



STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY
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Washington Cap-and-Invest Program 2025 Annual Allowance Price Containment Reserve Tier Price and Price Ceiling Unit Price Notice

Issued on December 2, 2024

Allowance Price Containment Reserve Summary

The Washington State Department of Ecology (Ecology) will offer sales of allowances from the Allowance Price Containment Reserve (APCR) in three cases. First, following any quarter in which the auction settlement price was at or above the Tier 1 price listed in Table 1, below. Second, an APCR auction will be held when new covered or opt-in entities enter the program, and when allowances from the Emissions Containment Reserve account are exhausted. Third, an APCR auction will be offered before each annual compliance deadline.

APCR auction tier prices are defined by Ecology in accordance with chapter 173-446-370 WAC. In December of each year, tier prices are increased by five percent plus the rate of inflation as measured by the nationwide Consumer Price Index for All Urban Consumers identified by the U.S. Bureau of Labor Statistics (CPI-U). For 2025, the previous year reserve tier prices, adjustment factor, and adjusted tier prices are displayed in Table 1, below.

Table 1. 2025 Reserve Tier Prices

Reserve Tier	2024 Tier Prices	Adjustment Factor*	2025 Tier Prices
Tier 1	\$56.16	7.6%	\$60.43
Tier 2	\$72.15	7.6%	\$77.63

*The adjustment factor is determined by adding five percent plus the rate of inflation as measured by the most recently available 12 months of the consumer price index for all urban consumers as of the first business day in December 2024. The CPI-U is 2.6%

APCR auction Information

APCR auctions follow the same procedures as quarterly auctions, except that purchase limits do not apply and bids are only placed at set tier prices. Conditions for an APCR auction are described in the summary above. As with quarterly auctions, a APCR Auction Notice will be released at least 60 days prior to each APCR auction. Additional background information, instructions, examples, and other resources related to APCR auction will be available on [Ecology's Cap-and-Invest Auctions and Market webpage](#).

Price Ceiling Unit Price

A price ceiling unit is a compliance instrument issued by Ecology at a fixed price. The price ceiling unit price is not a ceiling on the price that entities can bid for allowances at auction, and only applies to the fixed price of units to be sold by Ecology when a specific set of circumstances are met.

The price ceiling unit price is defined by Ecology and released annually in accordance with chapter 173-446-335 WAC. In December of each year, the annual price ceiling unit price is increased by five percent plus the rate of inflation as measured by the nationwide Consumer Price Index identified by the U.S. Bureau of Labor Statistics (CPI-U).

For 2024, the previous year ceiling price, adjustment factor, and adjusted price ceiling unit price is displayed in Table 2, below.

Table 2. 2025 Annual Price Ceiling Unit Price Calculation

2024 Price Ceiling Unit Price	Adjustment Factor*	2025 Price Ceiling Unit Price
\$88.15	7.6%	\$94.85

*The adjustment factor is determined by adding five percent plus the rate of inflation as measured by the most recently available 12 months of the consumer price index for all urban consumers as of the first business day in December 2024. The CPI-U is 2.6%.

Price Ceiling Unit Sale Information

If no allowances remain in the APCR, Ecology shall issue price ceiling units for sale. Price Ceiling Sales will take place immediately prior to the *final compliance deadline* for each four-year compliance period and are open only to covered entities that do not have sufficient eligible compliance instruments to meet their compliance obligations for the given period. These covered entities may purchase only the number of price ceiling units necessary to meet their compliance obligations for the upcoming compliance deadline. After a sale, Ecology will transfer purchased price ceiling units directly to each purchaser's compliance account for immediate retirement at the upcoming compliance deadline. The first potential date for a Price Ceiling Unit Sale is October, 2027.

Contact Information

For further information about this Annual Allowance Price Containment Reserve and Price Ceiling Notice or about participation in 2025 APCR Auctions, please contact:

Website: <https://ecology.wa.gov/auctions-and-market>

Email: RegistrarCCA@ecy.wa.gov

Auctions and Market Unit 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 Leah Baird at leah.baird@ecy.wa.gov, or visit ecology.wa.gov/accessibility. For Relay Service or TTY call 711 or 877-833-6341.