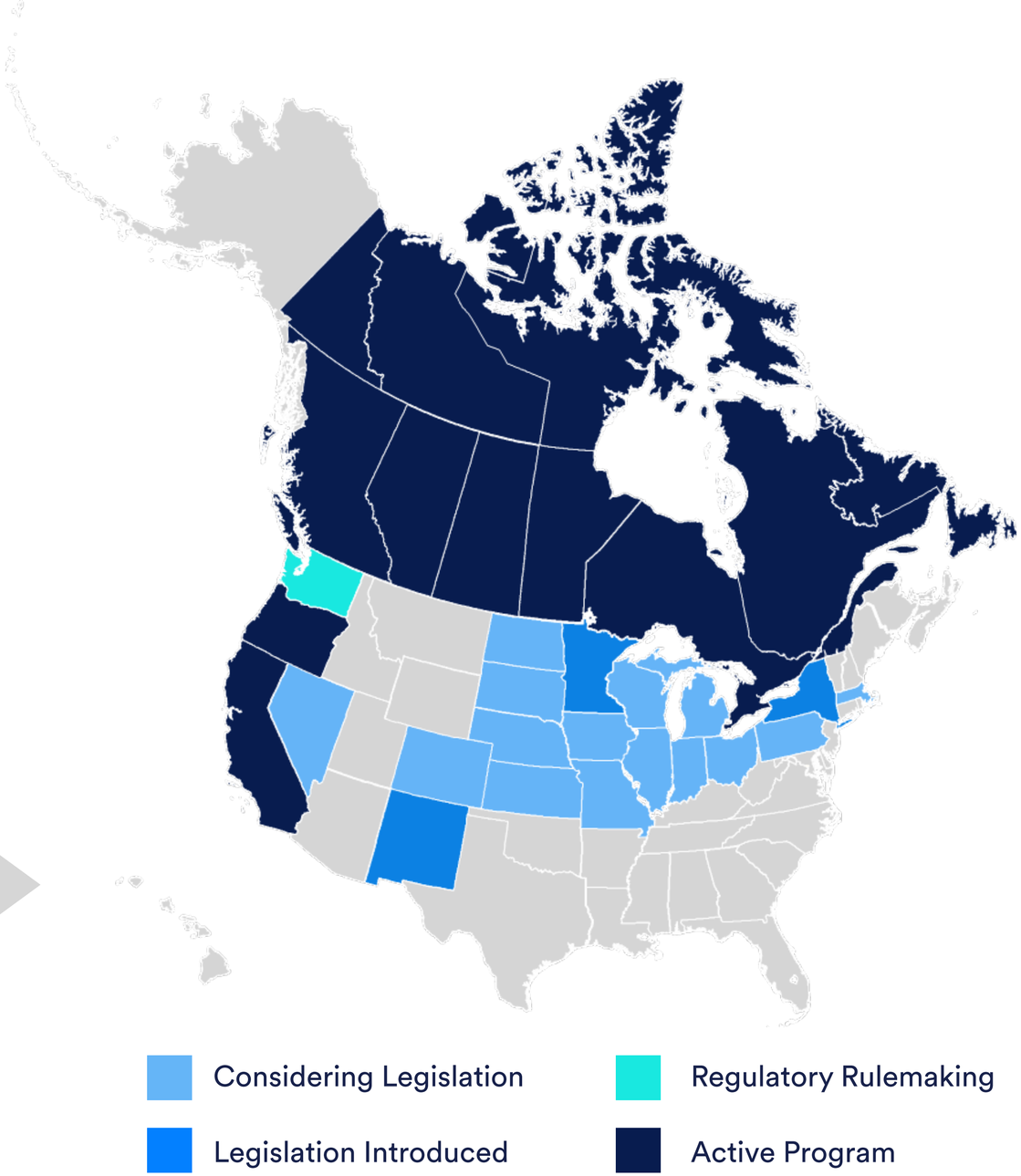
- New Mexico
- New York
- Minnesota
- Illinois

ACTIVE PROGRAM

- California
- Oregon
- British Columbia

REGULATORY RULEMAKING

- Washington (2023)



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Planning Ahead

BEST PRACTICES FOR MAXIMIZING PROGRAM BENEFITS

- Understand which of your assets are eligible.
- Ensure you have the rights to the credits.
- Set up data collection practices to ensure eligibility.
- Understand ways to maximize the value of your credits.

