



Concise Explanatory Statement Chapter 173-446A WAC, Criteria for Emissions-Intensive, Trade-Exposed Industries

Summary of Rulemaking and response to comments

Washington State Department of Ecology
Olympia, Washington
June 2022, Publication 22-02-011

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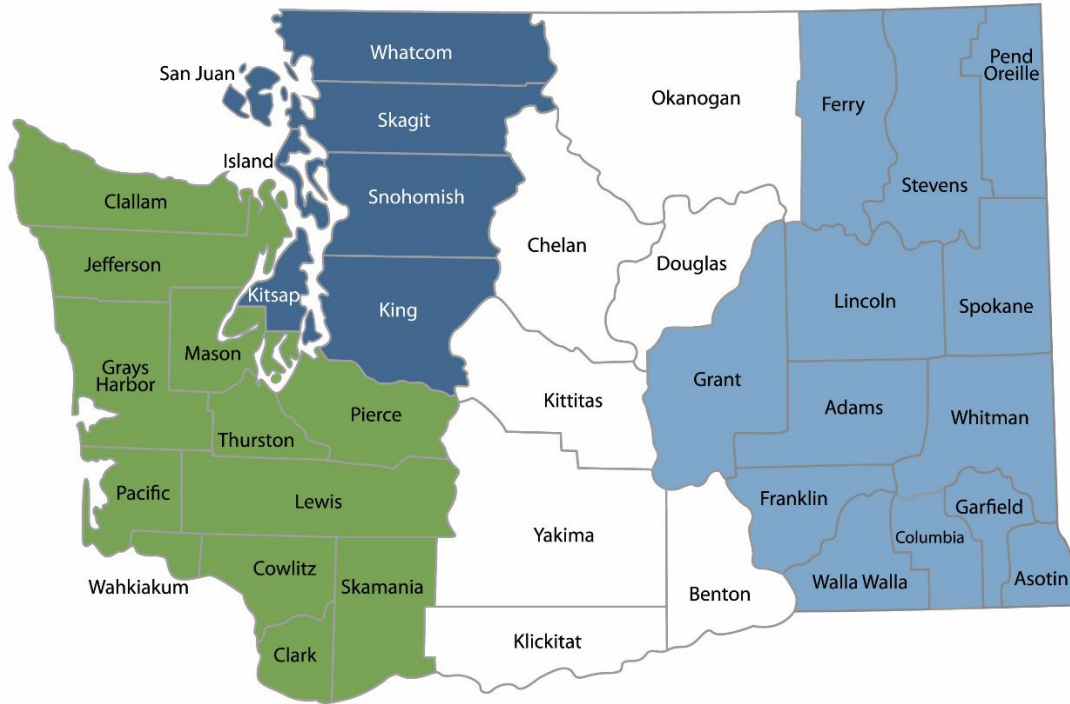
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¹ www.ecology.wa.gov/contact

Department of Ecology's Regional Offices

Map of Counties Served



Southwest Region
360-407-6300

Northwest Region
206-594-0000

Central Region
509-575-2490

Eastern Region
509-329-3400

Region	Counties served	Mailing Address	Phone
Southwest	Clallam, Clark, Cowlitz, Grays Harbor, Jefferson, Mason, Lewis, Pacific, Pierce, Skamania, Thurston, Wahkiakum	PO Box 47775 Olympia, WA 98504	360-407-6300
Northwest	Island, King, Kitsap, San Juan, Skagit, Snohomish, Whatcom	PO Box 330316 Shoreline, WA 98133	206-594-0000
Central	Benton, Chelan, Douglas, Kittitas, Klickitat, Okanogan, Yakima	1250 W Alder St Union Gap, WA 98903	509-575-2490
Eastern	Adams, Asotin, Columbia, Ferry, Franklin, Garfield, Grant, Lincoln, Pend Oreille, Spokane, Stevens, Walla Walla, Whitman	4601 N Monroe Spokane, WA 99205	509-329-3400
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Concise Explanatory Statement

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Air Quality Program
Washington State Department of Ecology
Olympia, WA

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DEPARTMENT OF
ECOLOGY
State of Washington

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Introduction

The purpose of a Concise Explanatory Statement is to:

- Meet the Administrative Procedure Act (APA) requirements for agencies to prepare a Concise Explanatory Statement (RCW 34.05.325).
- Provide reasons for adopting the rule.
- Describe any differences between the proposed rule and the adopted rule.
- Provide Ecology's response to public comments.

