

January 26, 2022

VIA EMAIL AND ONLINE UPLOAD:

Cooper Garbe, Rulemaking Lead, Policy and Planning Section
Washington State Department of Ecology
300 Desmond Drive SE
Lacey, WA 98503
Cooper.garbe@ecy.wa.gov

Re: Comments on WAC 173-446 Informal Proposed Rule

Dear Cooper:

Centrio Energy Seattle, LLC (“Centrio,” formerly EnWave Energy US, formerly Seattle Steam Company) welcomes the opportunity to comment on the informal proposed rule WAC 173-446 (Proposed Rule), which was published in recent weeks by the Washington State Department of Ecology (Ecology) and which aims to implement the majority of Washington’s Climate Commitment Act (CCA).

In separate forthcoming comments on the proposed rule for WAC 173-446A (Criteria for Emissions-Intensive, Trade-Exposed (EITE) Industries), Centrio explains why – based on consideration of greenhouse gas (GHG) emissions leakage and other factors – the criteria for EITE status should be broadened to allow for inclusion of the company’s industrial subsector (NAICS code 221330, Steam and Air-Conditioning Supply), in the event that that subsector is not otherwise exempted altogether from the CCA. In anticipation of its potential future EITE status, Centrio supports and endorses the comments filed separately by Nucor Steel Seattle and provides the additional specific comments below.

Centrio plays a crucial role in Seattle’s economy and its provision of medical and other critical services.

Centrio Energy tackles global energy problems on a local level, with local resources. We produce and distribute reliable and sustainable steam energy through a vast network of underground piping. Centrio Energy serves about 33 million square feet which includes, Seattle’s downtown core, health care district, Pioneer Square and stadium district. Our energy provides heating, humidification, sterilization to our customer base which includes the hospitals on 1st Hill, commercial real-estate owned by University of Washington, Seattle Public Library, Seattle Art Museum, City of Seattle, King County. Numerous hotels, including, Fairmont Olympic and The Four Seasons. Centrio also provides energy to local breweries and distilleries.



Clarence Clipper

General Manager

1325 Fourth Avenue
Suite 1440 | Seattle, WA 98101
t: 206-658-2026 | m: 206-391-5014
e: clarence.clipper@centrioenergy.com
centrioenergy.com

CenTrio is moving aggressively to cut its GHG emissions.

CenTrio has formed a clean energy stakeholder committee. This committee has a representative from the City of Seattle, King County, Seattle City Light, 2030 District, IBEW, mechanical contractors, developers, architects and existing CenTrio customers. This committee will help share CenTrio's story with the city and the community. CenTrio will establish a realistic timeline and create deadlines and milestones to help facilitate their carbon reduction goals to the committee.

- 2021 – 2030 – introduce renewable fuels, improve operational efficiency, expand our district energy system (hot water), and continue to purchase carbon offsets.
- 2030 – 2050 – decarbonize fossil fuel use from the district system, implement new technologies, continue to invest in our system.
- CenTrio will invest in the City of Seattle through our customer buildings and will expand beyond 28 million square feet by utilizing hot **water nodes**.
- CenTrio is moving aggressively in the right direction; just needs support (or at least not to be driven out of business) in the meantime.
-

CenTrio's district energy infrastructure must be preserved and enhanced and will play a key role in a sustainable future for Seattle.

CenTrio is moving aggressively to decarbonize its operations. The result of that process, which will require time and investment, will be a robust district energy network that will play a crucial role in Seattle's sustainable future. In the meantime, however, CenTrio should be afforded the time and the opportunity to marshal investments necessary for transitioning to a decarbonized future. Absent some alternative compliance pathway for the Steam and Air-Conditioning Supply industrial subsector, CenTrio will likely not be able to maintain the viability of its district energy system, resulting in a loss of crucial infrastructure for Seattle's sustainable future and the leakage of emissions from CenTrio's central source to numerous smaller sources that cannot instantly switch to electricity and would therefore install and operate their own fossil-fuel-fired boilers outside the coverage of the cap-and-trade program.

CenTrio appreciates the opportunity to provide input on Ecology's informal proposal for WAC 173-446. We hope to continue engaging with Ecology during the rulemaking process, and we look forward to offering comments on the proposed rule for WAC 173-446A.



Clarence Clipper

General Manager

1325 Fourth Avenue
Suite 1440 | Seattle, WA 98101
t: 206-658-2026 | m: 206-391-5014
e: clarence.clipper@centrioenergy.com
centrioenergy.com

If you have any questions about these comments, please contact me.

Very truly yours,



Clarence Clipper
General Manager

cc: Luke Martland, luke.martland@ecy.wa.gov



Clarence Clipper

General Manager

1325 Fourth Avenue
Suite 1440 | Seattle, WA 98101
t: 206-658-2026 | m: 206-391-5014
e: clarence.clipper@centrioenergy.com
centrioenergy.com