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Eligible Assets

MANY TYPES OF CLEAN FUEL ASSETS COULD BE GENERATING CREDITS

Electric Vehicle Charging

- Public
- Workplace
- Publicly Accessible Dwellings
- Transit Fleets
- Commercial and Industrial Fleets
- Multi-unit Dwellings

Electric Cargo Handling

- Bulldozers
- Loaders
- Cranes (e.g.RTG & RMG)
- Stackers
- Lifters
- Excavators

Electric Lift Trucks

- Motor Ride Trucks
- Forklifts
- Narrow Aisle Trucks
- Pallet Jacks
- Tow Tractors and Tuggers
- Rough Terrain Forklifts

Shore Power

- Tanker
- Bulk/General
- Ro-Ro/Auto Carrier
- Cruise
- Container
- Reefer

Electric Fixed Guideways

- Light Rail
- Heavy Rail
- Cable Car
- Streetcar
- Trolley Bus

Gaseous Fuels

- Compressed Natural Gas
- Renewable Natural Gas
- Hydrogen
- Bio-Fuels

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Credit Rights and Ownership

VEHICLE/FUEL TYPE	REGISTERED ASSET	DEFAULT CREDIT GENERATOR*
EVs, CNG, & Hydrogen Fueling	Fueling Station	Station Owner
eForklifts, eCHE, and eOGV CHE = cargo handling equipment OGV - ocean going vessel	Facility	Facility Owner
eTRUs TRU = transportation refrigeration unit	Each eTRU	eTRU Owner
Renewable Liquid and Gaseous Fuels	Fueling Station	Fuel Producer

* Credit rights are structured differently for residential charging.

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Usage Reporting

For EV charging, your data must be accurate & collection must meet program rules

BEST PRACTICE

- Smart Metering

ACCEPTABLE / NOT PREFERRED

- Utility Metering
- Submeter Photos

NOT ACCEPTABLE

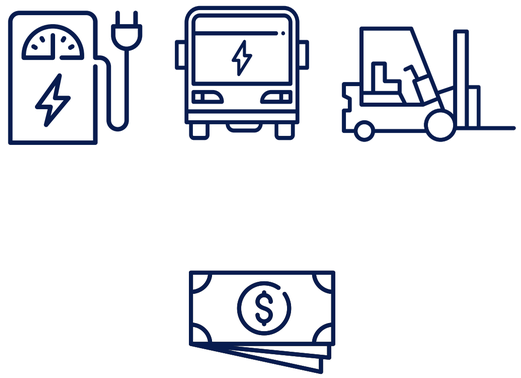
- Vehicle Telematics (with limited exceptions)
- Mixed Load Meter
- kWh Estimation (except forklifts)

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Reducing Carbon & Increasing Revenue

