

Module 2a: Account Applications

Covered and Opt-in Entities

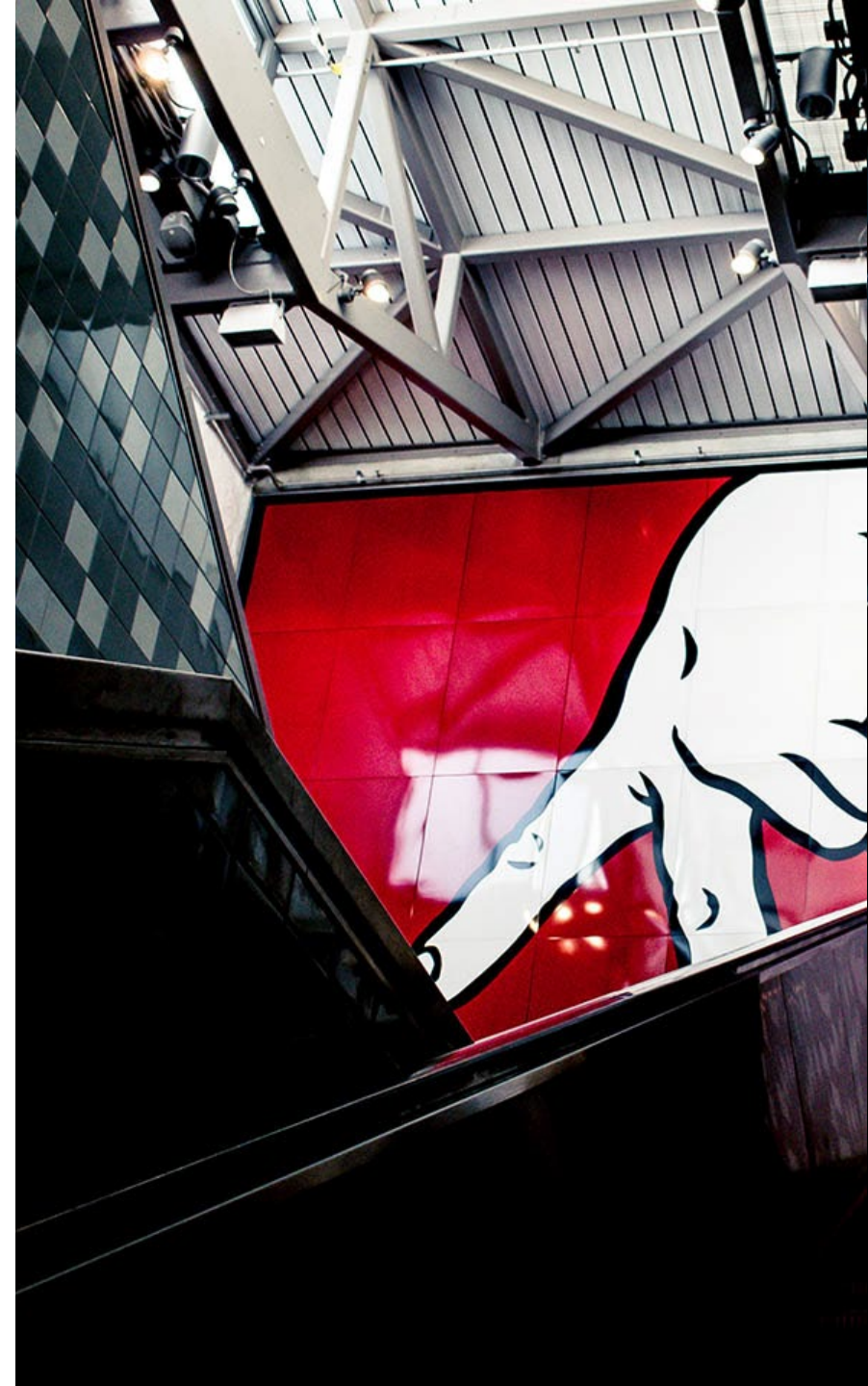
October 18th, 2022

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Module 1 Agenda

- **Section 1.** Overview
- **Section 2.** CITSS Online Entity Account Application
- **Section 3.** Account Application Forms 1, 2, and 3
- **Section 4.** Signing and submitting forms
- **Section 5.** Ecology Review and Decision
- **Section 6.** Resources
- **Data Security**
- **Contact Information**





Section 1: Overview

- Entity Accounts in Other Jurisdictions
- Account Application Process
- Entity Types
- Account Types
- Account Representatives
- Entity Account Application Package
- Ecology Review and Deadlines

- By the end of this module you will be able to:
 - Submit online entity account application
 - Submit required forms to Ecology

- Comprehensive Guide for entity account application
- Access from [CCA Auctions and Trading webpage](#).

