Washington Cap-and-Invest Program
Allowance Price Containment Reserve (APCR) Auction Notice
Issued on June 9, 2023

APCR Auction of greenhouse gas allowances on August 9, 2023

APCR Auction Summary
This document is the official notification (APCR Auction Notice) for the August 9, 2023, APCR Auction of greenhouse gas allowances from the Allowance Price Containment Reserve (APCR).

This APCR Auction will be referred to as “APCR Auction #1 August 2023” or “APCR Auction #1” in the Compliance Instrument Tracking System Service (CITSS) and on the Auction Platform. The August 2023 APCR Auction will offer allowances from the APCR for sale in two fixed-price tiers.

Ecology holds APCR Auctions when the settlement price in the preceding current auction is at or above the Tier 1 price for allowances in the APCR ($51.90 for 2023). The settlement price for current allowances in Auction #2 May 2023 was $56.01 per allowance.

APCR Auctions follow the same procedures as quarterly auctions. There are no purchase limits, and there is no floor price in APCR Auction. Bidders may submit multiple bids, and each bid must be at either the Tier 1 price or the Tier 2 price. Refer to the APCR Guidance for a summary of the differences between APCR and quarterly auctions.

Date and Time of APCR Auction
APCR Auction #1 is scheduled to take place on Wednesday, August 9, 2023, from 10:00 AM Pacific Time until 1:00 PM Pacific Time.

APCR Auction #1 will be conducted through Washington’s internet-based Auction Platform. The Auction Platform can be accessed at www.wci-auction.org.

Table 1: APCR Allowances Offered for Sale

<table>
<thead>
<tr>
<th>Tier Prices</th>
<th>Number of APCR Allowances offered</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1 - $51.90 per allowance</td>
<td>527,000</td>
</tr>
<tr>
<td>Tier 2 - $66.68 per allowance</td>
<td>527,000</td>
</tr>
</tbody>
</table>
The total volume of allowances offered in this APCR auction is 1,054,000, split evenly between each of the two tiers. The volume of allowances available at each APCR auction is based on several factors, including:

- The annual contribution of allowances to the ACPR (5% of the annual allowance budget)
- The total supply and percentage of allowances purchased by non-covered entities (general market participants) in the preceding quarterly auction that triggered the APCR
- The number of possible APCR auctions that may be triggered in the calendar year.

**APCR Auction Eligibility**

Only covered entities and opt-in entities with an approved and active entity account in CITSS are eligible to apply to APCR Auctions. General market participants may not participate in APCR auctions.

An entity must be registered under the Washington Cap-and-Invest Program and have an active CITSS General Holding Account and Compliance Account to be eligible for approval to participate in an auction. Ecology must have approved your CITSS User Registration and Entity Account Application before entities will be able to apply to participate in an auction. Instructions and guidance on how to obtain an active CITSS account are available on Ecology’s [Auctions Trainings and Resources](http://www.wci-citss.org) webpage.

**Submitting an Auction Application**

A registered entity must apply in CITSS to participate in each auction. Auction applicants must submit information at least 30 days before the day of the auction. CITSS can be accessed at [http://www.wci-citss.org](http://www.wci-citss.org).

Information submitted in the auction application process includes the following:

- Name, contact information, and holding account number of the registered entity
- Name and contact information for all designated account representatives and any consultant that provides advice related to the participant’s bidding strategy, and the name of the consultant’s employer
- Information on the form of bid guarantee to be submitted and bid guarantee return instructions

After entering the information listed above, auction applications are then confirmed and submitted in CITSS.

Auction eligibility information also includes information submitted in the process of obtaining a CITSS account:

- Corporate identity, ownership, and capital structure of the applicant
- The existence of any direct or indirect corporate associations; and
- An allocation of the holding limit among the associated entities.

The table below presents the current schedule for activities associated with APCR Auction #1 (APCR Auction Schedule). Any changes to the Auction Schedule will be communicated through an updated Auction Notice and by email to the Primary Account Representative (PAR) and Alternative Account Representatives (AARs) of Washington registered entities that have applied to an upcoming auction.

