

July 23, 2026

Adrian Young
Cap-and-Invest Program Industrial Policy Lead
Department of Ecology
State of Washington
P.O. Box 47600
Olympia, WA 98504-7600

Re: Comments on Ecology's Report and Recommendations to the Legislature Regarding Emissions-Intensive, Trade-Exposed (EITE) Facilities

Dear Adrian Young:

Front and Centered, Friends of the San Juans, Duwamish River Community Coalition (DRCC), Outreach and Transform Lives (OTL), and 350 Seattle appreciate the opportunity to provide comments on the Washington State Department of Ecology's EITE Report and Recommendations to the Legislature. Together, our organizations represent communities across Washington that have long worked to advance environmental justice, improve public health, protect the Salish Sea and other critical ecosystems, and ensure that Washington's climate policies deliver meaningful benefits for the people and places most impacted by pollution.

We appreciate Ecology's effort in preparing this report. Evaluating the role of EITEs within Washington's Climate Commitment Act (CCA) requires balancing complex economic, environmental, and equity considerations. The report reflects a significant amount of technical analysis and stakeholder engagement, and we recognize the challenge of producing recommendations in an area where the Legislature directed Ecology to consider both industrial competitiveness and environmental justice.

At the same time, we believe the report's recommendations fall short of fully reflecting the Legislature's intent in enacting the CCA. The report appropriately evaluates emissions leakage and economic competitiveness, but its recommendations do not consistently incorporate the environmental justice framework required throughout the CCA. The result is a report that carefully analyzes the potential costs of reducing free allowance allocation while giving significantly less attention to the cumulative environmental and public health burdens experienced by frontline¹ communities located near a majority of the EITE facilities.

Because these recommendations may shape future legislative discussions regarding Washington's EITE program, we respectfully request that Ecology revise the report to better align its recommendations with the CCA's environmental justice objectives, strengthen its consideration of cumulative impacts and community health, and provide clearer recommendations for accountability, monitoring, and community benefit.

We also request that Ecology extend the public comment period. The questions raised in this report have significant implications for communities across Washington, particularly those living near large industrial facilities. While the organizations with which Front and Centered provides this comment have insight and experience in western Washington, the statewide coalition also reaches other regions such that frontline communities in central and eastern Washington have additional insights about the impacts on overall health and wellbeing from other EITE facilities. Many of the people most directly affected face substantial barriers to participating in highly technical policy processes. Additional time would allow organizations serving these communities to conduct meaningful outreach, provide translated materials where appropriate, and ensure that those most impacted have an opportunity to inform Ecology's recommendations before they're finalized.

¹ We favor "frontline communities" as a descriptor for communities of color, indigenous peoples, and people with lower incomes who are hit first and worst by environmental damage and climate change. However, terms like "Overburdened Communities" and "Vulnerable Populations" are used in the law and therefore affect how policies impact our communities.

Explicitly evaluate EITE policies using the Climate Commitment Act's environmental justice objectives alongside emissions leakage and economic competitiveness.

Under the CCA, the Legislature directs Ecology to identify communities where the highest concentrations of criteria pollutants occur, determine the sources of those pollutants, and pursue significant reductions in both greenhouse gases (GHGs) and criteria pollutants within those communities. Agencies implementing the CCA are required to ensure that investments provide direct and meaningful benefits to vulnerable populations and overburdened communities, including reducing cumulative environmental burdens and supporting community-led participation.² These provisions are not peripheral to the CCA; they are foundational to its design. They recognize that Washington cannot fully achieve its climate goals if reductions in GHGs are disconnected from improvements in the health and well-being of communities that have experienced decades of disproportionate pollution.

For this reason, we encourage Ecology to evaluate EITE policy not only through the lens of emissions leakage and industrial competitiveness, but first and foremost through a broader environmental justice framework. The report appropriately asks whether free allowance allocation protects Washington industries from relocating outside the state. It should also ask whether those same policies are contributing to measurable improvements in air quality, public health, and environmental conditions in the communities that continue to host these facilities. The report's recommendations should more explicitly recognize that preventing leakage and protecting industrial competitiveness are not ends in themselves; rather, they are tools intended to support Washington's broader climate objectives while maintaining the Legislature's commitment to reducing cumulative environmental burdens in frontline communities.

