

July 14, 2022

RE: Rulemaking - Chapter 173-446 WAC, Climate Commitment Act Program

Dear Department of Ecology,

Earth Ministry/Washington Interfaith Power & Light (WAIPL) works with over 300 spiritual communities across our state and represents nearly 6,000 people of faith in Washington who care deeply about environmental justice. As a multifaith community, we know the climate crisis is a moral crisis yet also how we respond to the climate crisis is a moral issue. We cannot sacrifice those already on the margins.

During this rulemaking, we approached our partners in organizations led by and serving those most directly impacted by the climate crisis and asked their perspective on the proposed Climate Commitment Act program. We were told that no amount of comment can improve the foundational flaws in this approach to carbon pricing. As stated in Front and Centered's report, <u>Exposing False</u> <u>Solutions</u>, "we cannot trade or offset the ability of our communities to breathe." We must do better.

Though Earth Ministry/WAIPL did not support this market-based mechanism to reduce Washington's carbon emissions, we are grateful that the state legislature intentionally sought to integrate environmental justice, tribal sovereignty, and tools to address environmental impacts into the structure of the law. We appreciate the work that Ecology has undertaken and call on you to do all you can to ensure that these directives are implemented to the strongest extent possible. Please strengthen the Climate Commitment Act program in the following areas:

Tribal Sovereignty:

• Explicitly incorporate Ecology's existing obligation to proactively engage and consult with federally recognized tribes.

Overburdened communities and environmental harm:

- Articulate Ecology's responsibility to ensure the cap-and-invest program avoids negative impacts to overburdened communities and describe how information will be gathered and used to fulfill that responsibility.
- Clarify Ecology's role in evaluating impacts of all Emission-Intensive Trade-Exposed facilities (EITEs) on overburdened communities, regardless of when each becomes a covered entity.
- Establish an explicit process to review impacts of program implementation on outcomes relative to overburdened communities, in order to inform Ecology's mandatory reporting to the legislature required by RCW 70A.65.060(5). The rule must provide information sufficient to conduct a meaningful and thorough review. This process should be separate from the "Improving Air Quality in Overburdened Communities" initiative, be inclusive of the full range of overburdened communities as defined by the law, and focus on disparities of impacts across the entire program.

Information to enable review and accountability:

- Require all covered entities to provide information about a) their impacts to overburdened communities and to tribal lands and treaty rights; b) the chemicals and pollutants they process and/or manage; and c) if there are any violations under any permits they hold.
- Provide guidance and establish reporting requirements for consumer-owned utilities on the use of the value of no cost allowances and engage with the UTC on its regulation of investor-owned utilities' use of the value of no cost allowances.

Best available technology:

- Require EITEs applying for an upward adjustment of no cost allowances to submit information on any excessive environmental impacts of the fuels, processes, and equipment used by each facility. The rule should be clear that if the facility is found to create excessive environmental impacts, upward adjustments should be denied.
- Establish requirements for Ecology to publicly share and document data being used to establish baseline information, subtotal baselines, and allocations.

Environmental Justice Council:

- Include explicit language describing how Ecology will engage with the Environmental Justice Council in the development, implementation, and evaluation of the full program.
- Track information about the environmental and health impacts of all covered entities to inform Council review.

Offsets:

- Establish a process for future modification of offset protocols, including 1) adaptation of existing carbon offset protocols in response to lessons learned in California and Washington. For example, updating the existing Urban Forestry Protocol, which is not currently implementable, to provide benefits in urban communities hardest hit by facilities and pollution; and 2) creation of new protocols to harness climate mitigation potential of other ecosystems and land uses, such as blue carbon or agriculture.
- Provide mechanisms for aggregation of landowners who would otherwise face barriers to participation in carbon offsets—particularly Native Nations and small forest landowners— in order to maximize benefits to local communities, tribes, and land owners of all sizes.
- Clarify the process for reducing offset limits in response to cumulative air pollution burden in overburdened communities, including how data will be gathered and shared.
- It is critical that offset rules are guided by feedback from tribes, designed to facilitate participation of Native Nations, and support tribal sovereignty.

Thank you for doing all you can to ensure our values of justice and equity are centered in how Washington addresses our climate goals. We look forward to Ecology's ongoing work to strengthen and finalize this rule.

Sincerely,

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Rev. AC Churchill Executive Director Earth Ministry/Washington Interfaith Power and Light