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### Table 2: APCR Auction Schedule

<table>
<thead>
<tr>
<th>Activities</th>
<th>Due Date</th>
<th>Time Pacific Time (PT)</th>
</tr>
</thead>
<tbody>
<tr>
<td>APCR Auction Notice released/ Auction application window opens (60 days before auction)</td>
<td>Friday, June 9, 2023</td>
<td>12:00 PM (Noon) PT</td>
</tr>
<tr>
<td>Deadline for entities intending to participate in the auction to submit entity information changes and disclosures* (40 days before auction)</td>
<td>Friday, June 30, 2023</td>
<td>8:59 PM PT</td>
</tr>
<tr>
<td>Auction application window closes (30 days before auction)</td>
<td>Monday, July 10, 2023</td>
<td>8:59 PM PT</td>
</tr>
<tr>
<td>All bid guarantees due to Financial Services Administrator (12 days before auction)</td>
<td>Friday, July 28, 2023</td>
<td><em>No later than 3:00 PM PT</em></td>
</tr>
<tr>
<td>APCR auction participants approved and PAR and AARs notified</td>
<td>Friday, August 4, 2023</td>
<td><em>No later than 3:00 PM PT</em></td>
</tr>
<tr>
<td><strong>APCR auction held</strong></td>
<td><strong>Wednesday, August 9, 2023</strong></td>
<td>Bidding window open 10:00 AM PT – 1:00 PM PT</td>
</tr>
<tr>
<td>APCR Auction Summary Report released</td>
<td>Wednesday, August 16, 2023</td>
<td>12:00 PM (Noon) PT</td>
</tr>
<tr>
<td>Auction certified / Results available to qualified bidders</td>
<td>Wednesday, August 16, 2023</td>
<td>12:00 PM (Noon) PT</td>
</tr>
<tr>
<td>Financial settlement in cash due to Financial Services Administrator</td>
<td>Wednesday, August 23, 2023</td>
<td><em>No later than 3:00 PM PT</em></td>
</tr>
<tr>
<td>Earliest date for bid guarantee expiration</td>
<td>Tuesday, September 5, 2023</td>
<td></td>
</tr>
<tr>
<td>Transfer of allowances into CITSS Accounts</td>
<td>Wednesday, September 6, 2023</td>
<td></td>
</tr>
<tr>
<td>Washington Public Proceeds Report released</td>
<td>Wednesday, September 6, 2023</td>
<td></td>
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</tbody>
</table>

*See [Detailed Auction Requirements and Instructions](#) for relevant changes and disclosures.
Procedures for Conducting the Auction

This auction will be conducted through the electronic, internet-based Auction Platform that bidders use to submit bids in a single-round, sealed-bid auction format.

Each participating entity must submit an APCR Auction application in CITSS. Financial Services Delivery Instructions will be available from CITSS, and all final bid guarantees must be received by the Financial Services Administrator no later than the date and time listed in the auction schedule (above). A single bid guarantee must cover the value of bids place at each tier. Ecology will approve or reject applications to participate in an auction at least two (2) business days before the scheduled auction date.

Procedures for conducting APCR Auctions are described in Chapter 173-446-370 WAC. In addition to the Detailed Auction Requirements and Auction Examples document that describe quarterly auctions, APCR-specific guidance and examples will be available on the WCI Auction Platform, under FAQ & Resources.

Form and Manner for Submitting Bids

Auction participants will be able to submit bids manually and upload bid schedules in a pre-defined Excel template in the Auction Platform during the bidding window. Bid quantities can only be submitted in multiples of 1,000 allowances, i.e. 1 bid lot equals 1,000 allowances. Bids for allowances in both Tier 1 and Tier 2 will be accepted during the same scheduled 3-hour bidding window. The form and manner for submitting bids are described in further detail in the Detailed Auction Requirements document, with specific examples provided in the APCR Auction Examples document to be posted on the WCI Auction Platform.

Auction Participant Training Materials

Participant resources will be available on the Auctions Trainings and Resources webpage, including the Auction Participant Training presentation for Washington entities, and Auction Examples. Resources and Frequently Asked Questions (FAQ) are also available from the Auction Platform (wci-auction.org).

Contact Information

For further information about this APCR Auction Notice, please contact:

Website: cca.wa.gov/auctions-and-trading
Email: RegistrarCCA@ecy.wa.gov
Ecology CCA Help Desk: 360-407-6296

ADA Accessibility

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.