Additionally, "further evaluation of environmental justice outcomes associated with EITEs to inform the development and implementation of leakage mitigation policies" should be first on the list of recommendations to the Legislature, not third. CCA intent is clear around environmental justice as a priority. Placing this issue at the very top symbolically portrays the priority that environmental justice should take in the discussion around EITEs.

Recognize reductions in criteria pollutants and improvements in community health as important indicators of program success.

One of the report's greatest opportunities for improvement is its treatment of environmental justice. Although environmental justice is discussed throughout the report, the recommendations themselves remain largely organized around economic competitiveness and emissions leakage. As a result, the report risks reinforcing the perception that environmental justice is a secondary consideration rather than a statutory requirement. We request that Ecology more explicitly frame its recommendations around the Legislature's environmental justice objectives by emphasizing economic effects of cumulative impacts, public health outcomes, and meaningful community benefits alongside traditional economic indicators.

This is particularly important because many EITE facilities are located within or adjacent to communities that have experienced decades of cumulative pollution from multiple industrial sources. Residents living near these facilities are often simultaneously exposed to emissions from highways, rail corridors, ports, airports, hazardous waste sites, and other industrial operations. The impacts of any individual facility therefore cannot be understood in isolation. Instead, Ecology's recommendations should recognize that communities experience pollution cumulatively, regardless of how regulatory programs categorize individual emission sources.

Accordingly, we recommend placing greater emphasis on reducing criteria pollutants and other co-pollutants, not solely GHG emissions, when evaluating future EITE policy. While GHG reductions are essential to mitigating climate change, frontline communities living near industrial facilities experience the health consequences of particulate matter, nitrogen oxides, sulfur dioxide, diesel exhaust, and other harmful pollutants today. Future policy recommendations must therefore require approaches that maximize both GHG reductions and local air quality improvements.

² RCW 70A.65.005(3); RCW 70A.65.005(7)

Likewise, Ecology should ensure that future evaluations of the EITE program explicitly consider whether decarbonization investments provide measurable benefits to nearby frontline communities. Projects that reduce GHG while also improving local air quality, reducing toxic exposures, or lowering cumulative environmental burdens must receive particular consideration because they advance multiple statutory objectives simultaneously.

While we agree that maintaining Washington's manufacturing sector and preventing emissions from simply shifting to jurisdictions with weaker environmental protections are important policy objectives, leakage prevention should not become the sole measure of program success. We request that future recommendations regarding free allowance allocation consider whether EITE policies are contributing to measurable reductions in both GHGs and criteria pollutants, particularly in frontline communities located near major industrial facilities.

Throughout the report, Ecology appropriately discusses the economic risks associated with reducing no-cost allowance allocation. However, comparatively less attention is given to whether the current allocation structure is producing corresponding public health and environmental benefits for nearby communities. As Ecology considers future recommendations, we encourage the Department to more explicitly evaluate whether EITE policies are supporting investments that reduce both GHGs and harmful co-pollutants, rather than simply lowering compliance costs.

We further recommend that Ecology recognize community benefits as an important co-benefit of industrial decarbonization. Investments that improve energy efficiency, electrify industrial processes, reduce combustion emissions, or otherwise modernize facilities can provide significant benefits beyond GHG reductions alone. Cleaner air, reduced exposure to diesel particulate matter and other criteria pollutants, and improved community health are critical outcomes to consider when evaluating future EITE policies. Where allowance value is reinvested through consignment or other mechanisms, Ecology should prioritize projects producing measurable air quality improvements for nearby frontline communities while advancing long-term industrial decarbonization.

Identify research gaps related to cumulative impacts, community-level health outcomes, and property values, and recommend additional community-level monitoring and cumulative impact analysis to inform future legislative decisions.

One of the Legislature's most significant environmental justice directives is the recognition that pollution burdens are cumulative. Communities experience the combined effects of multiple pollution sources over time, not the impacts of individual facilities in isolation. This principle is embedded throughout Washington's environmental justice framework and must be reflected more consistently in the report's recommendations.

The report acknowledges that higher emissions from EITE facilities do not necessarily translate directly into proportional health risks, and we agree that source attribution is inherently complex. However, this complexity is not a reason to minimize cumulative impacts. Rather, it highlights the need for additional analysis and monitoring that reflects how people actually experience environmental burdens.