Washington State Climate Commitment Act

CITSS Entity Account Application Guide

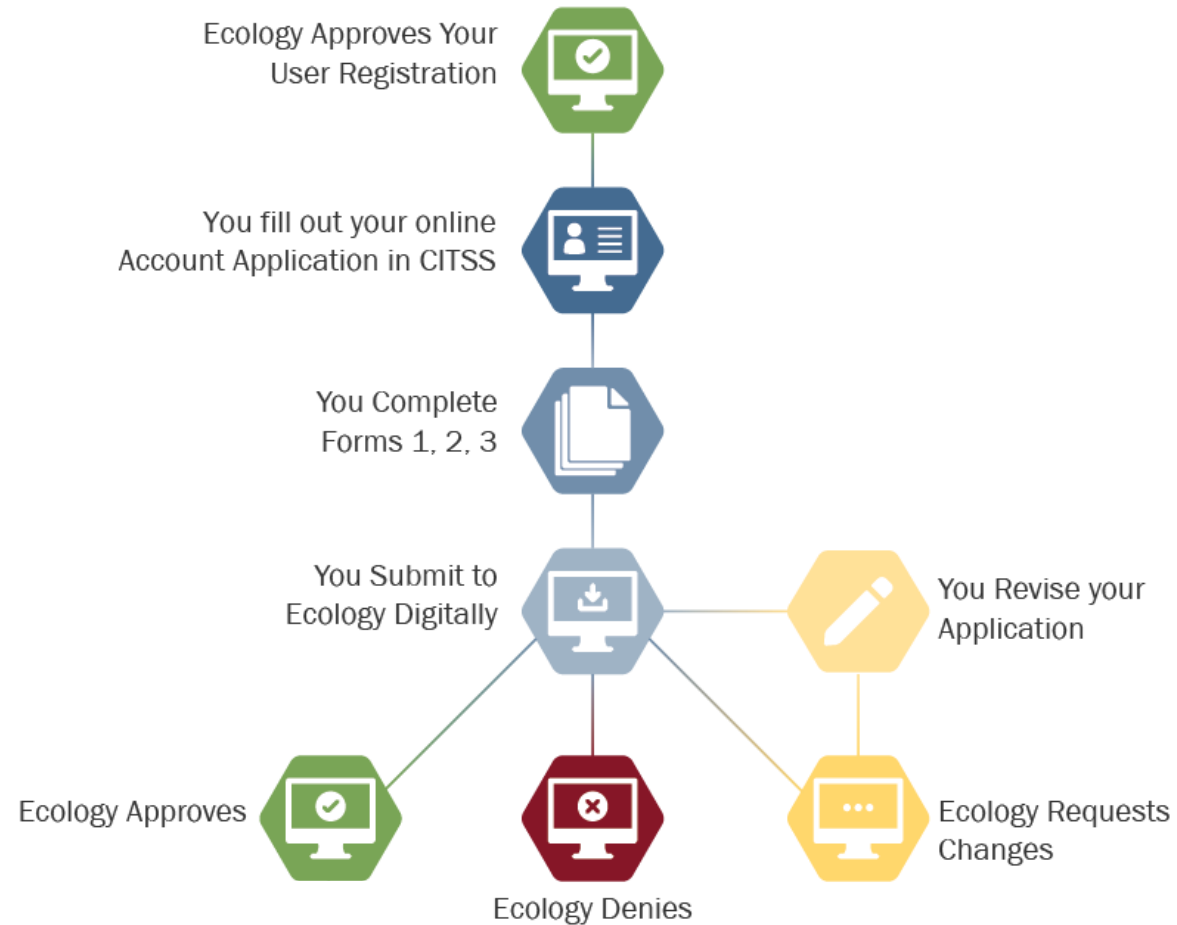
Publication Number 22-02-040



Entity Accounts in Other Jurisdictions

- Washington's cap-and-invest program is separate from California, Québec, and Nova Scotia.
- New entity account needs to be created for Washington.
- Allowances cannot be transferred between entity accounts in Washington and other jurisdictions.

Account Application Process



Entity Types

| Entity Type | Participation Requirement | Compliance Obligation | Accounts in CITSS | Facilities in CITSS | Auctions/Sales |
|----------------------------------|---------------------------|-----------------------|----------------------------|---------------------|--|
| Covered | Required | Yes | Holding, Compliance, LUHA* | Yes | Auction, APCR sales, Price Ceiling Sales |
| Opt-in | Voluntary | Yes | Holding, Compliance, LUHA* | Yes | Auction and APCR sales |
| General Market Participant (GMP) | Voluntary | No | Holding, LUHA* | No | Auction |

*For electric and natural gas utilities only

Entity Groupings

- **Consolidated Entity Accounts (CEA)**
 - Covered and opt-in entities (facilities) that have a direct corporate association with unified ownership.
 - Encouraged to apply for a Consolidate Entity Account, but not required.
 - Allows multiple entities with unified ownership to hold allowances for compliance with aggregate compliance obligations.
 - Simplifies facility management and auction participation.
 - Created by adding multiple facilities to a single entity account in CITSS.
- **Corporate Association Groups (CAG)**
 - Multiple entities grouped together due to corporate associations.
 - Ecology will create a CAG for entities in direct corporate association, including those under unified ownership.
 - Entities that are not part of a CEA will be required to determine percent shares of purchase and holding limits for each entity in the CAG.
- An entity may be a member of a CAG and have a CEA!



- **Holding Account (General Account in CITSS)**

- Given to all entities.
- Holds compliance instruments that may be bought at auction, saved for future use, or transferred between Washington CITSS entities.

- **Compliance Account**

- For covered and opt-in entities to transfer compliance instruments to meet compliance obligations.
- Once allowances are placed in compliance account they can no longer be traded with other entities. Only Ecology can remove or transfer allowances from a compliance account.

- **Limited Use Holding Account (LUHA)**

- Given to electric and natural gas utilities
- Used for consignment to auction. Cannot be transferred back to holding or compliance account.



Account Representatives

- All entities are required to have:
 - 1 Primary Account Representative (PAR) **and**
 - 1 Alternate Account Representative (AAR) {may have 4 total AARs}
 - Recommended to register more than one AAR as many CITSS actions require two users, including trading allowances and meeting compliance obligations.
- Covered and opt-in entities have Washington residency requirements. Met in three ways:
 - The PAR has a primary residence in Washington State
 - At least one AAR has a primary residence in Washington State.
 - The entity has a registered agent who resides in Washington.
 - Includes entities that previously filed a foreign registration statement with the state.
 - See the [Washington Secretary of State website](#) for information on registered agents.

Entity Account Application Package

- Online CITSS Entity Account Application
- 3 Forms:
 - Form 1 Account Application Checklist (for your reference)
 - Form 2 Account Application with Attestations Form
 - Form 3 Corporate Associations and Structure Disclosure Form
- Submit forms through DocuSign, Box.com, or email RegistrarCCA@ecy.wa.gov



