



A Clean Transportation Standard for Minnesota



GREAT PLAINS INSTITUTE

A **clean transportation standard (CTS)**—also called a clean fuel standard or low-carbon fuel standard—is a market-based policy that sets a requirement to reduce the average **carbon intensity (CI)** of transportation fuels over time.

Research shows that a CTS in Minnesota would achieve the following:



Contribute **55,000 jobs** and \$4.6 million in labor income to Minnesota's economy over 15 years



Reduce petroleum demand by up to **86%** by 2050



Generate **public health benefits** due to reduced tailpipe emissions



Provide **\$134 million to \$268 million** for transportation electrification annually by 2030



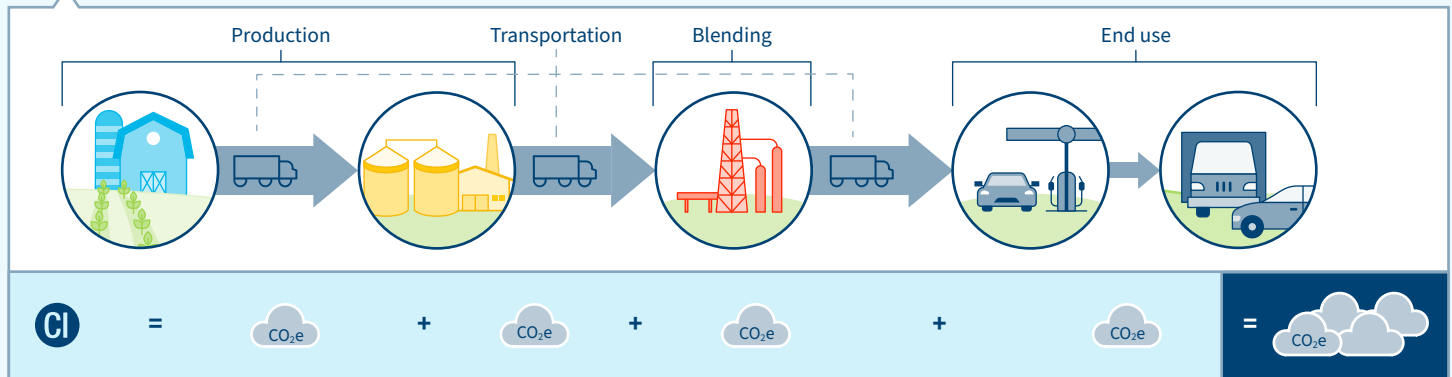
Increase the use of **homegrown energy** and support Minnesota's rural economies

How CI is determined

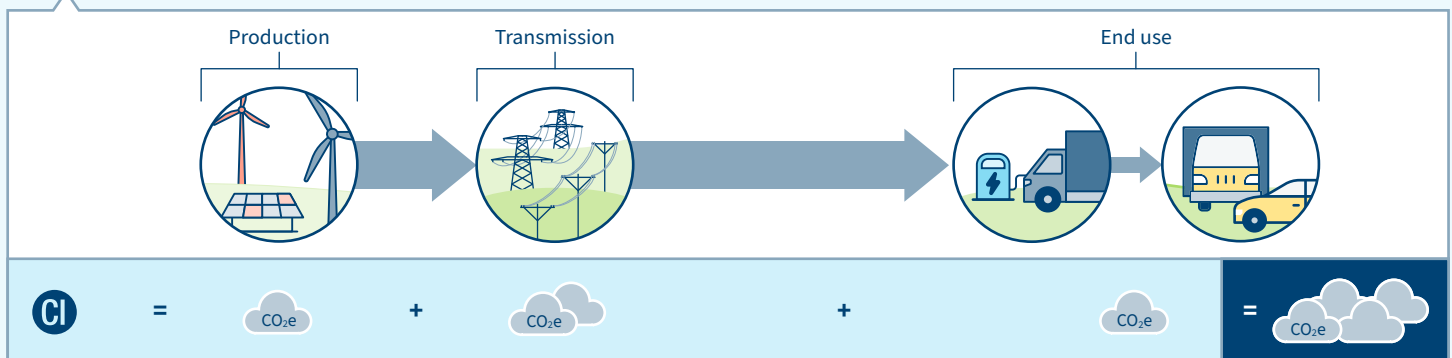
A **CI** score is a measure of all greenhouse gas emissions (measured in carbon dioxide equivalent or "CO₂e") in a fuel's "well-to-wheels" lifecycle, including production, blending, distribution, and use. **Examples:**



Climate-smart agricultural practices and efficiency improvements can lower the CI of biofuels.



