



July 15, 2022

Joshua Grice
Washington Department of Ecology
300 Desmond Drive SE
Lacey, WA 98503

RE: Chapter 173-446 WAC – Climate Commitment Act Program Rule

Dear Mr. Grice,

The Washington Public Ports Association (WPPA) represents a diverse membership of 75 port districts from all corners of Washington. Port Districts are focused on sustaining and growing the regional economies they serve. Our ports create jobs and economic growth in many diverse ways. They own and operate shipping terminals, marinas and docks, airports, industrial sites, railroads, commercial properties, environmental mitigation banks, parks and recreational facilities. Some ports operate in all of these sectors, others in only one or two, but almost every Washington port pursues an aggressive program of economic development.

Reliable, affordable, and clean power is one of the most important elements of a successful economic development strategy and it is a competitive advantage ports in Washington have benefited from. WPPA supported the Climate Commitment Act (CCA) as it passed the legislature, not only to support economy wide decarbonization, but also because it's designed to provide long-term certainty that companies looking to invest and grow in Washington state can be successful.

It is important to note that while WPPA members are not explicitly covered entities under the CCA, we offer the following comments to ensure the CCA is implemented in a manner that supports carbon reductions while also supporting and maintaining Washington's ports, maritime industry, and trade economy.

Protect Energy Intensive Trade Exposed Industries

Ports are very dependent on trade, manufacturing and agriculture, as is the Washington state economy. We encourage the Department of Ecology to adopt rules that ensure these vital employers and economic generators can remain competitive in Washington.

Decarbonizing Port Districts

WPPA has a diverse membership of ports districts, some already in process of electrifying and decarbonizing and others just beginning to explore opportunities and make investments. Activities

such as installing shore power, demonstrating zero-emission drayage trucks, and deploying zero-emission cargo-handling equipment are of interest to ports around the state however these investments are incredibly costly. While we understand that the CCA program rulemaking cannot allocate CCA funds, we encourage Ecology to adopt rules that support and further additional investments in hard to decarbonize sectors, such as the maritime sector.

Furthermore, we support the provisions of the rule relating to natural gas and electric utilities reinvesting the revenue from allowance sales. However, to the extent allowed under RCW 70A.65.120, we believe that electric utilities and natural gas utilities should also reinvest the revenue in projects that benefit air quality in overburdened communities. We propose that WAC 173-446-300(1)(ii)(H)(iv) be modified to read “weatherization, decarbonization, conservation and efficiency services, bill assistance, and to prevent or mitigate impacts to overburdened communities.”

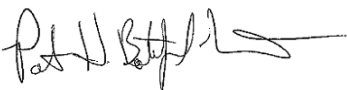
Finally, we encourage Ecology to develop offset protocols that provide direct benefits to overburdened communities. We encourage Ecology to explore a simple urban forestry protocol and alternative offset projects not directly covered by the CCA or Clean Fuel Standard. These projects could include carbon capture, and marine or rail fuel switching, for example.

Allowances

WPPA supports the allowance price floor and price ceiling proposed in WAC 173-446-335. We encourage Ecology to seek stability in the allowance market to ensure the CCA raises revenue for targeted investments as the Legislature intended. Additionally, we support linkage with the California Cap and Trade market. Linking with California will provide a broader allowance market that should reduce the likelihood of allowance price fluctuations that approach the price ceiling or price floor.

In closing, WPPA appreciates the opportunity to provide comment on behalf of port districts around the state and stands ready to work with the Department of Ecology and the Legislature on implementing and improving the Climate Commitment Act.

Sincerely,



Patsy Martin
Interim Executive Director
Washington Public Ports Association