

Alex Fay

My name is Alex, and I am a constituent.

Thank you for the opportunity to comment on this critical rule that will shape how our state's cap & invest program will be implemented. The Climate Commitment Act is the strongest carbon pricing program in the US, and we are excited about the opportunities that this program brings to reduce carbon, bring well-paying jobs to Washington, and invest in overburdened communities. The state legislature intentionally integrated environmental justice, tribal sovereignty, and tools to hold corporate polluters accountable into the structure of the law. I appreciate the work that Ecology has undertaken to translate this far-reaching statute and faithfully implement its directives to help achieve our climate goals in an equitable and just way.

I care about this because we need swift action to address the climate crisis and protect our most vulnerable people.

The program rules are important to get right so that Ecology has the clear authority to act, the responsibilities of covered entities are clear, and the people of Washington have clarity on this program. Overall, I support the general direction of the rules, and urge Ecology to strengthen the rule in the following ways:

Program design and Overburdened Communities: The statute is clear that the program should benefit overburdened communities and not cause environmental harm. Yet, the program rules do not clearly articulate how this will be achieved. This is a gap that should be filled, starting with the following changes:

- Clarify Ecology's role in evaluating impacts of all Emission-Intensive Trade-Exposed facilities (EITEs), regardless of when they become a covered entity, on overburdened communities;
- Establish an explicit review process for how the program is impacting overburdened communities and ensure Ecology has information required to conduct that review;
- Clarify Ecology's role in evaluating impact of linkage on overburdened communities and for achieving environmental benefits of program.

Information to build in review and accountability:

- Information to guide evaluation of impacts: Ecology should require all covered entities to provide information about their impacts to overburdened communities and to tribal lands and treaty rights, the chemicals and pollutants they process and/or manage, and if there are any violations under any permits they hold.
- Information to guide program review: Ecology should require gas and electric to provide information on how they spend any revenue from the sale of no cost allowances.
- Best available technology: Ecology should 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 the facility. The rule should be clear that if the facility is found to create excessive environmental impacts, upward adjustments should be denied.
- Publicly disclose and document: Ecology should publicly share and document data being used to

establish baseline information, subtotal baselines, and allocations.

Role of Environmental Justice Council: Per the statute, the Environmental Justice Council has an oversight role of the full program, including, but not limited to, linkage, protocols for offset projects and credits, designation of EITE industries, and administration of allowances. Yet the draft program rules do not provide adequate information to support this role or clarify Ecology's responsibilities for engaging with the Council. This is a gap that needs to be filled. The Council has the authority to determine its process for engagement with, and recommendations to, Ecology in this regard. This rule should be strengthened to:

- Include explicit language into the rule on 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 EITE facilities 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, 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 Tribal 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.

Tribal Treaty Rights:

- This rule must explicitly incorporate Ecology's existing obligation to proactively engage and consult with federally recognized tribes.

I look forward to Ecology's ongoing work to strengthen and finalize this rule as part of our state's work to meet our climate goals in an equitable and just way.

Thank you,
Alex