



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

May 16, 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 Washington Department of Ecology’s (“Ecology”) draft rules of chapter 173-446 published on April 24, 2025, regarding the Cap-and-Invest Program Linkage Rulemaking (“Linkage Rules”).

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 appreciates 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 is 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 not 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 comments submitted by Georgia-Pacific Corporation (“GP”) on this issue and fully concurs with the analysis and conclusions therein and so will not repeat those arguments here. It is paramount, though, that Ecology’s statutory 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.



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Additionally, AWEC agrees with GP that coverage of unspecified imports below 25,000 MT of CO<sub>2</sub>e must begin as of January 1, 2025. To do otherwise only invites litigation and further program uncertainty given the clear legal infirmities with this provision of the Linkage Rules.

In sum, AWEC urges Ecology to rework the proposed draft language to better align with the plain language of the CCA, as amended by the Washington Legislature, with regard to covered entity status determined separately for specified and unspecified electricity imports. AWEC also urges Ecology to correct clearly unconstitutional timing requirements, that would apply covered entity status, prior to the effective date of ESSB 6058.

/s/ Bill Gaines

Executive Director

Alliance of Western Energy Consumers