Ecology Review and Deadlines

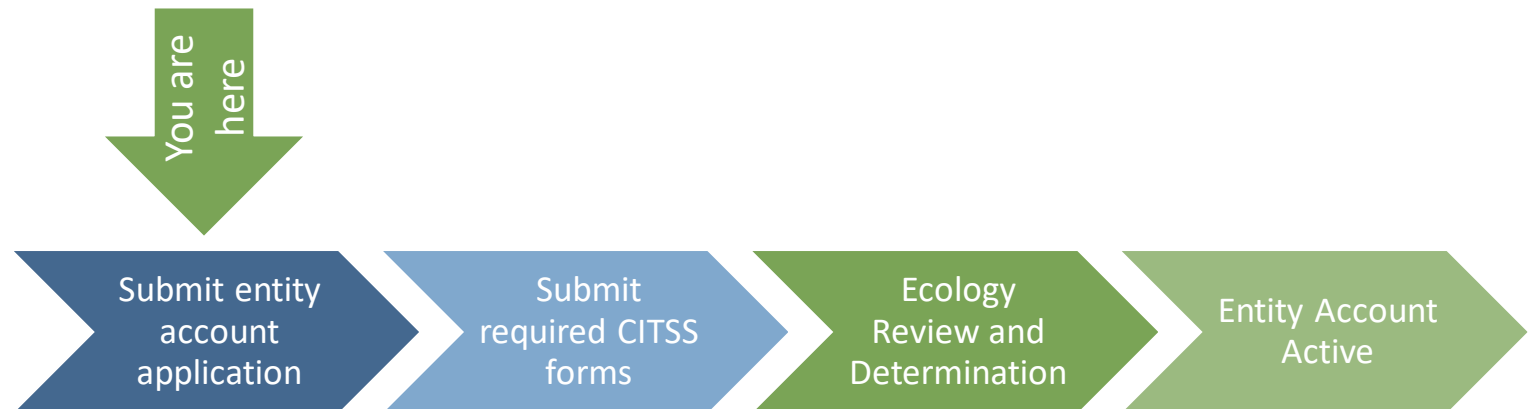
- **Covered entities must register in CITSS by December 9, 2022.**
 - Submit user registration in CITSS, user forms, entity account registrations in CITSS, and entity forms.
 - Ecology sent a letter on October 4 to entities that have reported emissions to Ecology and exceeded the 25,000 metric ton covered emissions threshold.
- No registration deadline for opt-in entities.
- You will not be able to access entity accounts in CITSS until Ecology has received, reviewed, and approved your Entity Account Application Package.
 - Allow a minimum of 2 weeks for Ecology to make a decision (longer wait times expected winter of 2022).
- User and entity accounts must be active before submitting an auction application. Auction applications are due 30 days prior to an auction for covered and opt-in entities.

To participate in the February 2023 allowance auction: submit entity account application package ASAP



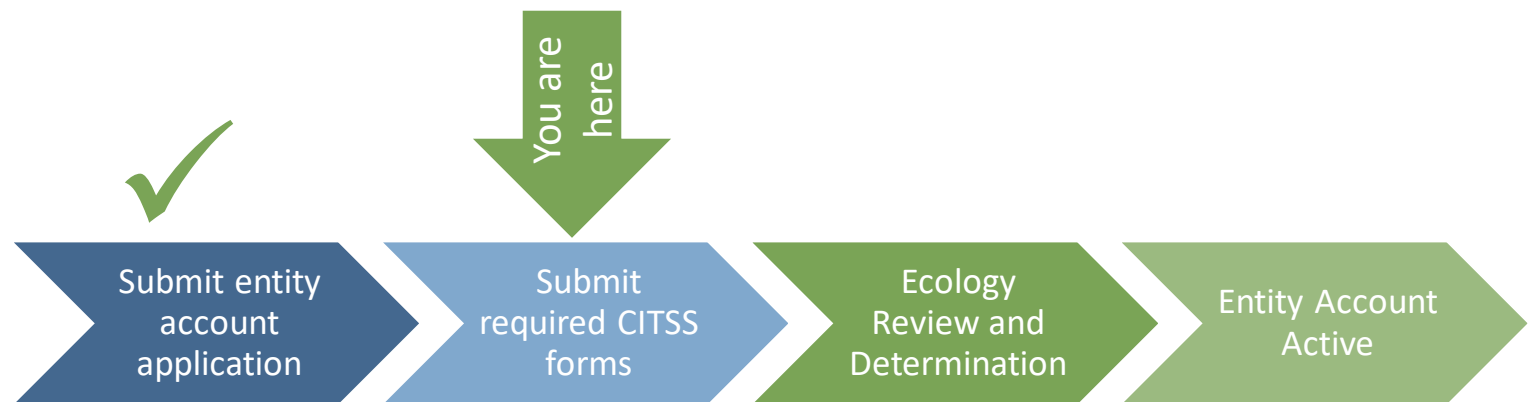
Section 2: CITSS Online Entity Account Application

- The online registration process begins at www.wci-citss.org
- Sign in and select account registration from the left menu to begin.
- Must have an active user account in CITSS for at least 2 account representatives.



Section 3: Forms 1, 2, and 3

- Form 1: Account Application Checklist
- Form 2: Account Application with Attestations Form
- Form 3: Corporate Associations and Structure Form
- **Do not close the CITSS Account Application Submitted page until you have downloaded all three forms.**



Form 1: Account Application Checklist

- Provided for your reference, you **do not** need to submit this form
- Guidance for:
 - Information needed to complete your Entity Account Application Package
 - Submitting forms to Ecology

Form 2: Account Application with Attestations Form

- Generated by CITSS with the entity information you entered in CITSS.
- Your unique CITSS Entity ID is listed at the top of the form.
- Tribal governments should contact Ecology by emailing RegistrarCCA@ecy.wa.gov for a version of Form 2 that includes attestations specific to Tribal governments.

Form 2: Account Application with Attestations Form

- Section 1
 - Pre-populated from CITSS
 - If you checked "Facility is in CITSS": complete the Facility identification section.
- Section 2
 - Indicate if the PAR or AAR has a primary residence in Washington.
 - If not, enter registered agent information.
- Section 3
 - Confirm that the PAR name and user reference code are accurate.
 - Read the attestation for being a PAR. Enter name, date, employer name, title, and sign.
- Section 4
 - Confirm that the AAR name and user reference code are accurate.
 - Read the attestation for being an AAR. Enter name, date, employer name, title, and sign.
- Section 5
 - Completed by a Director or Officer of the entity. Enter their name, date, employer name, title, and sign.
- Sign and submit entire form to Ecology

Form 3: Corporate Associations and Structure Disclosures Form

- Use form to submit required information to Ecology on
 - corporate associations, including Consolidated Entity Accounts (CEAs)
 - cap-and-invest consultants and advisors, and
 - employees with knowledge of market position
- Also used to submit updates to information to Ecology

