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# Washington Climate Commitment Act

## Auctions and Trading Onboarding Resources

In December 2021, Washington joined the Western Climate Initiative, Inc. (WCI) in order to implement our cap-and-invest program's auction and trading platform. WCI also provides the auction and trading platform for the shared market in California and Québec, as well as for the standalone market in Nova Scotia.

**Ecology will hold the first of our quarterly auctions in the first quarter of 2023.** To participate in an auction or trade allowances through the WCI platform, all businesses and individuals must register with Ecology and set up an account in the Compliance Instrument Tracking System Service (CITSS).

**Washington will open registration for CITSS in early October 2022.** We encourage companies to register in CITSS as soon as possible after registration opens and to begin collecting information needed for registration in advance.

To help you prepare, we have developed this onboarding resource packet outlining the documents and information that will be needed for CITSS registration, as well as breakdown of the steps you will need to take to activate and use your CITSS account.

**NOTE:** *The information in this preliminary checklist is based on the requirements set forth in the Climate Commitment Act (CCA), Chapter 70A.65 RCW, and the proposed CCA Program Rule, Chapter 173-446 WAC, as filed with the Washington State Register on May 16, 2022. Ecology will adopt a final version of the CCA Program Rule by October 1, 2022, as required by the CCA. Specific registration requirements set forth in the adopted rule may vary from those set forth in the proposed rule. Ecology will publish official registration instructions and forms after the CCA Program Rule is adopted. Refer to those publications prior to registering in CITSS.*

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## CITSS User Resources

### Key Dates:

- CITSS Registration Opens: Early October 2022
- CITSS Practice Auction: January or early February 2023
- First Cap-and-Invest Auction: February 2023

### Upcoming CITSS Trainings

Module 1 User Registration	Module 2a Account Applications	Module 2b Account Applications
Thursday, Oct. 6 2 p.m. - 3:30 p.m.	Tuesday, Oct. 18 2 p.m. - 4 p.m.	Thursday, Oct. 20 10 a.m. - 12p.m.
<i>All Market Participants</i>	<i>Covered and Opt-In Entities</i>	<i>General Market Participants</i>
<a href="#">Register for Module 1</a>	<a href="#">Register for Module 2a</a>	<a href="#">Register for Module 2b</a>

### More Information

- [Visit Climate Commitment Act Auctions and Trading Webpage.](#)
- Sign up for our [Auctions and Trading email updates](#) to receive information on upcoming trainings and a notice when CITSS is open for registration.
- Email the [Auctions and Trading Help Desk.](#)

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## CITSS Account Activation Overview

Step 1: Users register in CITSS.

Step 2: Users submit completed and signed user registration forms to Washington Department of Ecology (Ecology).

Step 3: Ecology reviews user registration information and approves/denies registration in CITSS.

Step 4: Approved users receive an email from CITSS to notify them of account approval. Approved users also receive a second email for registration in the Auction Platform and must log in within 24 hours to activate their account in the Auction Platform.

Step 5: Users submit an account application in CITSS in order to create an account for the entity they represent. This includes assigning account representatives and entering information about facilities covered under the CCA.

Step 6: Users submit completed and signed account application forms to Ecology, including disclosures of corporate associations and information on consultants and advisors.

Step 7: Ecology reviews entity account application information and approves/denies registration in CITSS, or asks for additional information. Ecology assigns allowance accounts for entities at the time of approval in CITSS.

## CITSS User Registration Checklist

Anyone who wants to participate in the cap-and-invest auctions and trading market must first complete user registration and receive a CITSS User ID. After Ecology reviews and approves user registration, you can access CITSS with your User ID to apply for, manage, or view the allowance accounts of the covered entity, opt-in entity, or general market participants you represent.

### User Registration in CITSS

The following is a list of information needed for user registration in CITSS and completing the user registration forms.

*Note: Users that already have an account in CITSS with California, Québec, or Nova Scotia do not need to submit a new user registration request in CITSS. Ecology will provide additional instructions to these users prior to opening CITSS for registration in October.*

- Name
- Date of Birth
- Primary residence (home) and mailing addresses
- Employer name, contact information, and address
- Telephone numbers and email address
- Any conviction for a criminal offense declared in any jurisdiction during the previous five years constituting a felony under U.S. federal law or Washington law, or the equivalent thereof.
  - Include the type of violation, jurisdiction, and year.
- Proof of identity – Acceptable forms of documentation include copies of a valid driver’s license, state identification card, passport, military identification card.
  - Copies of at least two identity documents, including at least one with a photograph, issued by a government or one of its departments or agencies, bearing the individual's name and date of birth; AND
  - An attestation from a notary completed less than three months prior to the application, stating that the notary has established the identity of the individual and verified the authenticity of the copies of the identity documents.
- Proof of bank account – Confirmation from a financial institution located in the United States that the individual has a deposit account with the institution.
  - Acceptable forms of documentation include photocopies of a recent bank statement, a letter from the bank documenting an open bank account, or a voided check from an open bank account in your name.
    - Information such as balances and transactions may be redacted from this documentation, if included.