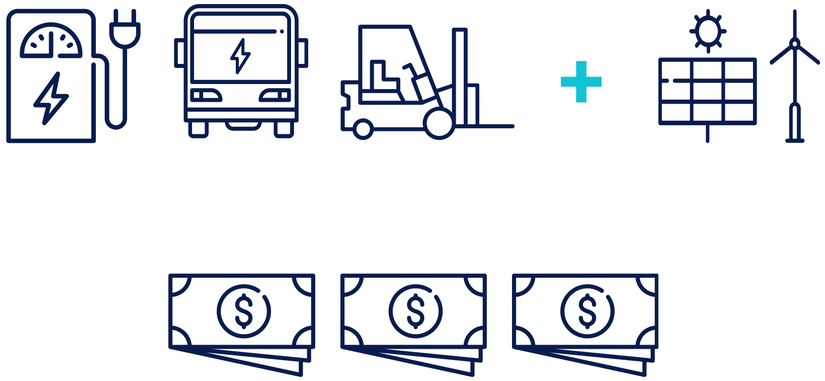
GENERATE MORE CREDITS AND VALUE USING 100% RENEWABLE ENERGY

Grid Electricity



CFS Credits

100% Renewable

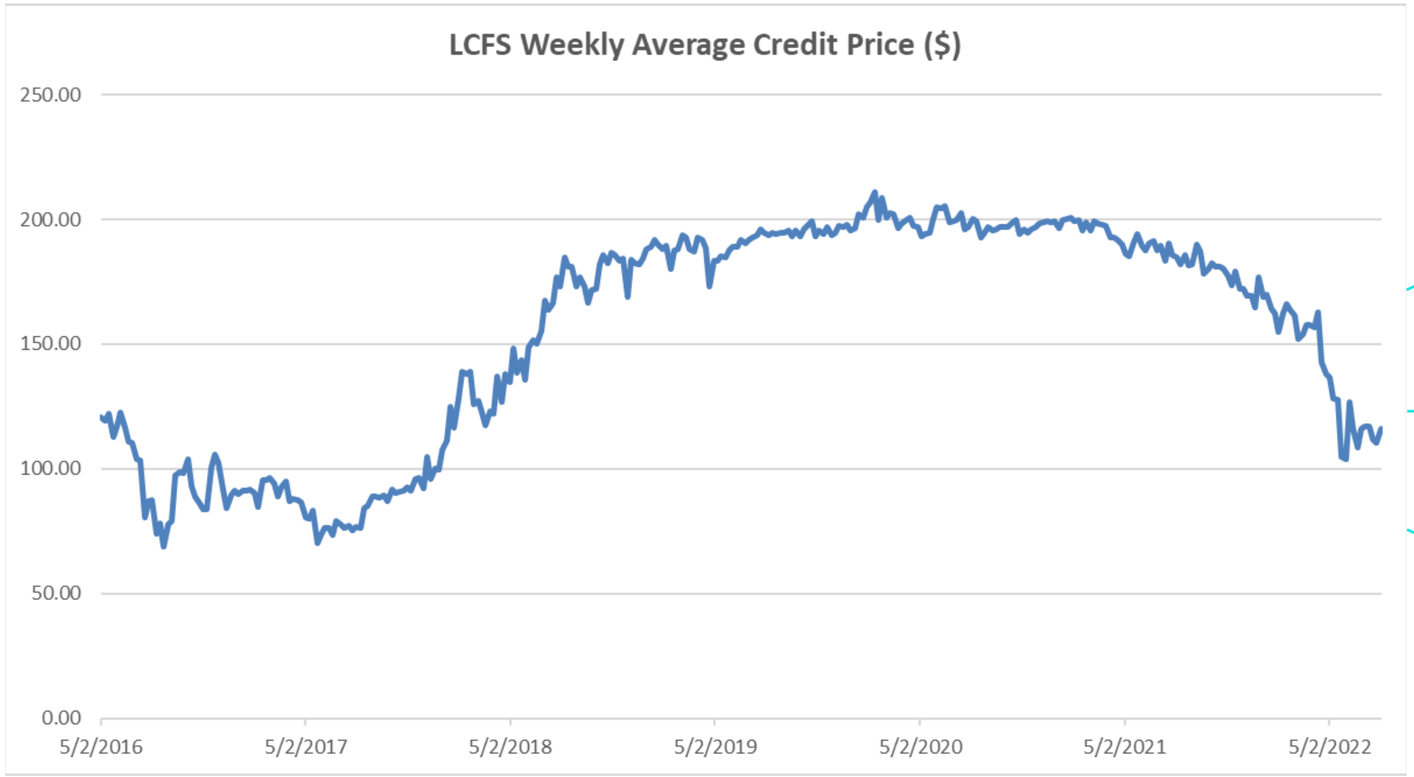


More CFS Credits

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What Will Credits Be Worth?

MARKET FLUCTUATES BASED ON SUPPLY AND DEMAND FOR CREDITS



Gross Value for Light-Duty EV Charging

~$0.20/kWh @ $175

~$0.14/kWh @ $125

~$0.08/kWh @ $75

Note: This data from CARB only reflects "Type 1" transfers and is not fully indicative of market prices available at the time

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SRECTrade Management & Transaction Services

FULL-SERVICE MANAGEMENT OF ALL ENVIRONMENTAL COMMODITY ACTIVITIES WITH NO OUT-OF-POCKET COST

SRECTRADE CLIENTS




Clean Fleet Operation



Provide ID and usage data



LCFS Credit Proceeds

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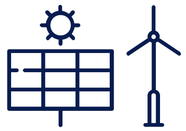
Fleet Revenue Evaluation



Asset Registration



Fuel Reporting



Renewable Procurement



Compliance Reporting



Transaction Execution



Market Tracking



Policy Advocacy

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Clean Fuel and REC Management Services

SINGLE PARTNER TO SOURCE, MANAGE, TRANSACT, AND MONETIZE ESG COMMODITIES GLOBALLY

1

Find how much you can get paid

Provide information describing equipment and use.
SRECTrade will provide a detailed revenue estimate.

