



Rule Adoption Notification

Chapter 173-407 WAC - CARBON DIOXIDE MITIGATION PROGRAM FOR FOSSIL-FUELED THERMAL ELECTRIC GENERATING FACILITIES

As a result of legislation passed in 2003 (ESSB 5766) Ecology is required to send out notification to businesses affected by rule adoptions. To comply with this law and to keep the regulated community better informed of Ecology rule adoptions, you are receiving this notification of a rule adoption.

For Technical Assistance:

Air Quality Program:

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Olympia, WA 98504-7600
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Local Clean Air Agencies

If you are in an area of the state served by a Local Clean Air Agency - contact that agency. Visit:

<http://www.ecy.wa.gov/programs/air/airhome.html> for a list of Local Clean Air Agencies and other contract information.

Appeal Procedures

This adoption can be appealed under procedures described in the Administrative Procedure Act (RCW 34.05.330). For additional information about appealing this adoption please contact Jerry Thielen, Ecology's Regulatory Affairs Manager at (360) 407-7551 or by email jthi461@ecy.wa.gov.

The Washington State Legislature requires new and certain modified power plants to reduce carbon dioxide emissions

In 2004 the Washington State Legislature established a program to reduce or offset carbon dioxide (CO₂) emissions from new and certain modified power plants that burn fossil fuel and feed the state's power grid.

Requirements of the new law

Effective July 2004, the new program focuses on fossil-fueled power plants. The program features include:

- *Requiring a mitigation plan with CO₂ offsets from new and modified fossil fueled electricity generating facilities.*
- *Requiring a mitigation plan from both new plants 25 MWe or greater, and modified facilities that increase production by the greater of 15% or 25 MWe.*
- *Requiring an offset for 20% of new emissions.*
- *Specifying mitigation plan options. Mitigation plan options include any combination of: (1) payments to a third party to provide mitigation; (2) direct purchase of permanent carbon credits; and (3) direct investment in applicant-controlled CO₂ mitigation projects including cogeneration.*
- *Setting the initial payment rate at \$1.60 per ton of CO₂.*

Summary of the rule adopted on December 21, 2004

Ecology and local air authorities are responsible for writing permits for small power plants of less than 350 megawatts. Under the new rule, small power plants that sell to the state's power grid are charged a fee to recover permitting authority costs. They are also required to submit carbon dioxide mitigation plans before their air quality permits can be approved. The new rule also establishes how carbon dioxide emissions are calculated.

Effective January 24, 2005

Chapter 173-407 WAC is effective January 24, 2005.

If you need this document in another format, call Tami Dahlgren at (360) 407-6800. If you are a person with a speech or hearing impairment, call 711 or 1-800-833-6388 for TTY.