Renewable energy sources can lower the CI of electricity generation.

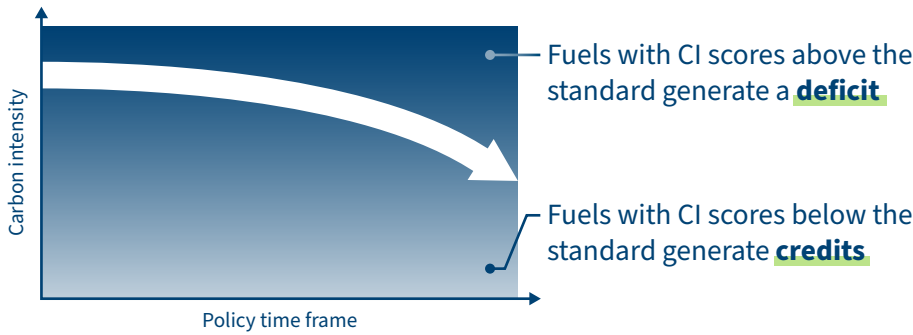




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Using CI scores to set a CTS

- 1 Transportation fuels are assigned CI scores based on a greenhouse gas lifecycle analysis.
- 2 The policy establishes a **CI standard** based on the fuels' average CIs.
- 3 The CI standard is reduced over time relative to a baseline year.



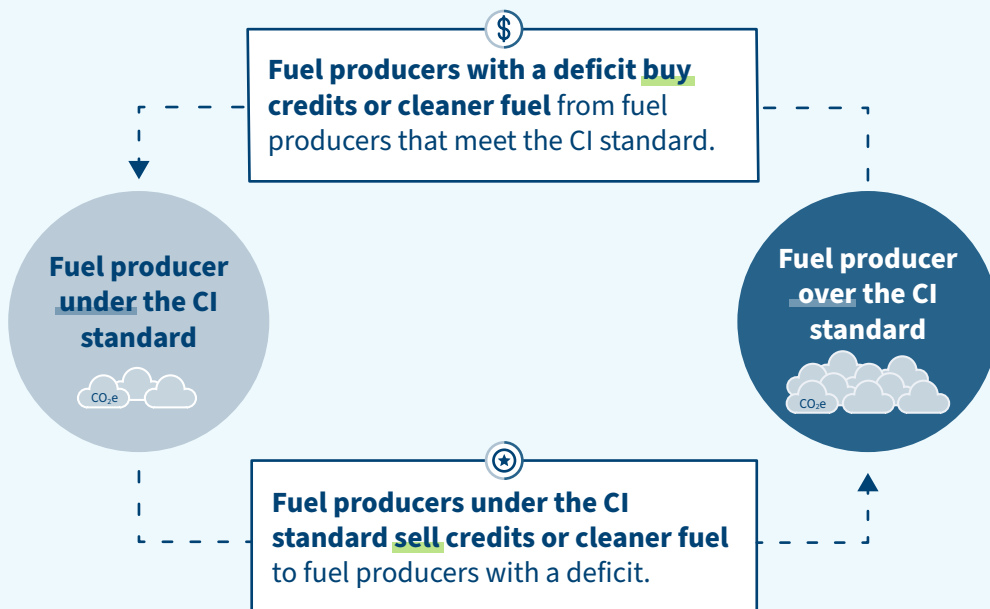
Example: Gasoline



Example: Biofuels or electricity



How credits are exchanged in a CTS



Fuel producers include:

- Biofuel producers
- Petroleum refiners
- Electric utility companies
- Renewable energy developers
- Renewable diesel producers
- Ethanol producers