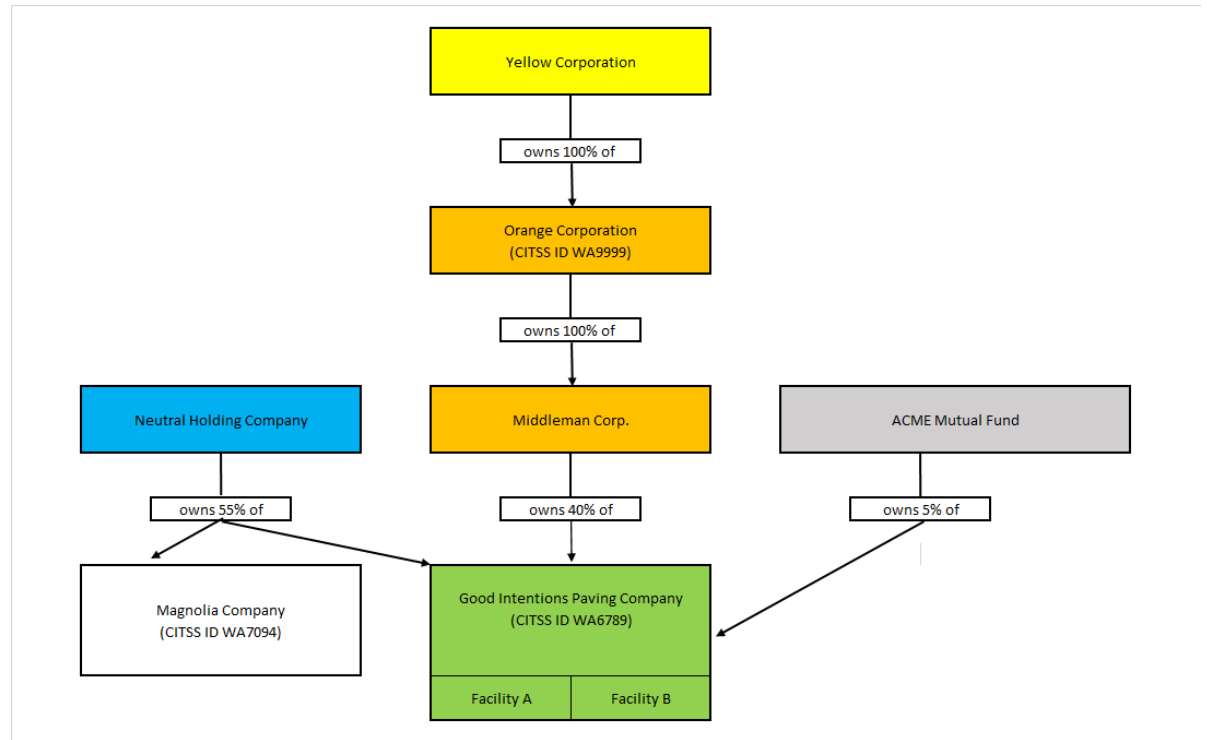
Direct and Indirect Corporate Associations

| Indicia of Control | Direct Corporate Association | Indirect Corporate Association |
|---|------------------------------|--------------------------------|
| Percent of ownership of any class of listed shares, the right to acquire such shares, or any option to purchase such shares of the other party | > 50% | > 20% and ≤ 50% |
| Percent of common owners, directors, or officers of the other party | > 50% | > 20% and ≤ 50% |
| Percent of the voting power of the other party | > 50% | > 20% and ≤ 50% |
| In the case of a partnership other than a limited partnership, percent of the interests of the partnership | > 50% | > 20% and ≤ 50% |
| In the case of a limited partnership, the percent of control over the general partner or the percent of the voting rights to select the general partner | > 50% | > 20% and ≤ 50% |
| In the case of a limited liability corporation, percent of ownership in the other party regardless of how the interest is held | > 50% | > 20% and ≤ 50% |
| The controlling party's percentage of ownership | > 50% | > 20% and ≤ 50% |

This list is not comprehensive. Refer to the [guide](#) for additional information.

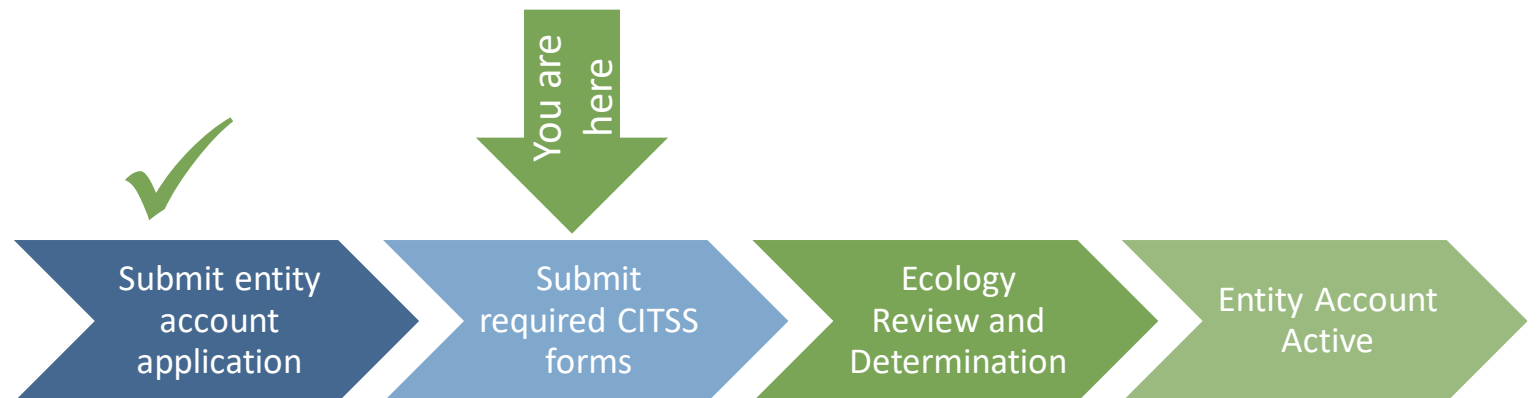
Form 3: Corporate Associations and Structure Disclosures Form

- Example: Good Intentions Paving Company
 - Two covered facilities
 - The Good Intentions Paving Company will create a consolidated entity account, in which Facility A and Facility B are members.
 - Some corporate associates also registered in CITSS.



