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June 30, 2022

Department of Ecology Air Quality Program Attn: Joshua Grice PO Box 47600 Olympia, WA 98504-7600

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

Dear Mr. Grice,

I am providing comments for the Climate Commitment Act (CCA) cap-and-invest program as an individual citizen that is part of the Spokane, WA community as well as a graduate student with the University of Denver's Environmental Policy and Management program. After attending the June 28th public hearing, I wanted to provide written comments regarding the rulemaking for this program.

I first want to applaud the efforts to internalize negative externalities through a mixed use of policy instruments that include financial penalties, financial payments, and property rights (tradable permits) via this cap-and-invest program. Reducing emissions is a critical step in improving human health and the environment. However, I do feel that there are some adjustments that should be made in implementation of this program to avoid allocation issues, arbitrary designations for facilities/industries, and additional unintended consequences.





One of the primary issues with property rights, including tradable permits like CCA includes, is that it is difficult to determine initial allocations (Salzman and Thompson 2019, 56). In RCW 70a.65.120 and 130, electric and natural gas utilities receive allocations of no-cost allowances but solid waste utilities, like Spokane's Waste-to-Energy (WTE) plant do not (RCW 2021). The Washington Utilities and Transportation Commission (WUTC) recently ruled that Spokane's WTE plant is not "baseload electric generation" (WUTC 2021). The excess generation at Spokane's WTE plant is sold to Avista, including its environmental attributes, so there is a potential that the emissions are being double counted. Additionally, Spokane's WTE plant is a solid waste management facility that recovers energy and recyclable metal from the waste stream which reduces statewide emissions. WTE plants should be provided no-cost allowances like electric utilities since the excess energy is provided directly to the electric utility and is created from the management of the state's citizen's waste.

In rulemaking procedures, it is important that the rule structures developed are based on reason or principle. However, the handling of WTE plants do not appear to follow these important elements. WTE is included in this program with utilities and industry, however, landfills and other waste management efforts have been removed for special handling (Washington State Legislature 2022). WTE plants being handled as a baseload energy generation instead of its primary purpose of waste management appears arbitrary and not in line with previous WUTC rulings and solid waste industry designations. WTE plants should be included in the same rulemaking process as landfills since they are both down-stream solid waste management systems that are essential to public health.

Similar to landfills with gas capture technology, a waste-to-energy plant achieves additional benefits from the waste management process versus landfilling alone. WTE also avoids more emissions that come from solid waste than landfills or landfills with gas capture (Minnesota Pollution Control Agency 2010). The EPA has shown that solid waste combustors are estimated to reduce 1 ton of GHGs per ton of solid waste combusted (EPA 2016). WTE plants should be included in the rulemaking with landfills and its emissions reductions appropriately considered for offsets and allowances.

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Moreover, the misclassification and treatment of WTE plants within this rulemaking creates unintended consequences that should be avoided. Perverse incentives that penalize better waste management practices versus landfilling should be removed. The current rules appear to arbitrarily favor landfills over WTE even though WTE is more beneficial from a life-cycle approach. Spokane's WTE plant has permitted, measured, and reported emissions, whereas landfills do not have to report all the emissions they release (CDC 2008, 5-13). Compliance costs without allocations of no-cost allowances penalizes a low-income community that has taken their waste management in-boundary and utilized improved waste management principles over last resort landfilling. Reductions in solid waste system throughput and emissions are better managed through policy approaches like extended producer responsibility (EPR), and other up-stream waste programs, to reduce the waste on the front end instead of penalizing the end of waste stream management efforts of municipalities providing public health services to their community.

In conclusion, WTE should be managed separately with other solid waste management facilities, like landfills, or balanced properly with other utility industries receiving no-cost allowance allocations. Including solid waste solutions in the CCA lacks consistency with how these rules are implemented across Washington industries. Exclusion of WTE regarding no-cost allowances also creates perverse incentives that counter the goals of the legislation to spur reduction of emissions and improve environmental justice. I urge you to consider the statements I have put forth to make changes that further strengthen the implementation of the CCA with more equitable and just approaches.

Thank you for your efforts,

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References

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