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October 1, 2024

Washington's Greenhouse Gas Reporting Program

Reporting Year 2024 Fee Schedule

Background

<u>Chapter 173-441-110 WAC</u> establishes the procedure the Department of Ecology (Ecology) uses to set the reporting fee for Washington's mandatory <u>Greenhouse Gas Reporting Program</u>. This Reporting Year 2024 Fee Schedule sets the reporting fee for reports due in 2025.

On February 9, 2022, Ecology updated Chapter 173-441 WAC – Reporting Emissions of Greenhouse Gases which revised the fee provisions and incorporated fuel suppliers and electric power entities into the program. This Reporting Year 2024 Fee Schedule distributes the total fee budget over the estimated number of reporters based on the revised rule.

The Rule changes outline fee allocation by equal division of 90% of the fee budget applied to those reporters that are subject to third-party verification per Chapter 173-441-085 WAC. The remaining 10% of the fee budget is applied to reporters that are not subject to third-party verification. This fee allocation is applied for Reporting Year 2024, that is billed in Calendar Year 2025.

Workload analysis and budget development

Statute authorizes Ecology to base the annual reporting fee on projected agency costs to administer fee-eligible activities related to the Greenhouse Gas Reporting Program (<u>RCW 70A.15.2200</u>). Ecology used a workload analysis model to project that the following activities will require approximately 2.9 Full Time Equivalent (FTE) positions in 2025 to implement the Reporting Year 2024 program by fulfilling the following program functions:

- Information technology maintenance and support
- Technical assistance to the reporting community
- Data analysis
- Collaboration with the Environmental Protection Agency and Local Air Authorities
- Verification, compliance, and enforcement
- Program administration

Ecology used standardized agency cost estimates to project costs for salary and benefits of those 2.9 FTE positions. Ecology projects the total cost of administering the Greenhouse Gas Reporting Program for Reporting Year 2024 to be \$428,648.

Reporting fee for entities subject to third-party verification

The fee for entities reporting greenhouse gas emissions under WAC 173-441-120, WAC 173-441-122, and WAC 173-441-124 and subject to third-party verification is established by applying 90% of the annual cost for administering the program to the number of projected reporters subject to verification in that year. Ecology estimates approximately 170 reporters will require third-party verification for the 2024 emissions reported in Calendar Year 2025 and estimates 90% of projected costs to be \$385,783. Therefore, the reporting fee for the 2024 emissions year is:

 $\frac{\$385,783}{170 \, Reporters} = \$2,269/reporter$

Reporting fee for entities not subject to third-party verification

The fee for entities reporting greenhouse gas emissions under WAC 173-441-120, WAC 173-441-122, and WAC 173-441-124 and not subject to third-party verification is established by applying 10% of the annual cost for administering the program to the number of projected reporters not subject to verification in that year. Ecology estimates that third-party verification will not be required for approximately 100 reporters for the 2024 emissions reported in Calendar Year 2025 and estimates 10% of annual program costs to be \$42,865. Therefore, the reporting fee for the 2024 emissions year is:

$$\frac{\$42,865}{100 Reporters} = \$429/reporter$$

Greenhouse Gas Reporting Program Reporting Year 2024 Fee Schedule

Greenhouse Gas Reporting Program fees for the Reporting Year 2024 are outlined in the table below.

Reporting Category	Fee Amount*	Reporting Deadline	Approximate Billing Date**
Reporters required to, or voluntarily, report to Ecology and subject to third- party verification	\$2,269	March 31, 2025	September 2025
Reporters required to, or voluntarily, report to Ecology and not subject to third- party verification	\$429	March 31, 2025	September 2025
Electric Power Entities required to, or voluntarily, report to Ecology	Same fees as above based on third-party verification status.	June 1, 2025	September 2025

* If a reporter has multiple facilities, then it must pay a separate fee for each facility that reports.

** Approximate billing dates are an estimate only and subject to change. Fees must be paid within 60 days of receipt of the billing statement. A late fee surcharge of 10% will be applied to any fee received more than 90 days past the due date.

More information

More information about the Greenhouse Gas Reporting Program, including fees, who is required to report, and other information is available on <u>Ecology's website</u> or by contacting <u>ghgreporting@ecy.wa.gov</u>.