Climate Commitment Act Rulemaking

Air Quality Program Team

Special Meeting of the Environmental Justice Council

May 16, 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 is invested in climate change and environmental justice projects/programs
• 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

1. **Announcement**
   - Research & analysis
   - Informal input

2. **Proposal**
   - Public comment

3. **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**: Rule development
- **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
Ideas for Engagement in Current Public Comment Period

• The Council can provide written recommendations to Ecology
• Ecology and Council could meet, with Ecology documenting Council’s recommendations
• Other options are possible
Looking to the Future

• Ecology is committed to providing information
• Including interactive meetings on specific topics upon Council’s request
• We welcome working with the Council
• We are committed to transparency, fairness, and equity