This Concise Explanatory Statement provides information on The Washington State Department of Ecology's (Ecology) rule adoption for:

Title:	Criteria for Emissions-Intensive, Trade-Exposed Industries
WAC Chapter(s):	173-446A
Adopted date:	June 1, 2022
Effective date:	July 1, 2022

To see more information related to this rulemaking or other Ecology rulemakings please visit our website: <https://ecology.wa.gov/About-us/How-we-operate/Laws-rules-rulemaking>.

Reasons for Adopting the Rule

In 2021, the Washington State Legislature passed the Climate Commitment Act (CCA), which establishes a comprehensive program to reduce carbon pollution and achieve the greenhouse gas limits set in state law. The program is codified in Chapter 70A.65 RCW, Greenhouse Gas Emissions – Cap and Invest Program, and will start Jan. 1, 2023. In the CCA, the Legislature directs Ecology to adopt rules to implement a cap on carbon emissions, including mechanisms for the sale and tracking of tradable emissions allowances, along with compliance and accountability measures. We are also required to adopt rules that allow, to the maximum extent practicable, for linkage of the program with similar programs in other jurisdictions.

Under the CCA, most facilities or businesses in Washington that produce more than 25,000 metric tons of carbon emissions (MTCO₂e) per year are required to obtain emissions allowances. Some of these allowances are sold in auctions, while others are awarded at no cost.

Under the CCA, facilities designated as emissions-intensive and trade-exposed (EITE) will be given a portion of emissions allowances at no cost until at least 2034. These are industries with emissions-intensive processes that are likely to face competition that would result in greenhouse gas (GHG) emissions leakage if not addressed. Leakage is an increase in GHG emissions outside of Washington resulting from emissions reduction requirements in the state.

Differences Between the Proposed Rule and Adopted Rule

RCW 34.05.325(6)(a)(ii) requires Ecology to describe the differences between the text of the proposed rule as published in the Washington State Register and the text of the rule as adopted, other than editing changes, stating the reasons for the differences.

There are some differences between the proposed rule filed on December 22, 2021 and the adopted rule filed on June 1, 2022. Ecology made these changes for all or some of the following reasons:

- In response to comments we received.
- To ensure clarity and consistency.
- To meet the intent of the authorizing statute.

The following content describes the changes and Ecology's reasons for making them.

WAC 173-446A-020: "Manufacturing facility" means a facility, as defined in WAC 173-441-020, that produces a physical product as its primary activity. A manufacturing facility does not include electric utilities or generators, natural gas utilities, steam producers or distributors, or other sectors that do not manufacture a physical product.

The definition of "Manufacturing facility" was modified to clarify what facilities were not considered manufacturing facilities.

“[E]cology” was changed to “the Department” when referring to the Department of Ecology throughout the adopted rule for clarity.

We are adding the following in section 040(2)(c) in response to this comment: “Ecology will notify the Environmental Justice Council when a petition is received.”

Other small changes were made for clarity and intent in the adopted rule language.

Topics

We grouped and organized comments and responses together by topic. We used the following topics to group comments together:

- Emissions Intensity
- Trade Exposure
- Overburdened Communities
- Miscellaneous

List of Commenters

We accepted comments between December 22, 2021 and February 1, 2022. We included summaries of the comments received. You can see the original content of the comments we received at our [online comments website](https://aq.ecology.commentinput.com/?id=uRYGW).² These comments remain available online for two years after the rule adoption date. We grouped comments and organized them by topic. Under each topic heading, you can see all the comments we received for that topic, followed by responses to the comments.