Communities such as the Duwamish Valley illustrate this challenge. Residents are exposed to pollution from industrial facilities, major highways, rail corridors, airport operations, marine shipping, hazardous waste sites, and the Lower Duwamish Waterway Superfund site. Numerous studies have documented elevated asthma rates, reduced life expectancy, and other health disparities within the community. Although no single industrial facility can be held solely responsible for these outcomes, neither should industrial emissions be evaluated independently of the broader pollution landscape.³

Accordingly, we recommend that Ecology strengthen the report's discussion of cumulative impacts by explicitly acknowledging that decisions regarding EITE allocation occur within communities already experiencing multiple,

³ A 2013 EPA-funded UW/DRCC study found Duwamish Valley children hospitalized for asthma at roughly 40% above other Seattle neighborhoods, and life expectancy about 8 years below the Seattle average; more recent reporting on the 98108 zip code (Duwamish Valley/Beacon Hill) puts the asthma-hospitalization gap vs. King County closer to fourfold. That's a wider range than the 2.7x figure cited in the single public comment Ecology recorded - worth noting the underlying number moves depending on comparison group (Seattle vs. King County) and year, thus treating 2.7x as one data point, not the disparity's single defined value.

overlapping environmental burdens. Future evaluations must include improved receptor modeling, source apportionment, and community-level monitoring so that policy decisions can better account for cumulative exposures rather than relying solely on facility-specific emissions inventories.

Additionally, while the report appropriately examines economic output and employment, many of the costs experienced by communities are not readily captured through conventional economic analyses. For example, there remains limited Washington-specific research examining the effects of long-term industrial pollution on nearby residential property values. Although studies conducted elsewhere suggest that industrial pollution and air quality may influence housing markets, these relationships vary substantially across locations and methodologies.⁴ Industrial siting near lower-income and communities of color has a well-documented historical pattern of following land costs and political power, not the reverse. That means property values near EITEs may already be depressed by decades of land-use history before any facility's current, permitted emissions are counted—a proper hedonic study would need to isolate the marginal current effect from that historical baseline, not attribute the whole gap to today's operations. Rather than attempting to extrapolate uncertain estimates, Ecology should acknowledge this research gap and recommend additional study where appropriate.

Acknowledge uncertainty where available health-benefit estimates remain contested.

We appreciate Ecology's effort to quantify both the economic benefits of Washington's EITE sectors and the potential health benefits associated with future emissions reductions. However, the report's treatment of costs and benefits would be strengthened by more clearly acknowledging where available evidence remains incomplete or contested.

For example, the report presents estimates of avoided asthma cases and associated economic benefits resulting from reduced criteria pollutant emissions. At the same time, Appendix C documents substantive disagreement regarding the underlying assumptions used to estimate those benefits.⁵ Rather than presenting these estimates as settled values, the report should acknowledge the uncertainty surrounding existing health-benefit modeling while reaffirming the importance of reducing harmful pollution in frontline communities.

Distinguish between total economic contributions and the marginal economic effects associated with free allowance allocation.

The report identifies substantial statewide economic activity associated with EITE industries, including employment, tax revenue, and economic output. These figures provide important context regarding the role of these industries within Washington's economy. However, they represent total economic activity rather than the portion specifically attributable to the continued provision of free allowances.⁶ This distinction is important. The relevant policy question is not whether EITE industries contribute to Washington's economy, but rather the extent to which current levels of free allowance allocation influence those economic outcomes. Without evaluating this counterfactual, comparisons between total economic activity and projected health benefits risk overstating the economic consequences of potential policy changes.

⁴ The broader hedonic pricing literature on industrial/pollution proximity is wide-ranging: a waste-to-energy plant study found property values rising roughly 1.3% per additional kilometer of distance, up to 8.6% within a 5km buffer; other work finds much weaker effects (elasticities as low as -0.04 to -0.07 for particulate reductions); a Chinese cross-sectional study found ~4% price effects per modest air-quality-index change. The range itself is informative: effect sizes are highly sensitive to local market conditions, housing stock, and methodology. There was no Washington-specific or Duwamish-specific hedonic study that we could find in the literature, making this a genuinely unstudied question for these facilities.

