



Alliance of Western Energy Consumers ♦ 3519 NW 15<sup>th</sup> Ave., #249 ♦ Portland, OR 97212 ♦ 971-544-7169 ♦ [awec.solutions](http://awec.solutions)

September 5, 2025

## **Comments of the Alliance of Western Energy Consumers on Draft Cap-and-Invest Linkage Rules**

The Alliance of Western Energy Consumers (“AWEC”) appreciates the opportunity to submit comments on the July 28, 2025 Washington Department of Ecology’s (“Ecology”) draft rules of chapter 173-446, regarding the Cap-and-Invest Program Linkage Rulemaking (“Linkage Rules”).

As noted in our previous comments, AWEC is a trade organization representing the interests of its members, which include large energy consumers within Washington and the surrounding region. AWEC’s members are responsible for providing tens of thousands of highly paid, technical, family-wage jobs across a broad range of industry sectors such as agriculture, aeronautics, air products, pulp and paper, food processing, information technology, healthcare, technology, and more. Thanks to Washington’s abundant hydro resources, they also have some of the cleanest processes in terms of carbon emissions in the world. Many of AWEC’s members also own facilities designated as emission-intensive and trade-exposed under the Washington Climate Commitment Act (“CCA”). These facilities, despite the intention to protect them from excessive costs of compliance, still incur increased costs associated with the CCA. This includes certain electricity-related costs despite the provision of free allowances for electric utilities’ retail loads, and increased costs in the future as free allowances for EITEs’ direct emissions decline over time. Thus, any rules that Ecology makes regarding the CCA directly affect many of AWEC’s members and should be promulgated with an intention to protect EITE customers from unnecessary cost impacts.

AWEC continues to appreciate the hard work that Ecology has done to implement the CCA and to meet the Washington Legislature’s intent to facilitate linkage with the California-Quebec market. However, AWEC remains concerned that the Legislature’s intent to ensure that industry in Washington is not disproportionately impacted by CCA implementation, as well as clear statutory requirements, are still not being met by the Linkage Rules in at least one key respect – by failing to recognize that covered entity status, based on importing unspecified sources alone, does not render the electricity importer covered with respect to specified sources. AWEC has reviewed the September 5, 2025 comments submitted by Georgia-Pacific Corporation (“GP”) on this issue and remains fully in concurrence with the analysis and conclusions therein, including that the July 28, 2025 draft rules make no changes to the rule governing coverage of electricity imports without explanation, and that the rules remain ambiguous on this issue. Again, AWEC stresses that it is paramount that Ecology’s statutory



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interpretations be accurate and reflected accurately in the Linkage Rules, particularly given the Legislature's clear intent for the specific, distinct circumstances that trigger covered entity status.

AWEC looks forward to further engagement from Ecology related to the issues raised by GP in its comments.

/s/ Bill Gaines

Executive Director

Alliance of Western Energy Consumers