Table 1: List of Commenters, Topics, and Comment Numbers

Affiliation	Commenter	Submission Code	Topic
Individual			
	Louise Kulzer	I-1	Emissions intensity, trade exposure
	Cigdem Capan	I-2	Emissions intensity
	Tad Anderson	I-3	Emissions intensity
	Michael Ruby	I-4	Emissions intensity, trade exposure
	Robert Sappington	I-5	Overburdened communities

² <https://aq.ecology.commentinput.com/?id=uRYGW>

Affiliation	Commenter	Submission Code	Topic
	Stacey Valenzuela	I-6	Miscellaneous
	Rosemary Sweeney	I-7	Miscellaneous, emissions intensity
Agency			
King County	Dow Constantine	A-1	Overburdened communities
Business			
CenTrio Energy	Clarence Clipper	B-1	Miscellaneous
Organization			
National Council for Air and Stream Improvement, Inc.	Barry Malmberg	O-1	Emissions intensity
Northwest Pulp and Paper Association	Jackie White	O-2	Trade exposure
Climate Solutions	Kelly Hall	O-3	Emissions intensity, miscellaneous
Washington Environmental Council	Rebecca Ponzio and Caitlin Krenn	O-4	Overburdened communities, trade exposure, emissions intensity
Environmental Defense Fund	Kjellen Belcher and Katelyn Roedner Sutter	O-5	Emissions intensity, miscellaneous

Emissions Intensity

Comments from I-1, I-2, I-3, I-4, I-7, O-1, O-3, O-4, O-5

Comment:

Ecology should include emissions contributions from purchased electricity in the emissions intensity determination.

Response:

Thank you for your comment. The draft of the proposed rule shared at the September 21, 2021 stakeholder meeting included purchased electricity in the emissions intensity determination. Based on stakeholder feedback, we removed purchased electricity from the emissions intensity calculation. Under RCW 70A.65, electric utilities receive no cost allowances to mitigate the cost burden of the program to electricity customers, including emissions-intensive, trade-exposed (EITE) facilities. As EITE facilities would not bear this cost burden resulting from the program of their purchased electricity, the electricity does not impact leakage risk and should not be factored into their emissions intensity determination. Ecology is not changing the rule further due to these comments.

Comment:

We received comments that the proposed equation used to determine emissions intensity does not appropriately determine intensity and on alternative approaches for determining emissions intensity.

- Current emissions intensity term is not an intensity.
- Rename the term “emissions intensity” if it is not emissions per unit of production.
- There is no justification for using a mass-based definition for emissions intensity.
- The proposed rules would effectively designate every covered manufacturing facility in the state as emissions intensive. This was clearly not the intent of the Legislature.
- Emissions should be normalized to production output or export volume or gross revenue or gross value added or unit of value produced.
- Add more direction to the reporting of production, specifically the value of the facility’s annual production.
- Consider both emissions intensity (e.g., total emissions (including indirect emissions from electricity consumption) times \$20 per ton of emissions, divided by the value of the industry’s domestic production) and energy intensity (e.g., energy expenditures as a share of the value of its domestic production) when determining EITE status.
- Emission intensity threshold should be set to a facility’s B&O tax divided by the emissions containment reserve trigger price. A facility should be deemed emissions

intensive only if the product of a facility's emissions intensity and the emissions containment reserve price is greater than the facility's B&O tax fraction.

- Use California's approach to assessing emissions intensity.

Response:

Thank you for your comments. We agree there are many possible approaches for determining emissions intensity. We researched approaches used for determining emissions intensity in other jurisdictions with emissions trading systems. Under California's cap and trade program, emissions intensities in units of *MT CO₂e/\$ value added* were determined to categorize industrial sectors using designated NAICS codes as high, medium, low or very low emissions intensity. California's program originally used emissions intensity and trade exposure categorizations to assess leakage risk and assign an assistance factor in the range of 0-100% to each designated sector. However, California's Assembly Bill 398 sets assistance factors at 100% for all sectors, regardless of emissions intensity or trade exposure categorization. Applying the same leakage risk to all applicable industry codes renders the use of production or value added or other comparable metrics irrelevant and is functionally equivalent to the proposed rule's binary approach, resulting in a yes/no switch for EITE designation. The proposed approach for determining emissions intensity given by Eqn 040-1, is an intensity metric: mass per time (*MT CO₂e/yr*). If we were to complicate the determination of emissions intensity, we would be adding complexity, variability, and subjectivity. Moreover, such an approach is subject to data availability, which makes it difficult or impossible to ensure equivalent treatment among industrial types. These complications would result in increased burden with minimal benefits.

