Climate Commitment Act

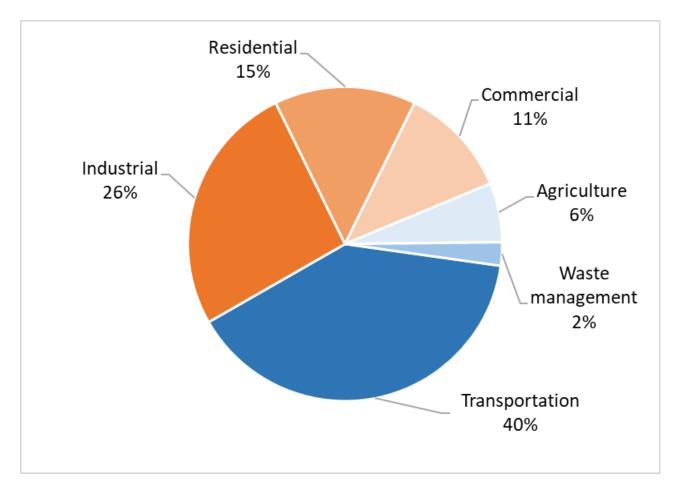
Puget Sound Regional Council Executive Board

April 25, 2024



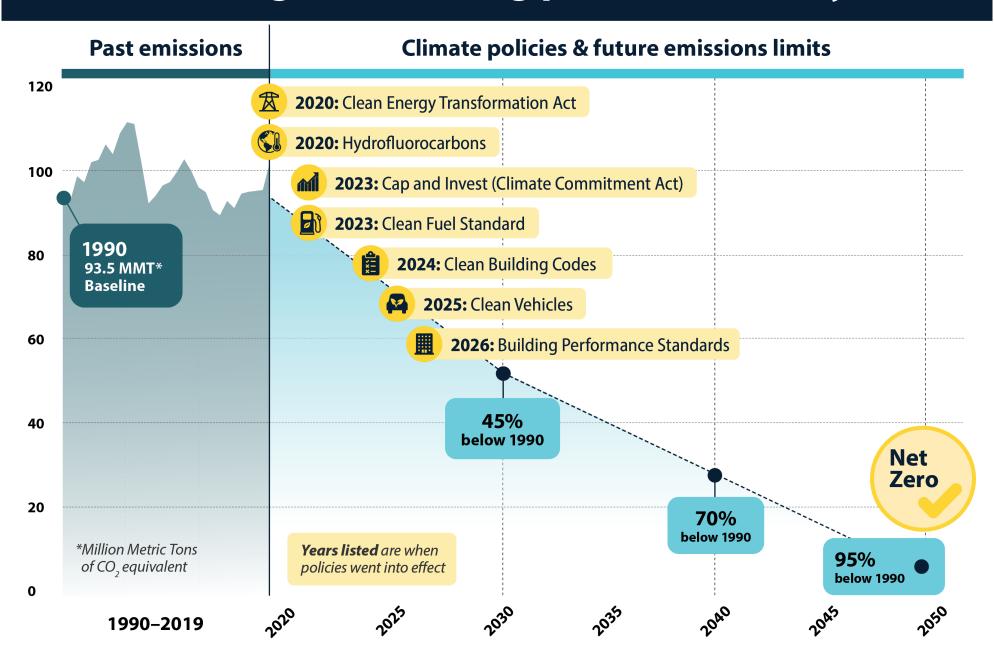






Electricity emissions allocated to end-use sector

How Washington is cutting pollution 95% by 2050



Climate Commitment Act

- Limits and reduces <u>climate pollution</u>
 - Cap-and-Invest: a market-based system that cost effectively lowers greenhouse gas emissions
- Reduces <u>air pollution</u>
 - Program to reduce "criteria" air pollution in overburdened communities

- Centers <u>environmental justice</u>
 - At least 35% of revenue directly benefits vulnerable populations in overburdened communities (goal of 40%)
 - 10% of revenue goes to projects with Tribal support



Climate Commitment Act: Cap-and Invest

- Declining regulatory cap on climate pollution requires emissions reductions, drives investment in decarbonization
- ~75% of state emissions covered
- Emitters generating more than 25,000 tons of CO₂e/year must purchase or receive emissions allowances
- Invests revenue from allowance auctions to decarbonize the economy, build climate resilience, and advance environmental justice



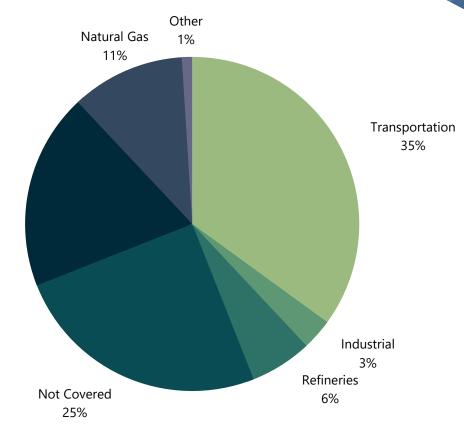
What Counts as 'Covered Emissions'

Covered Emissions - 75%

- Emissions from:
 - Facilities that emit more than 25,000 metric tons CO₂e
 - Gasoline and on-road diesel
 - Electricity consumed in WA state
 - Natural gas
 - 2027 Waste-to-energy facilities
 - 2031 Railroads

