Sent via email to: CPRRulemaking@ecy.wa.gov

July 22, 2026

Washington State Department of Ecology ("Ecology")
Climate Pollution Reduction Program
Attn: Surabhi Subedi, Environmental Planner
P.O. Box 47600
Olympia, WA 98504-7600

Re: Chapter 173-441 WAC Reporting of Emissions of Greenhouse Gases and Chapter 173-446 WAC, Climate Commitment Act Program Rule – Cap-and-Invest Program Updates and Linkage

Dear Ms. Subedi,

HF Sinclair respectfully submits these comments on the Washington Department of Ecology's amendments to the Climate Commitment Act Program Rule (Chapter 173-446 WAC) and the Reporting of Emissions of Greenhouse Gases Rule (Chapter 173-441 WAC). HF Sinclair is a diversified energy company that manufactures and markets gasoline, diesel fuel, jet fuel, renewable diesel, lubricants, and other specialty products. We are proud to have been part of Washington's economy since acquiring the Puget Sound Refinery in November 2021.

HF Sinclair has strongly supported linkage with the Western Climate Initiative ("WCI") since the inception of Washington's Cap-and-Invest program. We congratulate Washington, California, and Québec on signing the linkage agreement on June 25, 2026[1], and strongly support completing the remaining regulatory and administrative work necessary for linkage to take effect in 2027. A larger linked market should provide covered entities with broader compliance options.

HF Sinclair supports the detailed comments submitted separately by the Western States Petroleum Association and does not repeat all of those recommendations here. Rather, HF Sinclair focuses below on several provisions of particular operational significance to the company as both a refinery operator and fuel supplier in Washington.

<u>Ensure Timely and Equivalent Access to the Linked Market</u>

For linkage to function effectively, Ecology must address not only the legal effective date but also the date on which Washington entities can practically begin transacting in the linked market.

[1] Office of the Governor, "Washington, California and Québec Sign Carbon Market Agreement, Setting Stage for Historic Climate Partnership" (June 25, 2026).

Ecology should complete the system, and administrative preparations within its control sufficiently in advance and provide clear guidance early enough for covered entities to complete their own internal authorizations and compliance controls. Ecology should also ensure that Washington covered entities are able to acquire linked-jurisdiction allowances no later than the issuance of the 90-day notice[2], rather than waiting until the linkage effective date.

This preparation is particularly important in advance of the November 1, 2027 full-compliance deadline. Covered entities need sufficient time to incorporate linked-market purchases into their procurement strategies, internal controls, and compliance approval processes. Washington entities should not be forced into a compressed purchasing window while entities already active in California or Québec may have had more time to prepare. Ecology should consider establishing a transition process that provides equivalent practical access to all Washington covered entities sufficiently in advance of the November 1, 2027 full-compliance deadline.

Avoid an Unnecessary Washington-Specific Fuel-Reporting Regime

HF Sinclair recommends that Ecology remove proposed WAC 173-441-122(6) and implement the linked-jurisdiction alternative expressly authorized by SB 6058[3]. Now that Washington has entered into a linkage agreement with California and Québec, creating a separate Washington fuel-by-fuel lifecycle reporting process is neither necessary nor an efficient use of regulated-entity or agency resources.

Remove or Clearly Define the Separate "Substantive Error" Concept

Proposed WAC 173-441-050(7)(c) would establish a new "substantive error" threshold of 500 metric tons or five percent of reported emissions[4]. Although the proposed rule specifies notification and report-revision requirements when substantive errors are identified, it does not clearly explain why a separate concept is needed or how it is intended to interact with the existing material-misstatement framework. For HF Sinclair's reporting obligations, the proposed 500-metric-ton threshold represents less than 0.03 percent of emissions reported for the refinery and less than 0.02 percent of emissions reported for our fuel-supplier activities. Errors of that scale may warrant correction but labeling them "substantive" is disproportionate to the magnitude of the discrepancy and does not demonstrate that they materially affect the accuracy or reliability of the applicable annual GHG report.

The existing verification framework already evaluates whether errors result in a material misstatement and whether the report supports a favorable verification opinion. Adding a second

[2] Proposed WAC 173-446-090(2)(a) and (4), Proposed Rule Language filed June 1, 2026.
[3] Laws of 2024, ch. 352, § 1(12)(b) (authorizing Ecology to adopt a biofuel standard aligned with a jurisdiction with which Ecology has entered into a linkage agreement).
[4] Proposed WAC 173-441-050(7)(c)(ii), Proposed Rule Language filed June 1, 2026.

numerical threshold without specifying a distinct regulatory function risks confusion for reporters and verifiers. HF Sinclair therefore recommends deleting the separate substantive error concept.

Use Missing-Data Methods That Reflect Actual Operating Conditions

HF Sinclair supports the use of conservative substitution methods when reported data cannot reasonably be reconstructed. However, a method can be conservative without being accurate or representative. Refinery emissions vary for reasons including, but not limited to, crude throughput, maintenance activity, and the mix of products being manufactured. A historical maximum taken from a materially different operating year may bear little relationship to emissions during a period for which data are missing.

Ecology should permit a reporter to reconstruct the missing period using data from genuinely comparable operating periods, subject to review by the accredited verifier. Substitution using the highest historical value should serve as a backstop when a reasonable reconstruction cannot be made—not as the presumptive method whenever data capture falls below a specified percentage.[5] This approach would remain appropriately conservative while producing a more technically defensible estimate of actual emissions.

Conclusion

HF Sinclair strongly supports linkage and appreciates Ecology's work to complete the regulatory changes necessary for implementation. Addressing the issues identified above would help ensure that linkage begins with equitable access to the allowance market, avoid creating duplicative fuel-by-fuel lifecycle reporting and retain verification requirements that produce accurate and representative emissions data.

HF Sinclair looks forward to continuing to work with Ecology on this important rulemaking. Please contact me at Jeremy.Price@hfsinclair.com or (360) 298-4740 with any questions regarding these comments.

Sincerely,

Jeremy Price
Senior Manager, West Coast Government Affairs

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[5] Proposed WAC 173-441-050(8)(h)(i)–(iii), Proposed Rule Language filed June 1, 2026.