In proposing the approach for determining emissions intensity, we followed the direction taken in RCW 70A.65.110 for the list of facilities already designated as EITE. This list only contains facilities that manufacture a physical product. Within manufacturing facilities, the statute takes an inclusive approach to EITE designation: all manufacturing facilities expected to be covered under the Climate Commitment Act (CCA) are designated as EITE. The statute does not consider production in EITE status determination. In alignment with the statute, the proposed rule limits consideration of EITE designation to facilities that produce a physical product. We modified the definition of manufacturing facility to provide additional clarity and detail; see response for manufacturing definition comment. Ecology is not making further changes due to these comments.

See response on purchased electricity for electricity consumption discussion.

Comment:

Ecology received comments on emissions intensity compared to carbon intensity.

- Add text clarifying that the emissions intensity is a mass-based metric and should not be confused with carbon intensity.
- Address inconsistency with CCA use of carbon intensity and this rule use of emissions intensity.

- It is clear from the CCA statute context that “carbon intensity” and “emissions intensity” are intended to be interchangeable. Proposed CCA program rules accurately define carbon intensity as an intensity metric, which is inconsistent with the emissions intensity calculation in the proposed EITE rule.

Response:

Thank you for your comments. RCW 70A.65.110(3)(b)(i) states: “For the purpose of this section, “carbon intensity” means the amount of carbon dioxide equivalent emissions from a facility in metric tons divided by the facility specific measure of production including, but not limited to, units of product manufactured or sold, over the same time interval.” The term “carbon intensity” is used throughout this section in the statute with respect to determining a carbon intensity baseline, which is used in the determination of no cost allowance allocation to EITE facilities. Setting of baselines and no cost allowance allocation is outside the scope of this rulemaking.

The CCA statute provides no definition of emissions intensity. However, the use of two separate terms indicates that their meaning may not have been intended to be the same. See the response to the emissions intensity as an intensity for further discussion.

Ecology is not changing the rule due to these comments.

Comment:

A facility whose products would not have a substantially higher price than similar products produced outside of a carbon trading system should not receive EITE status, since doing so would put more burden on non-EITE facilities and provide no benefits in terms of reducing emissions. Providing such pointless incentives would seem to make failure to reach emissions reduction goals more likely.

Response:

Thank you for your comments. Many factors may impact the price of a product in different jurisdictions, including, but not limited to, emissions intensity and trade exposure. A facility petitioning for EITE designation must demonstrate that they meet all the criteria in the proposed rule. If they do not meet the criteria, they will not be eligible to receive no cost allowances through the EITE allocation process. Ecology is not changing the rule due to these comments.

Trade Exposure

Comments from I-1, I-4, O-2, O-4

Comment:

Applying trade exposure determination to an entire NAICS code is unfair or inconsistent with the CCA. A facility should be deemed trade exposed only if it is exposed to sufficient quantity of directly competitive products imported into its sales territory that do not pay a GHG fee in the territory where they originate.

Trade exposure should be determined using two steps: First, identify the proportion of sales of the product from the facility that is within Washington, linked jurisdictions or jurisdictions that impose a similar fee on GHG emissions from similar facilities and the proportion of almost identical products sold in those territories that originates outside the geographic limits. Second, deem the facility trade exposed if the proportion of sales of product from the facility outside the GHG-fee paying jurisdictions exceeds a fraction of total sales, and the facility and other "local" producers are not market dominant in the area outside the GHG fee paying region. The facility should be required to demonstrate that it is trade exposed because the data are not available to ecology.

Response:

Thank you for your comments. Trade exposure is generally more challenging to assess than emissions intensity. Factors that contribute to a sector's ability to pass costs through to consumers are difficult to measure and almost constantly in flux. There is a significant lack of data at levels more granular than the national level. Much of the data referenced in the comment are not known or available and thus not possible to take into account in determining trade exposure. As this is a one-time determination in the petition process, risks of displacement impacts are minimized when determining trade exposure at the NAICS code level as opposed to the facility level, because overall industry attributes are not as sensitive to short-run localized variability in business conditions. RCW 70A.65.110 uses entire NAICS codes, and in many cases groups of many NAICS codes (by using less than the full 6 digit code), to designate facilities as EITE. California's cap and trade program also makes trade exposure determinations at the NAICS code level. The proposed rule follows the approach of RCW 70A.65.110 and other jurisdictions with cap and trade programs for trade exposure determination. Ecology is not changing the rule due to these comments.

