Climate Commitment Act Rulemaking

Air Quality Program Team

Special Meeting of the Environmental Justice Council

May 13, 2022
Agenda

1. Environmental Justice Commitment: Millie Piazza, Program Manager, Office of Equity and Environmental Justice

2. Overview of Ecology’s Work on the Climate Commitment Act: Kathy Taylor, Program Manager, Air Quality

3. Rulemaking: Joshua Grice, Climate Rule Unit Supervisor, Air Quality
Climate Commitment Act

• Cap-and-invest program begins Jan. 1, 2023
• Emitters generating more than 25,000 tons of CO2e/year must purchase or receive emissions allowances
• Revenue from allowance auctions in projects/programs is invested in climate change and environmental justice
• Expanded air monitoring and reduced air pollution in overburdened communities highly impacted by air pollution
The Environmental Justice Council and the Climate Commitment Act

Cap-and-Invest:

- Receiving recommendations on the development and implementation of the Cap-and-Invest program
- Ecology will provide comprehensive 4-year reviews of the program (starting in 2027)
- Make recommendations on meaningful consultation with vulnerable populations
- Input on improving air quality in overburdened communities highly impacted by air pollution
- Recommend how money raised through the Climate Commitment Act’s emissions allowance auctions should be spent
Additional CCA Work: Overburdened Communities

- Authorized under Section 3 of the Climate Commitment Act
- Refers to identifying overburdened communities highly impacted by air quality
- Expands placement of air quality monitoring networks
- Leads to additional emissions-reduction strategies
Rulemaking at Ecology

• Engagement
• Respectful communication with tribal governments and opportunity for government-to-government consultation
• Public input
• Transparency
Rulemaking Phases

- Announcement
  - Research & analysis
  - Informal input

- Proposal
  - Public comment

- Adoption
  - Consider & respond to comments
Cap-and-Invest Program Rule Timeline

In the Climate Commitment Act, the State Legislature directed Ecology to commence the cap-and-invest program by January 1, 2023, and to adopt the rule that establishes the program’s structure and parameters by October 1, 2022.

July 2021
ANNOUNCEMENT
• Rule development
• Informal input, listening
• Tribal dialogue
• Economic modeling

Nov 2021

May 2022
PROPOSAL
• Public comment period
• Public hearings

Oct 2022
ADOPTION

Jan 2023
Cap-and-invest program
Public Comment Period

May 16, 2022 – June 30, 2022:

• Written public comments
• 4 virtual public hearings (including evening)
• Recommendations from this Council
Scope of this Rulemaking

Implements the market-based system for the Climate Commitment Act

- Covered entities
- Compliance obligations
- Allowances
- Auctions
- Projects for offset credits
- Enforcement
Council Engagement in Current Rulemaking

- Ecology is committed to providing information
- Including interactive meetings on specific topics upon Council’s request
Looking to the Future

• Robust and ongoing input and engagement
• Listening and discussing
  • Linkage with other jurisdictions
  • Washington-specific offset protocols
• We welcome working with the Council
• We are committed to transparency, fairness, and equity
• We appreciate public participation