

Tess Fay

In review of the proposed rulemaking, it is not specifically stated that facilities new to the state that are defined by WAC 173-446A-030 as Emissions-Intensive and Trade Exposed will be considered an EITE under the Climate Commitment Act Program. While this may be the intention, it is recommended that the definition of EITE be expanded to specifically state both new and existing facilities in Washington State are defined as an EITE through the specified NAICS classification system.

It also does not appear to be defined how baselines will be established for EITEs new to the state, which will not have location-specific historic emissions data; some facilities may have historic data from other locations, while some may not have any similar operating facilities. It is recommended that a distribution of allowances that is comparable to what is outlined in WAC 173-446-220 be specified. This may be achieved by using historic data of a comparable facility within the locating company's portfolio, or by using modeled emissions in the case of a new facility without a comparable operating location outside of Washington. It is recommended that the process of setting baselines and determining allowances be fair and comparable to the methodology to determine existing EITE allowances, as this will facilitate continued competitiveness to recruit new manufacturing businesses into the state.