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## Instructions for submitting User Registration forms

After submitting all requested information in CITSS, you will download three forms. The Registration Checklist will provide instructions on how to submit the User Registration and Proof of Identity forms electronically to Ecology:

- (1) CITSS User Registration Checklist: This form provides a checklist of documentation to submit to complete registration and instructions for submitting the forms to Ecology.
- (2) CITSS User Registration Form: This form is generated in CITSS with the information entered during CITSS user registration. *Download, sign, and submit this form to Ecology.*
- (3) CITSS Proof of Identity Form: This form is used to submit the employer information, conviction information, proof of identity documentation, and proof of bank account documentation. *Account representatives will need to download, complete, and sign the form and submit it to Ecology along with attached documentation.*

## Entity Account Application Checklist

Following approval of user registration, an individual can access CITSS with their User ID to apply for, manage, or view allowance accounts held by the covered entity, opt-in entity, or general market participants they represent.

### Entity Account Application in CITSS

The following is a list of information needed for entity account applications in CITSS and completing the account application forms. Covered and opt-in entities are subject to different requirements than General Market Participants and those are noted below.

- Legal and operating name of the entity
- Physical and mailing addresses of the entity
  - **For General Market Participants:** Individuals must have primary residence in United States and entities must be located in United States.
- Contact information: telephone number and email address
- Incorporation information: Country and the State or Province where incorporated, the date of incorporation, and the ID number assigned by the incorporating agency (if applicable)
- Government issued taxpayer or Employer Identification Number
- Washington Unified Business Identifier Number (UBI): Companies doing business in Washington should provide the UBI number assigned by a Washington state agency. A UBI number is sometimes called a tax registration number, a business registration number, or a business license number. Information about a company's UBI may be found on the [Washington Department of Revenue website](#).
- User Reference Codes for a Primary Account Representative (PAR) and at least one (1) and up to four (4) Alternate Account Representatives (AAR) (must be approved CITSS users prior to submitting the entity account application).
  - Account representatives may not have a conviction, in the five calendar years prior to designation, of a criminal offense involving fraud, dishonesty, deceit, or misrepresentation, or any other criminal offense connected with the activities for which designation or authorization is requested.
  - **For covered and opt-in entities:** The PAR or at least one AAR must be a resident of Washington unless the covered entity or opt-in entity has a registered agent who resides in Washington, or the covered or opt-in entity has previously filed a foreign registration statement.
  - See section [Notes on user roles in CITSS](#) for more information.
- Name, address and contact info for:
  - Directors and officers with authority to make legally binding decisions
  - Partners with more than 10% control

- Individuals or parties controlling more than 10% of voting rights
  - Employees with knowledge of entity's allowance market position
- Cap-and-invest consultants and advisor information, including name, contact information, address, employer, and type of service provided.
- Corporate associations:
  - Description of direct or indirect corporate associations<sup>1</sup> and parent and subsidiary companies.
  - Share of holding limit and purchase limit assigned to parties opting out of consolidated entity account (see [Notes on Consolidated Entity Accounts in CITSS](#) for more information).

### Instructions for adding a Facility to your Account Application

Covered and opt-in entities must associate at least one facility with their CITSS account. CITSS uses the term “facility” to cover suppliers and first jurisdictional deliverers of electricity, as well as facilities. In Washington, each covered entity or opt-in entity is a separate facility, supplier, or first jurisdictional deliverer of electricity. Ecology encourages covered and opt-in entities in Washington’s cap-and-invest program that are in a direct corporate association with unified ownership to apply for a consolidated entity account (see [Notes on Consolidated Entity Accounts in CITSS](#) for more information). To apply for a consolidated entity account: add multiple facilities to a single CITSS account.

The following is a list of information needed to add facilities to an entity account application in CITSS.

- Name and operating name of the facility
- Physical and mailing address for the facility
- EPA or Washington Greenhouse Gas Reporting ID (if applicable): The GHG Reporting ID used in CITSS is the same as that used to [reported emissions to Ecology](#). If you are unsure of your GHG reporting ID, contact the Ecology Auctions and Trading Help Desk at [CCAuctions@ecy.wa.gov](mailto:CCAuctions@ecy.wa.gov).
- Facility GHG Reporter Contact: The agent, designated representative, or alternate designated representative who submits GHG reporting data to Ecology.

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<sup>1</sup> See sections 020, 105, 110, and 120 of the [proposed CCA program rule](#) (WAC 173-446) for definitions of direct and indirect corporate associations and information to submit to Ecology.



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## Instructions for submitting Entity Account Application forms

To complete the entity account application, the user will download three forms after submitting the online data in CITSS and submit the completed forms #2 and #3 electronically to Ecology:

(1) CITSS Account Application Checklist: This form provides a checklist of documentation to submit to complete the entity account application and instructions for submitting the forms to Ecology.