2

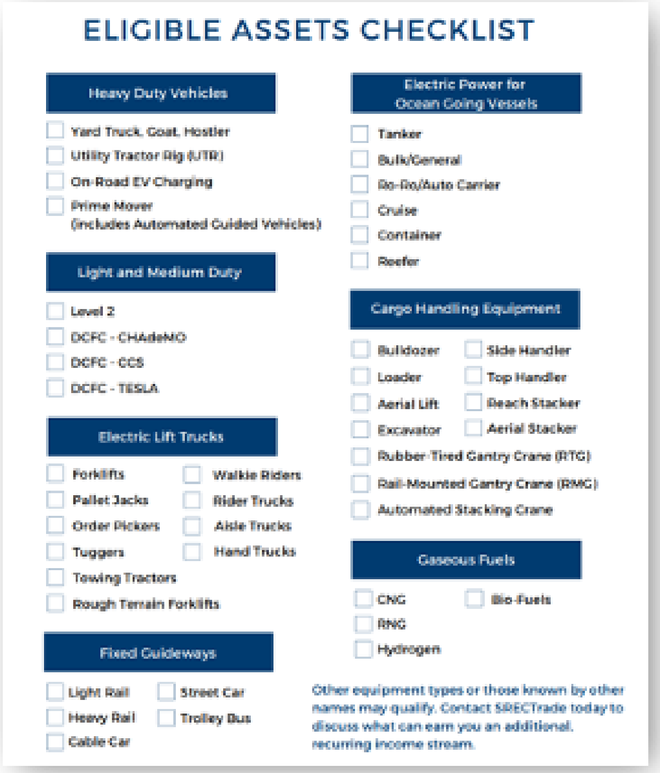
Review the simple service agreement

Short and clear. No long-term obligations.
Declining fee reductions. No upfront cost or invoice.

3

Get started

Credits not generated are lost each quarter.
"Learn while doing" and getting paid.
Leave when you like — 99%+ of clients stay annually.



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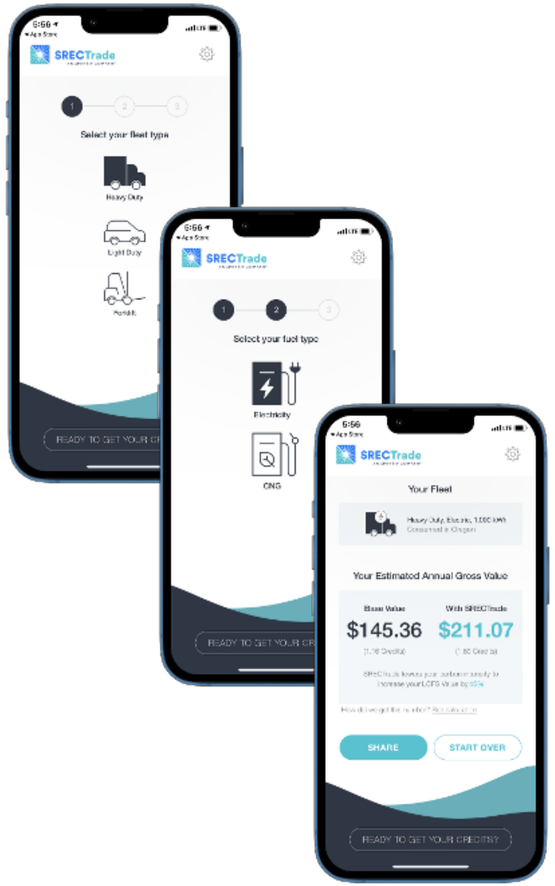
Estimating the Proceeds SRECTrade Pays You

UPON SALE SRECTRADE NOTIFIES CLIENTS TO CHECK BANK AND SRECTRADE ACCOUNTS

1. Download the SRECTrade LCFS Calculator App to your iPhone or Android.

2. Use the app to estimate the gross revenue potential from assets operating in current clean fuel markets.

3. Contact SRECTrade for a more detailed revenue analysis, identifying eligible assets and the variables the maximize value



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Questions?

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The Green Transportation Summit & Expo

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Thank You

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