Comment:

There appears to be no reference in the proposed rule language or supplemental public meeting materials as to why 15% is the appropriate value for defining whether a facility is trade exposed.

Response:

Thank you for your comments. In determining trade exposure criteria, Ecology looked to other cap and invest regulations with provisions for trade exposure determination. Using trade share (TS) as a proxy for trade exposure, California categorized trade exposure at the sectoral level for designated NAICS codes as high ($TS > 19\%$), medium ($10\% < TS < 19\%$) or low ($TS < 10\%$). The American Clean Energy and Security Act (ACES, HR 2454, 2009) proposed a trade share (referred to as trade intensity) threshold of 15% for determining if a sector is trade exposed. The proposed rule sets the trade exposure threshold at the same level as the ACES and the midpoint of California's medium trade exposure range for trade share percentage.

Overburdened Communities

Comments from I-5, O-4

Comment:

The rule should include a requirement to notify the Council of each individual petition for EITE classification.

Response:

Thank you for your comment. We are adding the following in section 040(2)(c) in response to this comment: “Ecology will notify the Environmental Justice Council when a petition is received.”

Comment:

We received comments on engagement with tribal nations:

- The rule lacks requirements for engagement with tribal nations, as required by law (RCW 70A.65.005(7) and RCW 70A.65.110(8)). The rule should define what process will be followed for the implementation of this part of RCW 70A.65, with meaningful consultation consistent with the Centennial Accord. WAC 173-446A should also provide a clear plan for developing protocols with tribal nations for newly constructed facilities. Ecology should work with tribal nations to ensure consistency and integrity in the consultation of federally recognized tribal nations impacted by both existing and new facilities.
- The rule should be further developed to address the process for tribal consultation regarding impacts to tribal lands, resources, and treaty rights, as well as around pollution impacts and overburdened communities per the above section.

Response:

Thank you for your comments. RCW 70A.65.110(8) states, “Rules adopted by the department under this section must include protocols for allocating allowances at no cost to an eligible facility built after July 25, 2021. The protocols must include consideration of the products and criteria pollutants being produced by the facility, as well as the local environmental and health impacts associated with the facility. For a facility that is built on tribal lands or is determined by the department to impact tribal lands and resources, the protocols must be developed in consultation with the affected tribal nations.” This subsection pertains to protocols for allocating allowances at no cost, which is outside the scope of this rule making. The proposed WAC 173-446 rule language includes a provision that for any facility joining the program after 2023, Ecology must consider the products and criteria pollutants produced by the facility, as well as the local environmental and health impacts associated with the facility when setting the allocation baseline. It also includes a provision that for any facility joining the program after 2023 built on

tribal lands or determined by Ecology to impact tribal lands and resources, Ecology must consult with the affected tribal nations.

Comment:

We received comments regarding information collected and petition evaluation criteria with respect to overburdened communities and tribal nations.

- Location without consideration of other factors, such as (but not limited to) absolute and relative emissions and initial and subsequent health impacts of an EITE facility is insufficient grounds for approving an EITE petition. The rule omits objective criteria that account for health impacts on overburdened communities. Expand the objective criteria used in the evaluation of an EITE petition to include the overburdened community criteria.
- In determining impacts to overburdened communities and tribal nations, Ecology should ensure a more robust set of information is required in considering an EITE designation, including: additional facility information, a more robust definition of overburdened communities, and going beyond census tract.
- Make explicit how guidance from overburdened communities, and the Environmental Justice Council, is incorporated into EITE location decision making.
- Utilize rigorous public health data when evaluating EITEs
- Ecology should cross-reference the definition of ‘overburdened community’ as defined in the CCA, as being developed through Section 3 of the CCA, and under the HEAL Act with what is proposed in this rule per the Environmental Health Disparities Map. Information will be needed beyond the census tract. For example, it is important to incorporate impacts to “populations, including Native Americans or immigrant populations, who may be exposed to environmental contaminants and pollutants outside of the geographic area in which they reside based on the populations' use of traditional or cultural foods and practices”. Integrating these definitions and processes into this rule will help the implementation of the law be more cohesive, provide more thorough information to the Environmental Justice Council, and ensure the most comprehensive approach.

