

Submitted electronically

May 5, 2026

Stephanie Potts
Washington Department of Ecology
Climate Pollution Reduction Program
300 Desmond Drive SE
Lace, WA 98503

Dear Stephanie Potts,

The Nature Conservancy (TNC) appreciates this opportunity to provide comments on the [Draft Washington-California-Québec Linkage Agreement](#) that was released in March 2026. This Draft Agreement reflects a major step forward in the process of linking Washington's carbon market with the markets of California and Québec, which itself is an important step in securing lasting, effective implementation of the Climate Commitment Act. Subsequent to the release of the Draft Agreement, Ecology also released the Draft Linkage Criteria Findings and the Draft Environmental Justice Assessment, and our comments below also touch on these documents.¹

The Nature Conservancy helped shape, and strongly supports, the Climate Commitment Act (CCA) as one of Washington's signature climate policies: a cornerstone of our efforts to reduce greenhouse gas emissions, associated toxic pollution, and invest in creating healthy, thriving, climate-resilient communities. A strong linkage agreement will protect the CCA from being weakened by creating a larger, more secure allowance market and providing greater price stability that allows market participants to plan and implement carbon reduction strategies in order to comply with Cap-and-Invest laws. Securing the CCA, and achieving its goals, aligns strongly with TNC's overall mission to care for the lands and waters upon which all life depends, and specifically with top policy goals in Washington. Therefore, we see linkage as playing an important role in how we realize our mission.

However, merely *achieving* linkage of Washington's market with California and Québec does not, on its own, necessarily guarantee adherence to either the intent of the original law² or the specific criteria for a linkage agreement³, as outlined in statute. Therefore, after reviewing the Draft Linkage Agreement and the related documents we offer the following comments aimed at ensuring that a future, final agreement upholds those commitments.

¹ Given the short timeline we had to review these additional documents, we respectfully note that our comments here may not be comprehensive or represent our final analysis.

² [RCW 70A.65.005: Findings—Intent.](#)

³ [RCW 70A.65.210: Linkage with other jurisdictions.](#)

Additions or changes to the Draft Linkage Agreement

Recommendation 1: Clarify environmental safeguards

While the agreement is consistent in emphasizing market compatibility, it would benefit from minimum environmental integrity safeguards, particularly where program elements differ across jurisdictions - for example with treatment of offsets and air quality. Explicit guardrails can help maintain public confidence and protect against real or perceived “race-to-the-bottom” risks as related policies and programs continue to evolve independently in a linked system.

Specifically, TNC recommends: In Sections 4-6, explicitly state that harmonizations shall not result in a weakening of stringency, ambition, or oversight in any jurisdiction's climate or environmental goals and programs, including air quality, carbon offsets, or GHG emissions reductions.

Recommendation 2: Address equity and environmental justice more explicitly

The Preamble appropriately recognizes the importance of improving public health, quality of life, and economic opportunity, particularly for disadvantaged and overburdened communities through the proceeds of each jurisdiction's cap-and-invest program. However, these commitments are not operationalized as part of the program operation itself. Although the Agreement rightly does not dictate domestic policy choices, elevating equity as a shared consideration strengthens alignment with each jurisdiction's equity objectives, and provides further confidence with safeguards against a weakening of environmental justice outcomes.

Specifically, TNC recommends: Add a statement in Section 1 acknowledging that market linkage efforts should be implemented in ways that support equitable outcomes and do not exacerbate localized pollution burdens. Add an item of the list in section 12 before item ‘c’ that the Consultation committee will monitor how program design impacts community-level climate and environmental impacts, including air quality, across jurisdictions and strive to resolve any inequities that occur from program implementation.

Recommendation 3: Define “overburdened communities” and/or vulnerable populations

Section 2 of the Draft Linkage Agreement provides definitions for ten terms that are central to the linkage process and to upholding the intent of the greenhouse gas reduction targets that Québec, California and Washington have each respectively adopted. However, there is no definition provided for “Overburdened Communities” (OBCs), a term that is defined in Washington statute, or the equivalent terms used by California and Québec.⁴

⁴ California uses the term “Disadvantaged Communities” ([SB 535 Disadvantaged Communities - OEHA](#))

This is important because Washington’s Climate Commitment Act specifically requires that linking our market with other markets will not result in net-negative impacts on OBCs in Washington or in any other jurisdiction, *and* that “the linking jurisdictions have provisions to make sure that their programs provide benefits for vulnerable populations and overburdened communities”.⁵ Therefore, it seems prudent that the Draft Linkage Agreement should provide for some mutually-agreed-upon definition (or different definitions determined to be equivalent) between the three jurisdictions. This will ensure that there are some equivalent criteria for measuring benefits to vulnerable or overburdened communities as required.