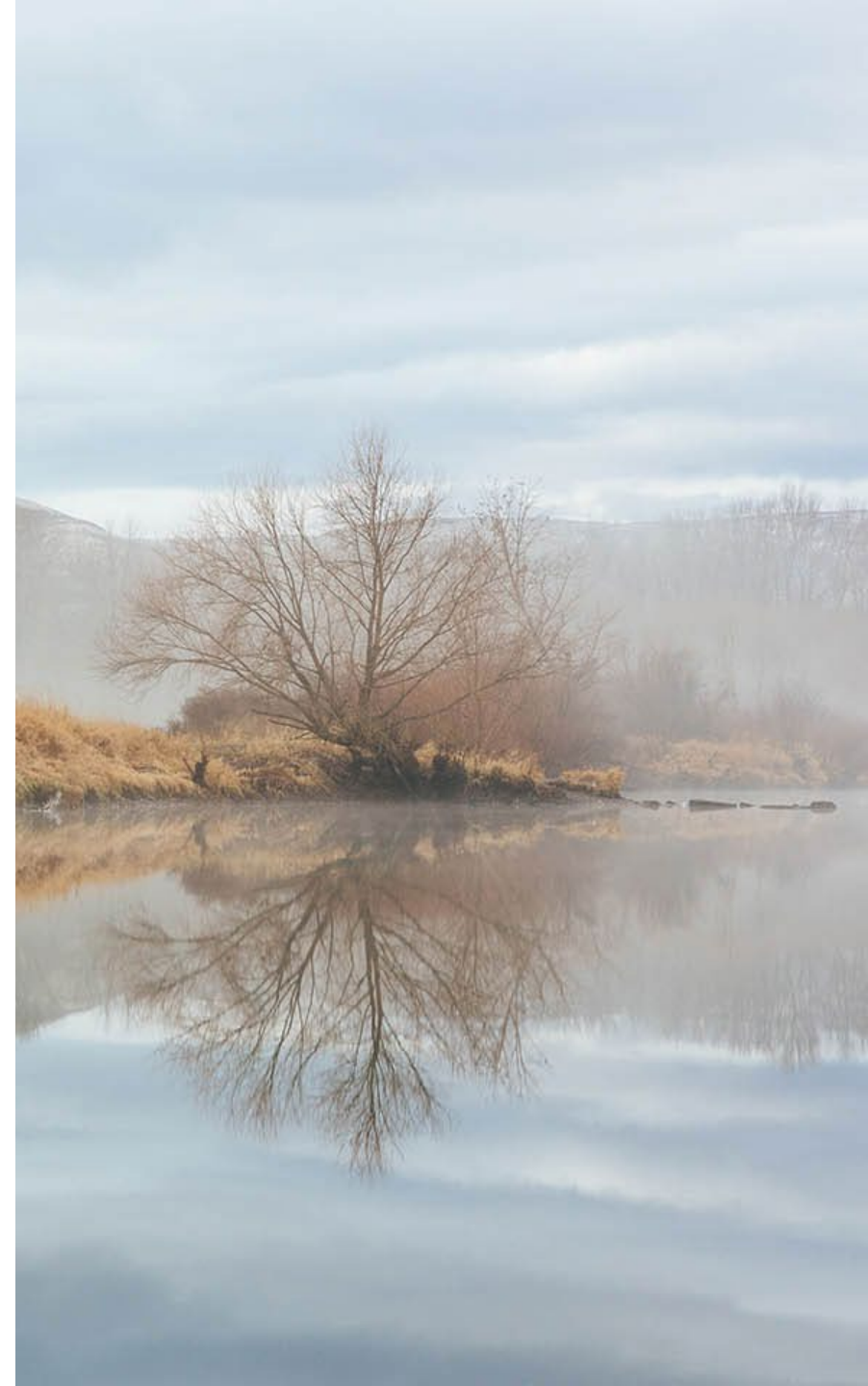
Section 4: Signing and Submitting Forms

- Acceptable Signature Types
 - Electronic/Digital
 - Print and Scan
- Acceptable File Formats
- Acceptable Submission Methods
 - DocuSign, box, e-mail