Response:

Thank you for your comments. Section 020 of the proposed rule adopts the definitions of the CCA statute, including the definition of overburdened community: “If a section does not provide a definition, the definition found in the definitions from chapter 70A.65 RCW, and from chapter 173-441 WAC apply in order of precedence.”

RCW 70A.65.110 requires Ecology to consider the locations of facilities potentially identified as EITE manufacturing businesses relative to overburdened communities. In section 040(1)(c)(v), the proposed rule requires a facility petitioning to be designated as EITE to “submit information on the location of the facility relative to overburdened communities. Using the Washington State Department of Health's environmental health disparities map, submit the total environmental health disparities ranking for the census tract in which the facility is located. Indication if the

census tract in which the facility is located is covered or partially covered by tribal lands must also be submitted.” In response to stakeholder comments received during the informal comment period for this rule, the following criterion was added to the rule in section 040(2)(c): “Ecology must consider a facility's location relative to overburdened communities and recommendations, if any, from the Environmental Justice Council when evaluating a petition. Ecology may deny a petition based on this consideration upon a determination that air quality in overburdened communities would be unacceptably impacted.” In response to additional comments received, we are adding the following text to the criterion: “Ecology will inform the Environmental Justice Council when a petition is received.”

Comment:

Facilities automatically classified as EITE based on their NAICS code are not currently required to report environmental health disparity information, potential impacts to overburdened communities, or information about impacts to tribal lands, resources, and treaty rights. The rule should add this content as part of creating a more cohesive and consistent approach to EITEs and require that all EITEs submit this information for consistency across the Climate Commitment Act.

Response:

Thank you for your comments. Requiring facilities already designated as EITE to report additional information is outside the scope of this rulemaking. Ecology is not changing the rule due to these comments.

Miscellaneous

Comments from I-6, I-7, B-1, O-3, O-5

Comment:

Require stronger standards that apply to new plants to apply to all violators and existing plants that no discharge of filterable particulate in excess of .04, performance test in accordance with 40 CRF 60.8, penalize for any use of hot mix asphalt with petroleum binders, and add all air polluting plants to burn ban days

Response:

Thank you for your comment. Setting of standards of performance, requiring performance testing, addressing traditional air pollutants and imposing penalties are outside the scope of this rulemaking. Ecology is not changing the rule due to these comments.

Comment:

We received comments on the definition of manufacturing facility.

- Include in the manufacturing facility definition that electric and natural gas utilities are not manufacturing facilities.
- Amend the rule to allow district energy systems to apply for and obtain EITE status. Ecology should amend the Proposed Rule to add a subsection (B) allowing for other demonstrations of trade exposure (not confined to just international trade exposure) that present significant risks of emissions leakage. Ecology should amend its definition of “manufacturing facility” in WAC 173- 446A-020 to include facilities which produce and distribute steam (or, more generally, thermal energy) as their product.

Response:

Thank you for your comments. The legislature did not designate natural gas utilities, electric utilities or power plants, or steam producers or distributors as EITE in RCW 70A.65.110, nor, to Ecology’s knowledge, do any other carbon emissions trading systems. In alignment with RCW 70A.65.110 and other jurisdictions with carbon emissions trading systems, Ecology does not consider electric and natural gas utilities as meeting the definition of manufacturing facility under the Climate Commitment Act. These activities do not meet the existing “physical product” test. For clarity, Ecology is making the following changes to section 020 in response to these comments: “A manufacturing facility does not include electric utilities or generators, natural gas utilities, steam producers or distributors, or other sectors that do not manufacture a physical product.”

Comment:

We received comments on re-evaluation of EITE designation:

- For facilities that receive an EITE designation under this provision, Ecology should at regular intervals reevaluate whether they should continue to receive this status. For all facilities that receive designation that are not otherwise defined in statute, the Department should reevaluate whether they continue to meet the definition of EITE established in this rule prior to each compliance period.
- Regardless of whether an applicant is a new facility or not, the Department should reevaluate at a regular interval whether beneficiary facilities continue to merit EITE protections.
- For proposed new facilities, the Department should provide a provisional designation to be reevaluated with actual emissions data.
- Ecology should build into this rule a way to review and possibly remove the designation of EITE status. Review of the designation should be informed by the processes required by Section 3 of the Climate Commitment Act regarding pollution levels, the status of overburdened communities, and the role of the Environmental Justice Council.
- Ecology should explicitly build into this rule a way to continue to evaluate the impact of its trade exposure calculations and assumptions over time in order to evaluate and adapt as needed.