⁵ The report's only real dollar figure here is ERG's estimate that a 6% reduction in EITE criteria-pollutant emissions by 2034 could avoid 1,050 asthma cases and save \$34.4-\$50.2 million annually (p. 116-117). But in Appendix C, Trinity Consultants (retained by the Western States Petroleum Association) directly challenged ERG's underlying health-benefit modeling, and claims the report's stated \$2.6 billion benefit figure should be \$213 million (p. 165). The one health-cost figure in the report is actively disputed by industry, unresolved by Ecology, and is contested rather than load-bearing.

⁶ The \$73 billion/85,000 jobs/\$5 billion tax revenue figures are total EITE economic activity (Section 4's IMPLAN analysis), not the portion actually contingent on no-cost allocation. The report never isolates this marginal effect, which means comparing the full \$73B against any health-cost estimate overstates what's actually at stake in the allocation decision.

We therefore recommend that the report more clearly distinguish between *gross economic contributions* and the *marginal effects* of alternative allocation policies. Doing so would provide legislators with a more accurate understanding of the tradeoffs associated with future program design.

Evaluate Tribal-identified impacts as a distinct analytical category rather than attempting to monetize treaty rights or cultural resources.

Likewise, we caution against attempting to monetize Tribal treaty rights, cultural resources, or other sovereign interests within a traditional benefit-cost framework. Treaty rights are not economic assets subject to willingness-to-pay analysis; they are retained sovereign rights recognized under federal law.⁷ Attempting to convert cultural continuity, treaty-protected fisheries, or other Tribal interests into annual dollar values risks minimizing their significance while producing analytically weak comparisons.⁸ Instead, we recommend that future versions of the report evaluate Tribal-identified impacts as a parallel category of analysis that receives equal consideration alongside economic, environmental, and public health outcomes, rather than attempting to incorporate these impacts into a single monetized accounting framework. Doing so would better reflect both the legal status of Tribal treaty rights and the Legislature's commitment to environmental justice.

Consider the broader cumulative environmental impacts associated with industrial activity, including transportation-related impacts where appropriate.

We encourage Ecology to recognize that many impacts associated with EITE industries extend beyond direct GHG emissions from industrial facilities. Many EITE sectors identified under RCW 70A.65.110 depend on substantial maritime transportation networks to import raw materials and export finished products. As a result, these industries contribute to vessel traffic throughout Washington waters, particularly within the Salish Sea.

Commercial vessel traffic creates a range of environmental impacts beyond carbon emissions, including underwater noise that interferes with the communication, foraging, and navigation of the endangered Southern Resident killer whale;⁹ emissions of nitrogen oxides, sulfur dioxide, diesel particulate matter, and other criteria pollutants; risks associated with ballast water discharges and oil spills; and physical disturbances affecting marine habitats.¹⁰

In addition, nearly one-third of the transboundary Salish Sea consists of shipping lanes and anchorages that overlap with the Usual and Accustomed fishing areas of Tribal Nations.¹¹ Increased vessel traffic can therefore affect treaty-protected fisheries, culturally significant marine resources, and ecosystem health in ways that extend well beyond conventional GHG accounting.

We do not suggest that these impacts should be attributed exclusively to EITE facilities, nor do we intend to speak on behalf of Tribal Nations. However, these broader environmental consequences illustrate why future evaluations of industrial policy should adopt a more comprehensive cumulative impacts framework that reflects the interconnected nature of industrial activity, transportation systems, ecosystem health, and community well-being.

The offset restriction tied to cumulative burdens is permissive and should be strengthened to mandate action if Ecology determines that an entity contributes to cumulative burdens in an Overburdened Community. This applies

⁷ United States v. Winans

⁸ The nearest existing legal-economic mechanism, Natural Resource Damage Assessment under CERCLA, is designed for discrete contamination events, not for the ongoing operational presence of a permitted facility. Forcing this into the same per-year dollar ledger as EITE tax revenue risks either a token, credibility-undermining number, or an implicit claim that sovereignty and cultural continuity are commensurable with output statistics.