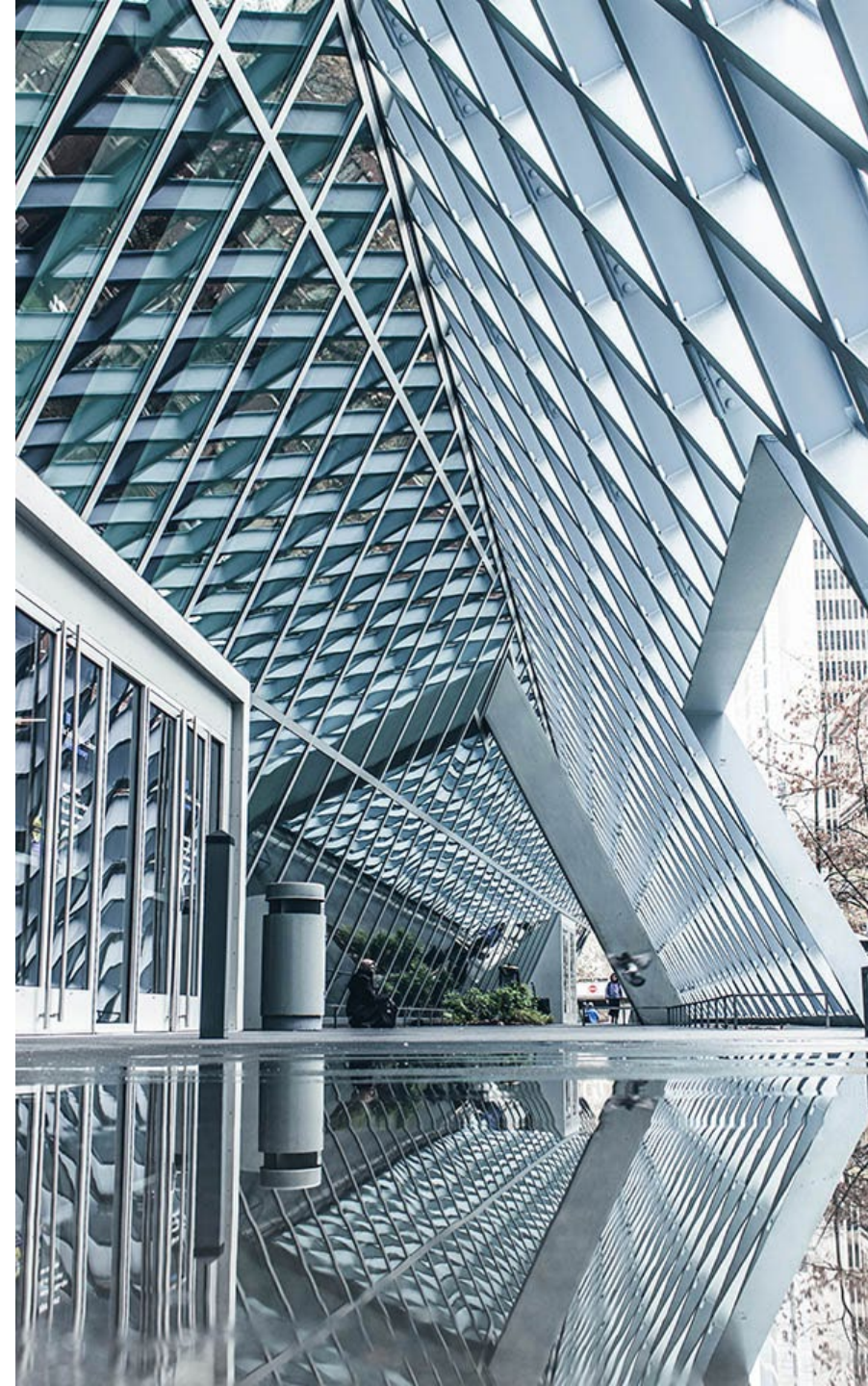
Acceptable Submission Methods

- Ecology recommends DocuSign
- Other acceptable methods:
 - Box Submission
 - Email to RegistrarCCA@ecy.wa.gov



Acceptable File Formats

- We encourage you to fill out forms electronically. Forms completed by hand may create delays due to legibility.
- DocuSign lets you fill out and sign forms electronically.
- Acceptable formats for forms submitted via Box and email include:
 - A form that is completed and signed electronically and submitted as a pdf (or as the same file type as the original).
 - A form that is printed, completed and/or signed in hard copy, scanned, and saved as pdf.
- Ecology **will not** accept photos or image files of completed forms.

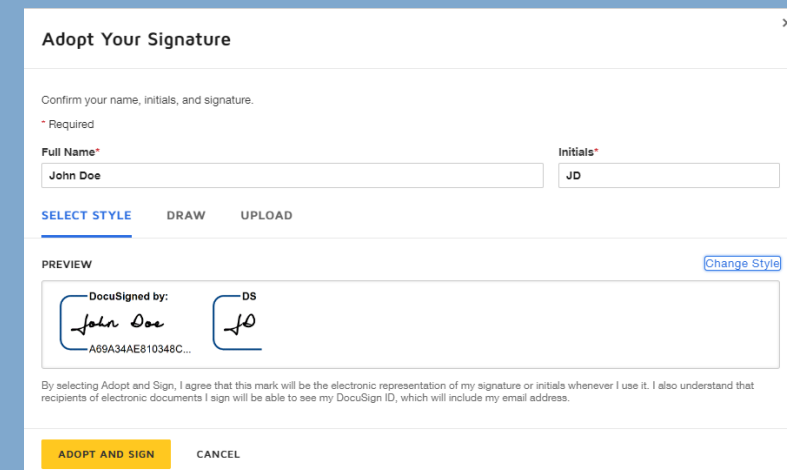
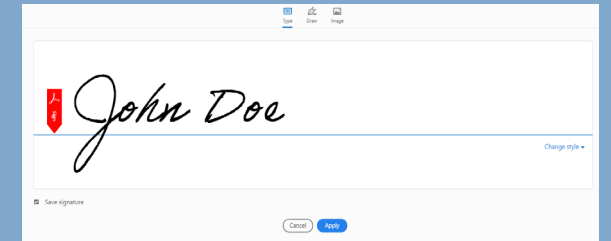


Acceptable Signature Types

- Electronic/Digital
 - Option 1: **Digitized Signature** - TIFF, PNG, or JPG of your signature.
 - Create using the Fill and Sign tool in Adobe Acrobat or [adobe online](#), or from a scanned image of a signature.
 - Option 2: **Digital Signature** - digital version of your signature with a signing key.
 - Create in Adobe Acrobat Certificates tool or in DocuSign.
- Print & Scan
 - Print, sign, and scan forms to your computer.



John Doe



DocuSign

- Entirely digital and secure signing and submitting experience
- Checks that you've completed all required fields
- To request DocuSign for your forms:
 - After submitting your entity account application, email RegistrarCCA@ecy.wa.gov to request Ecology to send your forms to complete and sign through DocuSign.
 - Include your **CITSS ENTITY ID** in the email, which can be found on the Account Application Submitted screen or on Form 2: Account Application Form.
- You do not need a DocuSign subscription to complete your forms through DocuSign.

Section 3.0 Primary Account Representative (PAR) Attestation

CITSS Entity ID WA4376

PAR Information:

Last Name Wilson

First Name Ann

User Reference Code RFYGP9TB4XCT06

1. I certify under penalty of perjury under the laws of the state of Washington that I am authorized to make this submission on behalf of the party that owns the compliance instruments held in the account. I certify under penalty of perjury under the laws of the state of Washington that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify under penalty of perjury under the laws of the state of Washington that the statements and information submitted to Ecology are true, accurate, and complete. I consent to the jurisdiction of Washington state, its courts, and the pollution control hearings board for purposes of enforcement of the laws, rules, and regulations pertaining to chapters 173-446 WAC and 70A.65 RCW. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment.



2. I certify under penalty of perjury under the laws of the state of Washington that I was selected as the primary account representative or an alternate account representative, as applicable, by an agreement that is binding on all parties who have an ownership interest with respect to compliance instruments held in the account. I certify that I have all the necessary authority to carry out the duties and responsibilities contained in chapters 70A.65 RCW and 173-446 WAC on behalf of such parties and that each such party shall be fully bound by my representations, actions, inactions, or submissions to the pollution control hearings board regarding the account.

Print Name: John Doe

Date: 10/17/2022

Employer Name:

Title:

Signature:  

Adopt Your Signature


Confirm your name, initials, and signature.