(2) CITSS Account Application and Attestations Form: This form is generated in CITSS with the information entered during the entity account application. *The form will need to be signed and attested to by the primary account representative and alternative account representative(s) and a director or officer for the organization and submitted to Ecology.*

(3) CITSS Corporate Associations and Structure Disclosure Form: This form is for entities to provide information related to their corporate associations, cap-and-invest consultants and advisors, and employees who have access to the entities' market positions. *This form needs to be signed and attested to by an account representative and submitted to Ecology.*

## Notes on user roles in CITSS

- When registering for a CITSS User ID, individuals are not required to identify the role they will serve on an entity or individual's accounts. Role assignments are made during the entity account application process.
- Primary Account Representatives (PAR) and Alternate Account Representatives (AAR) are individuals registered in CITSS with the authority to represent the entity in CITSS and the Auction Platform. Account Representatives can edit entity information, propose to change representatives, participate in auctions, and transfer compliance instruments.
- Except for individual general market participant accounts, each account must have at least two representatives, the PAR and one AAR. All accounts may have one PAR and up to four AARs.
  - **For general market participants:** Individual general market participant accounts only require a PAR but are allowed to designate AARs if they choose.
- Account Viewing Agents (AVAs) are individuals with the capability to view the entity registration, account holdings, and transfer data in CITSS. AVAs cannot edit entity information, propose to change representatives, participate in auctions, or transfer compliance instruments. AVAs are added after an account application has been approved. Each account may have up to five AVAs. Consultants and advisors are often assigned the AVA role.
- An entity may not designate a user as an account representative or authorize a party as an account viewing agent if that user was convicted, in the five calendar years prior to the notice of designation or authorization, of a criminal offense involving fraud, dishonesty, deceit, or misrepresentation, or any other criminal offense connected with the activities for which designation or authorization is requested.
- **For covered and opt-in entities:** A PAR or at least one AAR must be a resident of Washington unless the covered entity or opt-in entity has a registered agent who resides in Washington, or the covered or opt-in entity has previously filed a foreign registration statement pursuant to RCW 23.95.510.
- The PAR and the AARs must be different individuals and must have active CITSS User IDs.
- On any one entity's accounts, a user may not be assigned multiple roles. A user may be assigned to multiple entity accounts.
- A user may be assigned different roles on different entities' accounts (for instance, a user may be a PAR on one entity's account and be an AVA on an account held by a different entity). If that individual is an employee, those entities are in a direct corporate association. See [Notes on Consultants and Advisors](#) below for information on consultants or advisors with CITSS user roles on multiple entity accounts.

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## Notes on Consolidated Entity Accounts in CITSS

- Consolidated Entity Accounts allow multiple covered and opt-in entities to hold allowances for compliance with aggregate emissions obligations. Consolidated Entity Accounts also reduce the need for determining shared holding and purchase limits.
- Ecology encourages covered and opt-in entities in Washington’s cap-and-invest program that are in a direct corporate association with unified ownership to apply for a consolidated entity account.
- Entities apply for a consolidated entity account by adding multiple facilities to a single CITSS account.
- A registered entity that is a member of a direct corporate association and seeks to apply for its own separate registered entity account, rather than apply for a consolidated entity account, must provide an allocation of the holding and purchase limits among the separate accounts established for any of its direct corporate associates. All members of a direct corporate association must independently confirm the allocation of holding and purchase limits.
- General Market Participants have separate accounts in CITSS and are not able to add other General Market Participants to a Consolidated Entity Account in CITSS.

## Notes on General Market Participants

- The following types of entities are **not** eligible to register as General Market Participants (GMP).
  - Individuals who are officers or employees of covered or opt in entities
  - Offset verifiers
  - Offset project registries
  - Emissions reporting verifiers
- Individuals must have primary residence in United States and entities must be located in United States.
- See [Notes on Consultants and Advisors](#) for additional information about consultants or advisors that register as GMPs.

## Notes on Cap-and-Invest Consultants and Advisors

- A "cap-and-invest consultant or advisor" is an individual or party that is not an owner or employee of an entity, but is providing services in relation to the cap-and-invest program or the GHG reporting program to the entity.
- Entities must disclose information about consultants and advisors as part the Entity Account Application, including name, contact information, address, employer, and type of service provided.
- If an entity does not disclose a consultant or advisor, and the consultant or advisor has knowledge of the market position of multiple entities registered in CITSS (for example, they are a PAR, AAR, or AVA on multiple entity accounts in CITSS), those entities will have a direct corporate association.
- Individuals who provide cap-and-invest consulting services and register as General Market Participants (GMP) must disclose to Ecology all parties for which the individual is providing consulting services.
- If an individual GMP is serving as a consultant or advisor and has access to another entity's market position, the individual GMP must submit a notarized letter from the associated party providing the cap-and-invest consulting services stating that it is aware of the individual's plans to apply as a general market participant in the cap-and-invest program and attesting that it has conflict of interest policies and procedures in place that prevent the individual from using information gained from the relationship with the party for personal gain in the cap-and-invest program.