Specifically, TNC recommends: in Section 2, add a definition of “disadvantaged and overburdened communities and vulnerable populations” that can be mutually-agreed upon by the three jurisdictions.

Recommendation 4: Add specific criteria for determining whether/when differences in the respective programs need to be resolved

TNC appreciates that the Draft Linkage Agreement is intended to provide a high-level framework for the overall approach to linking the three markets. Therefore, it is appropriate that the Draft Linkage Agreement does not go into detailed analysis of which elements of the respective programs, regulations and markets *may* currently conflict or require harmonization in the future. However, TNC urges that the Draft Linkage Agreement be revised to include some specific methods or criteria that will be used, in the future, to evaluate whether differences require regulatory or legal changes to be adopted by one (or more) of the jurisdictions. Without a mutually-agreed-upon approach, determined in advance, there is a risk of the jurisdictions disagreeing over whether or not differences are significant and/or require harmonization. If there is disagreement, then some (or all) parties to the Draft Linkage Agreement may not have incentive to pursue changes or additions to their programs, which could require significant time, effort and political will.

Specifically, TNC recommends: that the three jurisdictions work together to create criteria, a matrix, a process or some other framework (i.e., criteria, a matrix or some other tool), for evaluating whether or not programmatic differences between the jurisdictions need to be resolved for Québec, California and Washington to each be in compliance with their own laws and regulations. In addition to evaluating compliance and harmonization on procedural, logistical and emissions-reductions measures, the matrix should also evaluate compliance with

⁵ [Linkage - Washington State Department of Ecology](#)

laws, rules and regulations governing air quality and criteria pollution in vulnerable populations and overburdened communities.

Procedural recommendations

Recommendation: Finalize AQ rulemaking before finalizing linkage agreement

Linking Washington’s carbon market with California and Québec is a policy choice that is primarily driven by the goal of reducing overall greenhouse gas emissions between our three jurisdictions. Reducing these emissions is one of the central purposes of the CCA; however, the CCA law also mandates important reductions in air pollution and criteria pollutants, especially in overburdened communities.⁶ This is important to consider as linking carbon markets may have spillover effects on air quality in Washington as well as California and Québec. Some analysis⁷ indicates that linkage may lower the cost of carbon credits in Washington to the degree that, in the short term, some emitters end up finding it most cost efficient to buy more credits (at a lower price than currently available) instead of making meaningful reductions in their emissions; this could in turn lead to air pollution levels remaining the same or even increasing for the near term.

In the linkage documents it has published, Ecology states that “linkage would not change or weaken the state’s laws and rules regulating local air pollutants. Linkage also does not change the provisions in the CCA aimed at reducing criteria air pollution and improving outcomes in overburdened communities highly impacted by air pollution.”⁸ We agree with this general statement, but we also believe that finalizing the air quality rulemaking that is underway would give clarity and stronger assurance to commenters who wrote to Ecology with concern about how linkage would impact air quality in Washington. Without an actual rule to point to, it is more difficult to understand what guardrails and standards are (or will be) in place to mitigate effects of linkage on air quality in overburdened communities in Washington. This in turn may result in higher scrutiny or more pointed criticism of linkage.

The Nature Conservancy appreciates all of the work that has gone into the process of developing the Draft Linkage Agreement and hopes that these recommendations can strengthen it. It is imperative that a strong final linkage agreement is reached so that Washington, California and Québec can all move forward confidently, knowing that this step

⁶ [WAC 173-448 - Washington State Department of Ecology](#)

⁷ [Considerations for Washington’s Linkage Negotiations with California and Québec](#)

⁸ [Potential linkage of Cap-and-Invest carbon market with the joint California-Quebec carbon market \(Draft\): An Environmental Justice Assessment](#), p. 40

will improve climate, health and resilience for all of their communities and in compliance with existing laws.

Respectfully,

David Mendoza
Director of Policy & Government Relations
The Nature Conservancy in Washington

Maya Gillett
Policy Analyst
The Nature Conservancy in Washington