Response:

Thank you for your comments. Under the proposed rule, a proposed facility is not eligible to petition Ecology for EITE designation; the facility must be operational, so no provisional designation is needed. RCW 70A.65.110 does not provide authority directly or implied on re-evaluation or removal of EITE designation. RCW 70A.65.110 lists NAICS codes which qualify a facility as EITE with no provisions on re-evaluating that designation. For facilities granted EITE designation through the petition process, the proposed rule follows the same no re-evaluation approach as the statute for already designated EITE facilities. Ecology will track factors that impact leakage risk, including trade exposure, and will consider updating the rule if needed. Ecology is not changing the rule at this time due to these comments.

Comment:

To be consistent with EITE assessments from other jurisdictions, it is suggested that Ecology base EITE determinations at the sector level versus facility level.

Response:

Thank you for your comment. The list of facilities already designated as EITE in the proposed rule and RCW 70A.65.110 are determined at the sector level based on reported NAICS code. For facilities petitioning for EITE designation, the proposed rule determines trade exposure at the sector level, as done in other jurisdictions with emissions trading systems. Emissions intensity and overburdened community factors are more variable between facilities and are therefore more appropriately evaluated at the facility level. A lack of sector-wide data also precludes evaluation at the sectoral level that would ensure equivalent treatment among industrial types. Ecology is not changing the rule due to this comment.

Comment:

We received comments for specific edits in specific sections, including 030, 040(1)(c)(ii), 040(1)(c)(v), 040(1)(c)(vii) and 040(2)(a)(ii).

Response:

Thank you for your comments. We reviewed the suggested language modifications and made the following clarifications:

040(1)(c)(v): “The location of the facility relative to overburdened communities...”

040(1)(c)(vii): “The signature of the person completing the petition and the date the petition was signed.”

Comment:

Adopt the definition of RCW 70A.65.010(26) in the rule and replace “ecology” with “Department” or “the Department,” as appropriate.

Response:

Thank you for your comments. Section 020 of the proposed rule adopts the definitions of the CCA statute, including the definition of “Department.” We have modified the rule text to change “ecology” to “The Department” or “Department, as appropriate.

Citation List

This citation list contains references for data, factual information, studies, or reports on which the agency relied in the adoption for this rule making (RCW 34.05.370(f)).

1. Washington Climate Commitment Act (Engrossed Second Substitute Senate Bill 5126) or Greenhouse Gas Emissions - Cap and Invest Program (Chapter 70A.65 RCW).
2. California Air Resources Board (CARB). Unofficial Electronic Version of the Regulation for the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms. April 2019. Accessible: https://ww2.arb.ca.gov/sites/default/files/2021-02/ct_reg_unofficial.pdf
3. California Air Resources Board (CARB). Public Hearing Material for California Cap-and-Trade Program - Appendix K: Leakage Analysis. October 2010. Accessible: <https://www.arb.ca.gov/regact/2010/capandtrade10/capv4appk.pdf>
4. U.S. International Trade Commission. Dataweb. Accessible: <http://dataweb.usitc.gov/>
5. U.S. Census Bureau. Annual Survey of Manufacturers. Accessible: <https://www.census.gov/programs-surveys/asm.html>
6. Washington State Department of Ecology. Greenhouse Gas Reporting Program Publication. February 2021. Accessible: <https://data.wa.gov/Natural-Resources-Environment/GHG-Reporting-Program-Publication/idhm-59de>
7. American Clean Energy and Security Act of 2009 (H.R. 2454). Accessible: <https://www.congress.gov/bill/111th-congress/house-bill/2454/text?r=2&s=5>
8. AB-398 California Global Warming Solutions Act of 2006: market-based compliance mechanisms: fire prevention fees: sales and use tax manufacturing exemption. Accessible: https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB398