



Cap-and-Invest: Emissions-intensive, trade-exposed industries

Tamara Jones Deputy Program Manager; Climate Pollution Reduction Program September 25, 2025

What are EITEs?

Manufacturing facilities with high energy needs and high greenhouse gas emissions ("emissions-intensive")

Face significant competition for their products ("trade-exposed")

About 40 facilities qualify as EITES, as designated by the Legislature

- Producers of paper, food, building materials, airplanes, and transportation fuels
- Emit more than 25,000 metric tons of carbon emissions a year



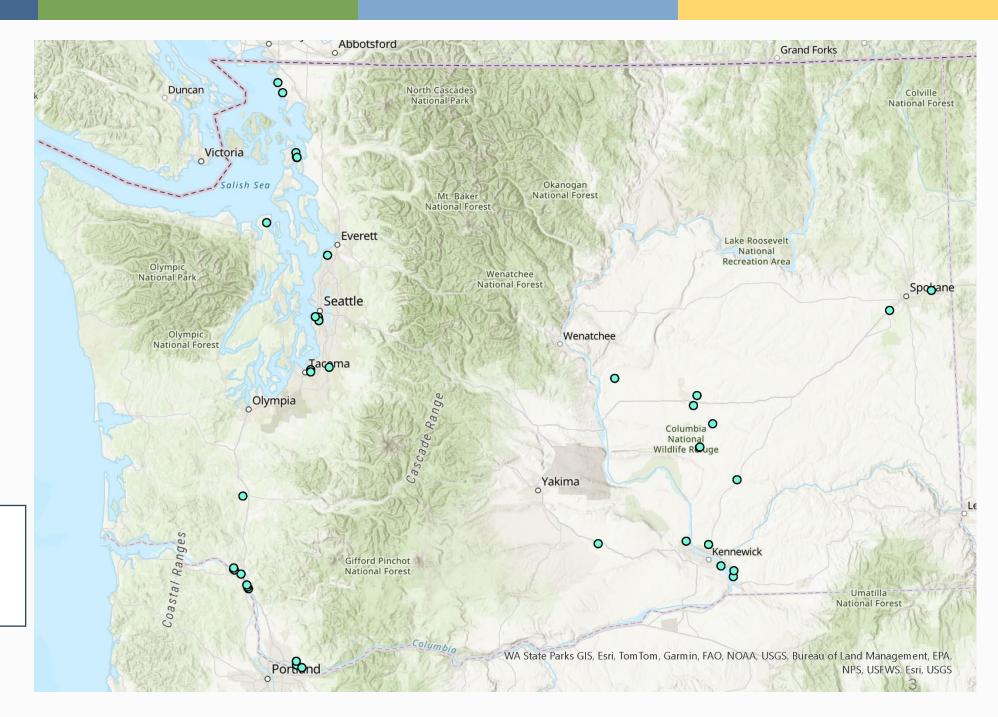
Location of EITE facilities

Map key

EITE facility

Data as of Dec. 2024

List of active EITEs





Report on EITE allocation: 2035-2050

- The Legislature has not specified the approach to EITE allocation for 2035-2050
- Ecology must compile a report that offers information and recommendations on how best to proceed
- Legislature is to determine the approach to EITE allocation for 2035-2050
- Ecology plans to submit report Dec 2025

Years	Reduction schedule for EITE allocation
2023-2026	100% of baseline emissions
2027-2030	97% of baseline emissions
2031-2034	94% of baseline emissions
2035-2050	Not specified in CCA (default is 94%)

Focus areas for the report to the Legislature

- ✓ Best practices for avoiding 'leakage' of emissions and economic harm
- ✓ Alternative methods for measuring the emissions generated by EITEs per unit of production (i.e., baseline emissions for EITEs)
- ✓ How to determine the number of allowances EITEs receive in 2035-2050
- ✓ Opportunities and barriers for decarbonization of EITEs in Washington
- ✓ Environmental justice outcomes and economic impacts, including
 - Local air pollution
 - Health impacts
 - Employment opportunities
 - Changes to Cap-and-Invest revenue

Engagement

- Aug 2024 Aug 2025
 - Tribal forums, public meetings, and focused outreach
- Sept and October 2025
 - EJ Council
 - Sept Listening Session
 - Oct EJC Input
 - Environmental organizations Early Oct
- Ecology will submit the report in Dec 2025





Thank you!

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