⁹ Williams, R., Lacy, R.C., Ashe, E. et al. Warning sign of an accelerating decline in critically endangered killer whales (*Orcinus orca*). *Commun Earth Environ* 5, 173 (2024). <https://doi.org/10.1038/s43247-024-01327-5>

¹⁰ Kirsten Kane, [Testimony for the Whatcom County Hearing Examiner regarding Appeal of Mitigated Determination of Nonsignificance of ALA Energy, LLC Multiple Projects of 9/3/25 and Conditional Use Permit Application of ALA Energy, LLC](#)

¹¹ Washington State Board of Pilotage Commissioners and Washington State Department of Ecology, [Board of Pilotage Commissioners Tug Escort Rulemaking \(Chapter 363-116 WAC\) State Environmental Policy Act Draft Environmental Impact Statement](#), Publication No. 25-08-010, June 11, 2025

to the particulate-matter mitigation requirement,¹² which only applies to newly constructed EITEs—not the 40 existing facilities that account for the actual documented burden. For the 2035-2050 policy, we request (a) converting the offset restriction from discretionary to a mandatory, quantified trigger tied to Ecology's Environmental Health Disparities (EHD) mapping tool, and (b) extending some form of mitigation obligation to existing high-burden facilities, not just new ones.

We appreciate the considerable work Ecology has invested in preparing the Report to the Legislature on EITE allowance allocation for 2035-2050. The report reflects thoughtful analysis of industrial competitiveness, emissions leakage, and Washington's manufacturing economy, and we recognize the challenge of balancing these considerations within the framework established by the CCA. At the same time, the CCA was never intended to function solely as a carbon accounting program or an economic competitiveness strategy and recognizes that Washington must also reduce environmental health disparities, address cumulative pollution burdens, and provide direct and meaningful benefits to frontline communities.

As the Legislature considers the future of Washington's EITE program, it deserves recommendations that evaluate policy through this broader lens. Understanding leakage risk and economic competitiveness remains essential, but these considerations must be evaluated alongside community health, criteria pollutant reductions, cumulative impacts, Tribal interests, transparency, and long-term accountability. Taken together, these factors provide a more complete picture of whether the program is advancing the purposes for which it was created.

In summary, we recommend that Ecology:

- Center environmental justice in future recommendations by:
 - Framing recommendations through the CCA's environmental justice objectives alongside economic competitiveness and emissions leakage.
 - More explicitly addressing cumulative environmental burdens experienced by frontline communities.
 - Prioritizing reductions in criteria pollutants and improvements in community health in addition to GHG reductions.
 - Expanding meaningful, multilingual, and culturally responsive community engagement throughout future policy development.
- Strengthen the report's analytical framework by:
 - Distinguishing between total economic activity generated by EITE industries and the marginal economic effects associated with free allowance allocation.
 - Acknowledging uncertainty where available health-benefit estimates remain contested.
 - Identifying research gaps related to cumulative impacts, community health, and other community costs that have not yet been adequately studied.
 - Presenting Tribal treaty rights, cultural resources, and Tribal-identified impacts as a parallel area of analysis rather than attempting to monetize them within a traditional benefit-cost framework.
- Strengthen climate integrity by:
 - Evaluating whether EITE policies produce measurable reductions in both GHG emissions and criteria pollutants.
 - Recognizing community health improvements as an important co-benefit of industrial decarbonization.
 - Prioritizing investments that deliver direct and meaningful benefits for frontline communities.
 - Considering broader cumulative environmental impacts associated with industrial activity, including transportation-related impacts where appropriate.
- Improve implementation and accountability by:
 - Integrating local air quality monitoring and cumulative impact analyses into future evaluations of EITE policy.
 - Increasing transparency regarding decarbonization investments supported through allowance value.
 - Publicly reporting measurable environmental, public health, and community outcomes associated with EITE policies.

¹² 70A.65.020(3)

- More explicitly connecting future EITE evaluations to existing environmental justice reporting and accountability requirements.
- Including current EITE facilities into environmental justice decisions rather than only future considerations for new EITEs.

We appreciate Ecology's consideration of these comments and respectfully request that the Department extend the public comment period to allow additional opportunities for community engagement, particularly among communities that face barriers to participating in technical regulatory processes. We also welcome continued collaboration as Ecology refines the report and develops recommendations for the Legislature.

Thank you for your consideration.

Sincerely,



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