



STATE OF WASHINGTON  
**DEPARTMENT OF ECOLOGY**

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**Washington Cap-and-Invest Program**  
**Auction #1 February 2023**  
**Summary Report**

Issued on March 7, 2023

**Background**

Ecology held an auction of allowances on February 28, 2023. The auction included the sale of 2023 current vintage allowances. No future vintage allowances were offered for sale in this auction. No allowances were consigned for sale.

Prior to today's certification of the auction, Ecology staff and the independent market monitor evaluated bids and determined that the auction process and procedures complied with the requirements of the Washington regulation. The Market Monitor made the following determination:

The Market Monitor found that the auction was cleared consistent with the auction clearing rules in the regulation and appropriate economic logic. The Market Monitor confirmed the clearing price and clearing quantities by qualified bidder. The auction algorithm correctly applied requirements of the regulation covering the bid guarantee. The Market Monitor did not observe any breaches of communication protocols.

The Market Monitor recommends Ecology approve the February 2023 Auction results.

The Financial Services Administrator will distribute auction proceeds to the State of Washington after all qualified bidder payments are received, no later than March 28, 2023. Ecology will publish information on March 28, 2023, in the Auction Public Proceeds Report, providing the final amount of proceeds generated from Auction #1.

**Auction Results**

All allowances offered for sale by Ecology were sold. The settlement price for Auction #1 was \$48.50 per allowance.

Table 1: Price Information for Auction #1 February 2023

| Auction Statistics  | Current Auction | Advance Auction |
|---------------------|-----------------|-----------------|
| Auction Floor Price | \$22.20         | N/A             |
| Settlement Price    | \$48.50         | N/A             |

Table 2: Allowances offered for sale in Auction #1 February 2023

| Description of Allowances                           | Current Auction Vintage 2023 Total | Advance Auction Vintage 2026 Total |
|---|------------------------------------|------------------------------------|
| Allowances offered by Washington Entity Consignment | None                               | N/A                                |
| Allowances offered by Ecology                       | 6,185,222                          | N/A                                |
| <b>Total Allowances Offered for Sale</b>            | <b>6,185,222</b>                   | <b>N/A</b>                         |

Table 3: Allowances sold in Auction #1 February 2023

| Description of Allowances                         | Current Auction Vintage 2023 Total | Advance Auction Vintage 2026 Total |
|---|------------------------------------|------------------------------------|
| Allowances sold for Washington Entity Consignment | None                               | N/A                                |
| Allowances sold for Ecology                       | 6,185,222                          | N/A                                |
| <b>Total Allowances Sold at Auction</b>           | <b>6,185,222</b>                   | <b>N/A</b>                         |

Table 4: Auction Data for Auction #1 February 2023

| Auction Data  | Current Auction | Advance Auction |
|---|-----------------|-----------------|
| Total qualified bids divided by total allowances available for sale | 2.67            | N/A             |
| Herfindahl-Hirschman Index*   | 669             | N/A             |

\*Herfindahl-Hirschman Index is a measure of market concentration and competitiveness, ranging from 0 to 10,000. A lower number indicates a higher level of competition. A higher number indicates greater market concentration among fewer entities.

## List of qualified bidders for Auction #1 February 2023

A qualified bidder is an entity that completed an auction application, submitted a bid guarantee that was accepted by the Financial Services Administrator, and was approved by Ecology to participate in the auction. Qualified bidders may or may not have participated in the auction.

| CITSS Entity ID | Entity Legal Name (as entered in CITSS)      |
|-----------------|--|
| WA3591          | Avista Corp.-Electric                        |
| WA3455          | Avista Corp.-Natural Gas                     |
| WA3452          | Bellus Ventures III LP                       |
| WA3446          | BP PRODUCTS NORTH AMERICA INC.               |
| WA3556          | Braeswood Climate Partners, LP               |
| WA3542          | Brookdale Receivables LLC                    |
| WA3448          | Carbon Point Partners LP                     |
| WA3530          | Cascade Natural Gas Corporation              |
| WA3562          | Charter Oak Carbon Fund II LP                |
| WA3545          | CHEVRON U.S.A. INC.                          |
| WA3420          | Citadel Energy Marketing LLC                 |
| WA3544          | Coleman Oil Company, LLC                     |
| WA3557          | Constellation Energy Generation, LLC         |
| WA3468          | CP Energy Marketing (US) Inc                 |
| WA3528          | East Coast Environmental, LLC                |
| WA3558          | Elbow River Marketing Ltd.                   |
| WA3437          | Environmental Commodity Partners Holdings LP |
| WA3460          | Gelber & Associates Corp                     |
| WA3547          | Gen IV Investment Opportunities, LLC         |
| WA3457          | Grays Harbor Energy LLC                      |
| WA3519          | HF Sinclair Puget Sound Refining LLC         |
| WA3569          | J.Aron & Company LLC                         |
| WA3563          | Kcarbon Holdings LLC                         |
| WA3577          | KIROS Energy Marketing ULC                   |
| WA3447          | Klima Holdings W LLC                         |
| WA3579          | Macquarie Energy LLC                         |
| WA3435          | MARATHON PETROLEUM COMPANY LP                |
| WA3510          | Mercuria Energy America LLC                  |
| WA3590          | Midstream Energy Partners (USA), LLC         |
| WA3536          | Morgan Stanley Capital Group Inc.            |
| WA3472          | Musket Corporation                           |
| WA3442          | MV Global Carbon Fund LP                     |
| WA3565          | NGL Supply Co. Ltd.                          |
| WA3580          | Northern Trace Capital LLC                   |
| WA3496          | NORTHWEST PIPELINE LLC                       |
| WA3502          | NW Natural Gas Co.                           |

| CITSS Entity ID | Entity Legal Name (as entered in CITSS)              |
|-----------------|--|
| WA3600          | Petrogas, Inc.                                       |
| WA3424          | Phillips 66 Company                                  |
| WA3575          | Portland General Electric Company                    |
| WA3475          | Powerex Corp.  |
| WA3555          | Public Utility District No. 1 of Grays Harbor County |
| WA3485          | Public Utility District No.1 of Clark County         |
| WA3484          | Public Utility District No.1 of Cowlitz County       |
| WA3438          | Puget Sound Energy, Inc.                             |
| WA3474          | Shell Energy North America (US), L.P.                |
| WA3567          | Skyview Finance Company 2, LLC                       |
| WA3416          | Trafigura Trading LLC                                |
| WA3483          | Trailstone Commodity Trading US, LLC                 |
| WA3570          | TRANSALTA ENERGY MARKETING (U.S.) INC.               |
| WA3417          | Triolith Energy Fund, LP                             |
| WA3481          | U.S. OIL & REFINING CO.                              |
| WA3583          | Uniper Global Commodities North America LLC          |
| WA3531          | University of Washington                             |
| WA3509          | Vitol Inc.   |
| WA3527          | Washington State University                          |
| WA3454          | Wilson Oil Inc                                       |

### How does Ecology decide what information to share?

Ecology shares information about the outcome of each quarterly auction as required by the Washington regulation and to support the successful implementation of the program. Ecology does not share information that could potentially enable market manipulation or other unfair practices by market participants.

### Contact Information

If you have questions about the information in this auction summary, please contact:

Website: [cca.wa.gov/auctions-and-trading](http://cca.wa.gov/auctions-and-trading)

Email: [CCAAuctions@ecy.wa.gov](mailto:CCAAuctions@ecy.wa.gov)

Ecology CCA Auctions Help Desk: 360-407-6296

### ADA Accessibility

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