* Required

Full Name* Initials*

SELECT STYLE DRAW UPLOAD

PREVIEW [Change Style](#)

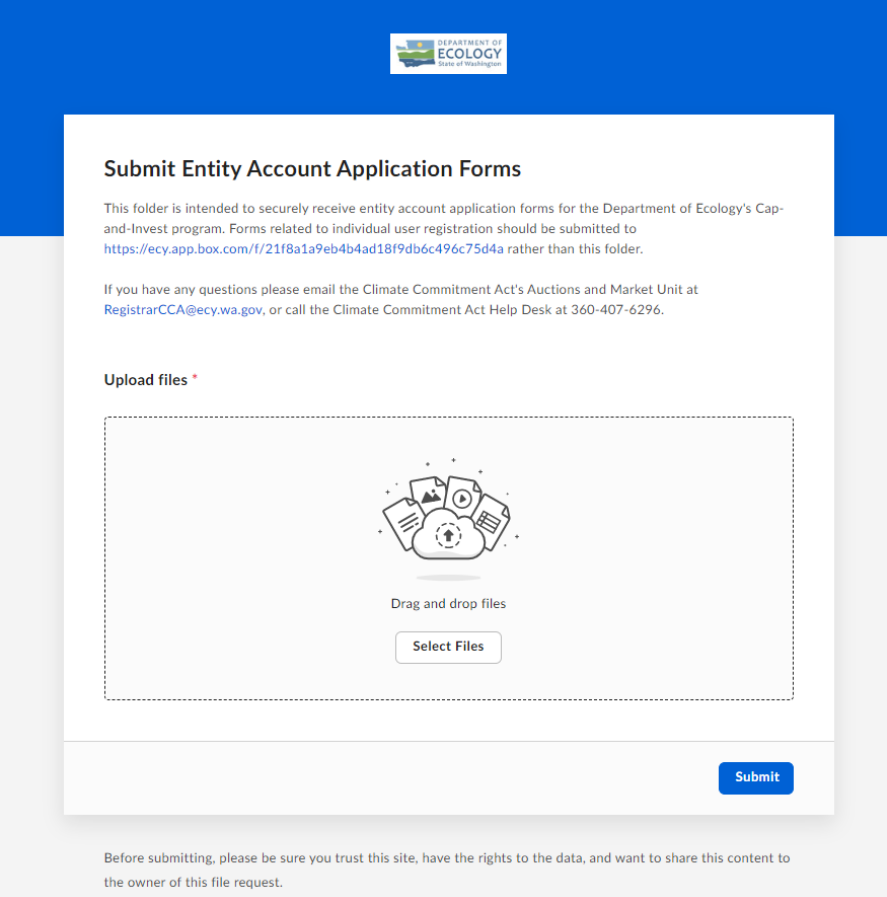
DocuSigned by:  JD
635C0F1E2034F9

By selecting Adopt and Sign, I agree that the signature and initials will be the electronic representation of my signature and initials for all purposes when I (or my agent) use them on documents, including legally binding contracts - just the same as a pen-and-paper signature or initials.

ADOPT AND SIGN CANCEL

Box Submission

- Submit your forms to Box
 - You can access the appropriate link for your entity account application forms on the Account Application Checklist.
 - Include your **CITSS ENTITY ID** in the filename.
 - You can upload multiple files.
- Box does not offer signature services
 - You will need to sign your forms separately and upload to Box as PDFs



The screenshot shows a web interface for submitting forms. At the top right is the logo for the Department of Ecology, State of Washington. The main heading is "Submit Entity Account Application Forms". Below this is a paragraph of text explaining the folder's purpose and providing a link: <https://ecy.app.box.com/f/21f8a1a9eb4b4ad18f9db6c496c75d4a>. Another paragraph provides contact information for questions: email RegistrarCCA@ecy.wa.gov or call 360-407-6296. The "Upload files" section features a dashed box containing an icon of a folder with documents and a "Select Files" button. Below the box is a "Submit" button. At the bottom, a disclaimer states: "Before submitting, please be sure you trust this site, have the rights to the data, and want to share this content to the owner of this file request."

Email

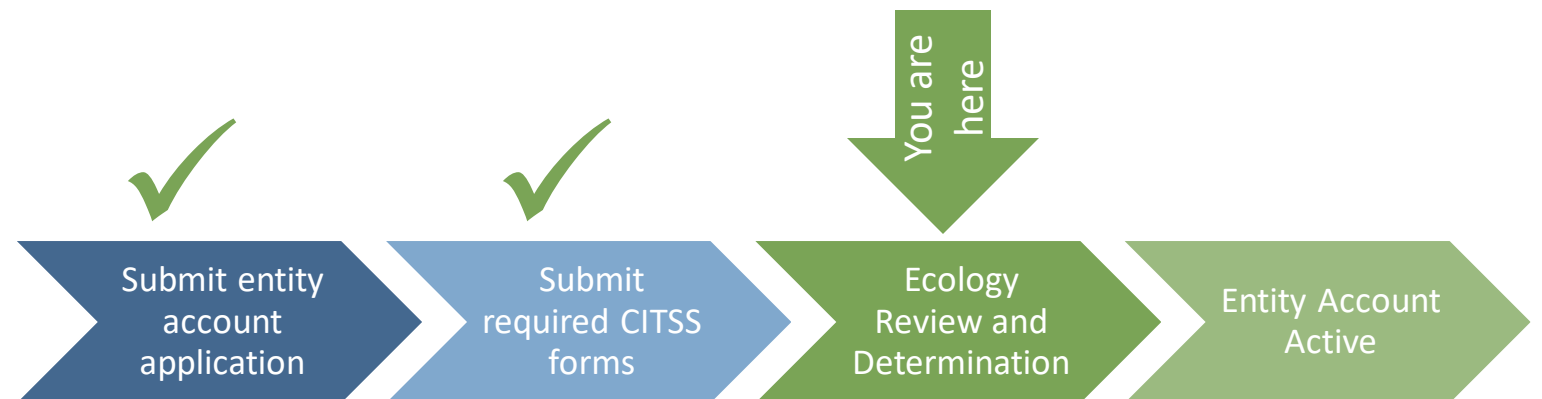
- Only send forms to RegistrarCCA@ecy.wa.gov.
- We recommend you encrypt your emails.
- Encryption provides security when sending sensitive information through email.
- You may also opt to password protect your email and/or attachments when emailing documents to Ecology
 - After sending the email, call the CCA help desk to provide the password: 360-407-6296
- Discuss available encryption and password protection options with your IT department.

Do not send forms to individual Ecology staff or to the CCA Auctions mailbox!



