

# Focus on: Implementing 2021 Climate Policies



Mountain view near Anacortes.

#### 2021 legislation and budget proposals

In 2021, the Washington Legislature adopted a historic package of legislative and budget proposals to combat climate change and prepare our state for the future low-carbon economy. The Legislature provided the Washington Department of Ecology with the authority and funding to develop rules and requirements to implement three major climate bills: Climate Commitment Act, the Clean Fuel Standard, and an expanded Hydrofluorocarbons management program.

Together with existing policies advancing clean energy and zero-emission vehicles, these new laws put Washington on a path towards achieving the greenhouse gas limits set in state law: 45% below 1990 levels by 2030, 70% below 1990 levels by 2040, and 95% below 1990 levels *and* net-zero carbon emissions by 2050.

## **Climate Commitment Act**

The Climate Commitment Act (E2SSB 5126) requires Ecology to establish a program, starting Jan. 1, 2023, to cap and reduce greenhouse gas emissions from the state's largest emitting sources consistent with the emission limits in state law. The Act establishes a declining cap on emissions, and requires regulated businesses to obtain allowances for each metric ton of greenhouse gas they emit. The program includes special provisions to protect Washington's industrial manufacturing jobs and utility ratepayers.

The Climate Commitment Act requires Ecology to establish a program for the auction, tracking, and accounting of allowances. Proceeds from the auction of allowances under the Act will be used to invest in supporting climate resiliency, eliminating air pollution, reducing health disparities in overburdened communities, and helping Washington transition to a low-carbon economy.

Together with the Healthy Environment for All Act (E2SSB 5141), the Climate Commitment Act puts environmental justice at the center of climate policy. It requires Ecology to expand air quality monitoring in overburdened communities, evaluate air quality and health impacts in these areas, and adopt additional requirements to reduce air pollution and protect public health if air quality does not improve. Ecology will begin three separate rulemakings in summer 2021 to implement the Climate Commitment Act.

Rulemaking	Announce rule	Propose rule	Adopt rule
Cap-and-invest program rules (Chapter 173-446 WAC)	August 2021	Spring 2022	Fall 2022
Criteria for emissions-intensive trade-exposed industries (Chapter 173- 446A WAC)	August 2021	December 2021	Summer 2022
Reporting emissions of greenhouse gases (Chapter 173-441 WAC)	July 2021	Fall 2021	Early 2022



## **Clean Fuel Standard**

The Clean Fuel Standard (E3SHB 1091) will curb carbon pollution from transportation, which accounts for almost 45% of statewide greenhouse gas emissions in Washington. By requiring fuel suppliers to reduce the carbon intensity of transportation fuels, the Clean Fuel Standard will cut statewide greenhouse gas emissions by almost 2 million metric tons a year by 2030. California, Oregon, and British Columbia all have adopted their own clean fuel standards. The Clean Fuel Standard will work alongside the Climate Commitment Act to directly target the largest source of emissions in Washington.

The Clean Fuel Standard law requires fuel suppliers to gradually reduce the carbon intensity of transportation fuels to 20 percent below 2017 levels by 2038. There are multiple options for fuel suppliers to comply, including:

- Improving efficiency of their fuel production processes.
- Producing and/or blending low-carbon biofuels into the fuel they sell.
- Purchsing credits generated by low-carbon fuel providers and from supporting programs to increase zero emissions vehicles and infrastructure in the state.

Ecology plans to begin rulemaking in July of 2021 to implement the Clean Fuel Standard. The program will take effect Jan. 1, 2023.

Rulemaking	Announce rule	Propose rule	Adopt rule
Clean fuel standard program rules (Chapter 173-424 WAC)	July 2021	Summer 2022	December 2022

#### Hydrofluorocarbons

Hydrofluorocarbons are potent greenhouse gases commonly used in air conditioning and refrigeration, in producing insulating foams, and as propellants. In 2021, the Legislature adopted legislation (E2SHB 1050) to expand the scope of a 2019 HFC law by establishing a new Refrigerant Management Program, starting no earlier than Jan. 1, 2024, to address refrigerant emissions from large air conditioning and refrigeration systems. Ecology plans to begin rulemaking in July of 2021 to implement the new law

Rulemaking	Announce rule	Propose rule	Adopt rule
Hydrofluorocarbon gases rule (Chapter 173-443 WAC)	July 2021	Summer 2023	November 2023