Section 5: Ecology Review and Decision

- Review process
- Timeline



Review Process



Timeline

- Allow 2 weeks minimum of process time for applications from date Ecology receives materials.
 - Winter 2022, influx of applications. Processing may take longer.
- If you have questions or concerns, contact Ecology at RegistrarCCA@ecy.wa.gov



Section 6: Resources

Forms:

- [Form 1: CITSS Entity Account Application Checklist](#)
- [Form 2: CITSS Account Application with Attestations Form](#)
(example only, generated in CITSS)
- [Form 3: CITSS Corporate Associations and Structure Disclosure Form](#)

Guides:

- [Entity Account Application Guide](#)
- [Guide for Corporate Associations and Structure Disclosure Form](#)
- [New User Registration & User Profile Management Guide](#)

Website:

- [Auctions and trading webpage](#)

Upcoming Trainings

Training Module 2b:

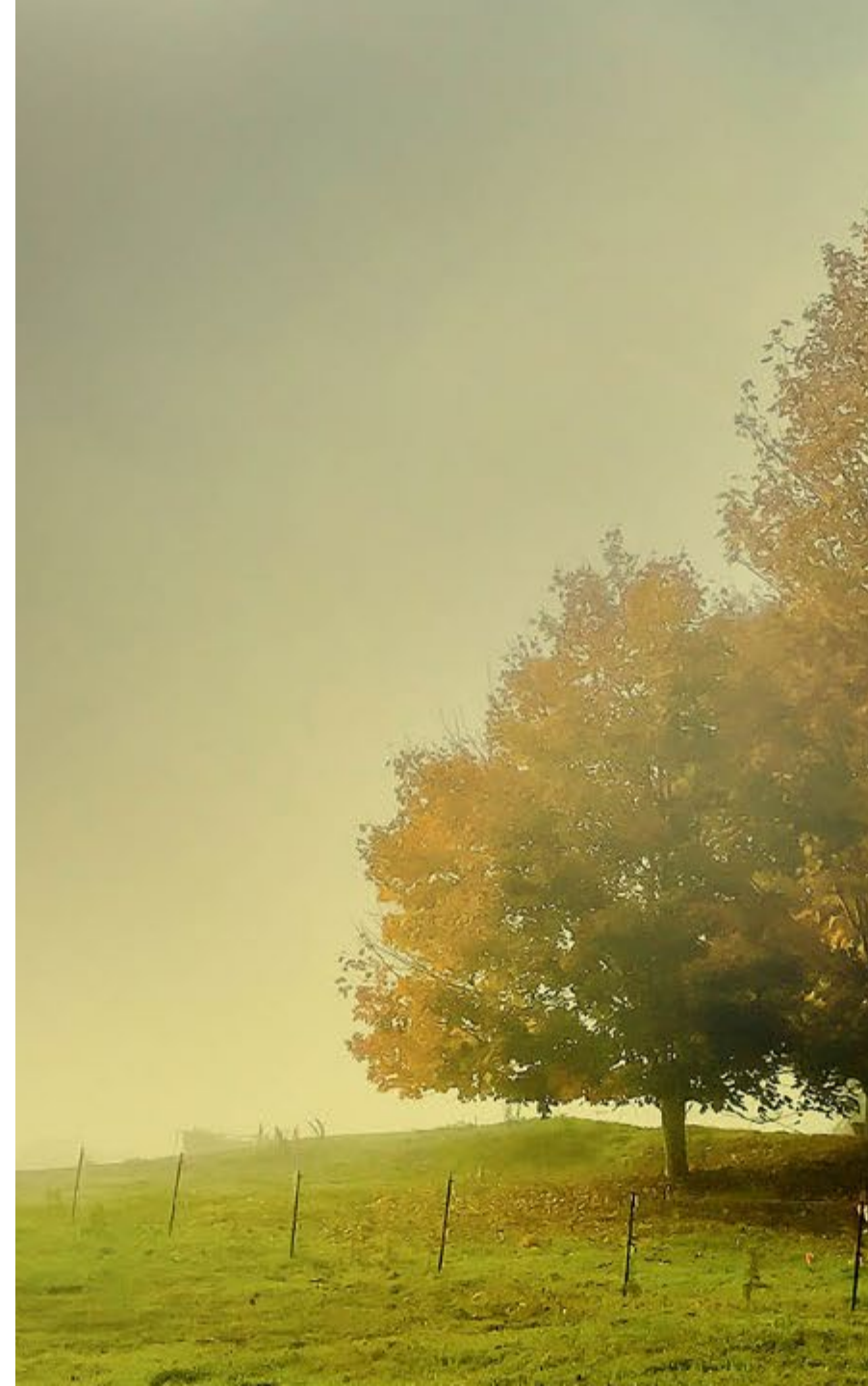
Entity Account Applications for General Market Participants

- Thursday October 20th
10 – 12pm PT
- [Register for Module 2b](#)

Auctions Training

- Early December 2022
- Sign up [for Auctions and Trading email alerts](#) to get training announcements.

All trainings will be recorded and shared on the [CCA auctions and trading webpage](#).





Data Security

- How We Handle Your Sensitive Data
- Methods of Submitting Your Information

How We Handle Your Sensitive Data

- The information you submit to us is treated as confidential and sensitive.
- It is protected from disclosure, by law.
- It is encrypted when stored.
- It is only accessible by...
 - Staff with a need-to-know
 - Staff who have passed a background check
- DocuSign, Box, and the Registrar email are all approved for receiving this type of information.

Methods for submitting

- DocuSign
 - Highly recommended for speed and security reasons
 - Ensures all form fields are completed before submitting
- Box
 - Works like the key drop at a car rental
 - No one, not even you, can see your submission after you make it
- Email to RegistrarCCA@ecy.wa.gov
 - We recommend you encrypt your message
 - You can also password protect your file, and call us with the password



Contact Information

- RegistrarCCA@ecy.wa.gov
 - Submitting information/forms to Ecology
 - Secure mailbox
- CCAuctions@ecy.wa.gov
 - General questions
 - Do not submit registration information to this mailbox
- Auctions and trading helpdesk phone: 360-407-6296
 - M – F, 9am – 4pm PT

The Department of Ecology is committed to providing people with disabilities access to information and services by meeting or exceeding the requirements of the Americans with Disabilities Act (ADA), Section 504 and 508 of the Rehabilitation Act, and Washington State Policy #188.

To request an ADA accommodation, contact Ecology by phone at 360-407-6800 or email Melanie Forster at melanie.forster@ecy.wa.gov, or visit <https://ecology.wa.gov/accessibility>. For Relay Service or TTY call 711 or 877-833-6341.