Not Covered - 25%

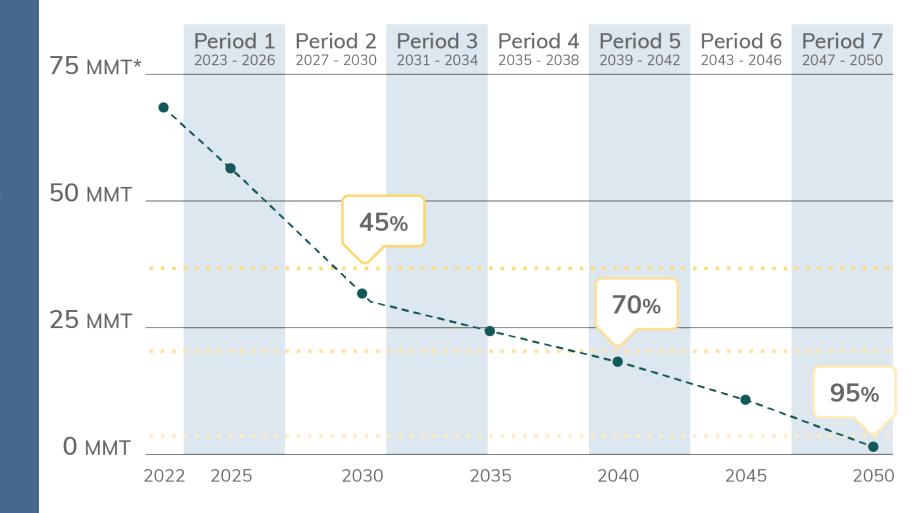
- Emissions from:
 - Facilities that emit less than 25,000 metric tons CO₂e
 - Agricultural operations
 - Aviation fuels and most marine fuels



Electricity

19%

Emissions Cap Reductions



*MMT = million metric tons of CO₂ equivalent

Climate Commitment Act: Air quality protections

Engaging with 16 overburdened communities to improve air quality:

- Expanded air monitoring
 - Includes \$10M for high-resolution study
- Strategies to reduce air pollution
 - \$10 million community grant program in 2024
 - Rulemaking on more protective air quality requirements in 2025-26
- Evaluate + report air pollution, greenhouse gas, health data every two years.
 - First report released in December 2023



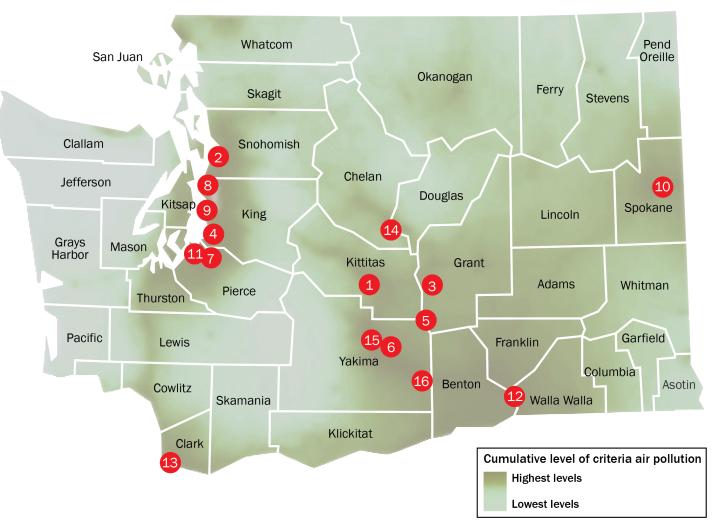


Ecology's custom-built SensWA PM_{2.5} sensor



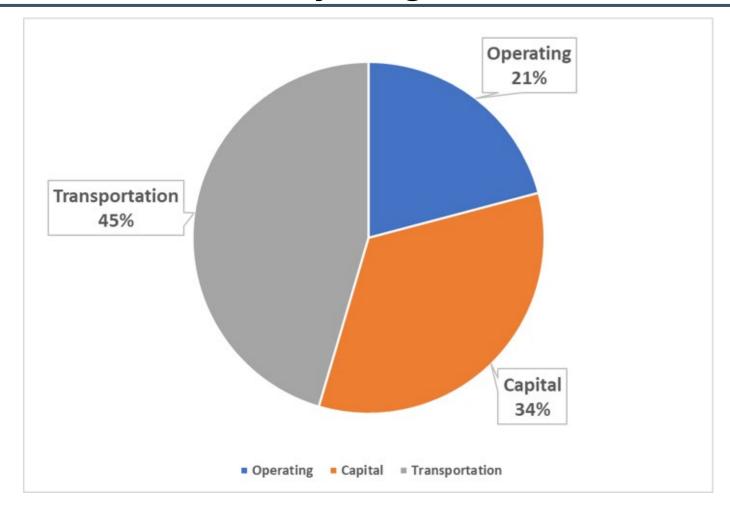
New reference grade PM_{2.5} monitor at The Hive public library in Spokane

Designated Communities Highly Impacted by Air Pollution



- Ellensburg
- Everett
- George and West Grant County
- South King County
- Mattawa
- 6 Moxee Valley
- Northeast Puyallup
- 8 North Seattle and Shoreline
- South Seattle
- Spokane and Spokane Valley
- South and East Tacoma
- Tri-Cities to Wallula
- Vancouver
- Wenatchee and East Wenatchee
- East Yakima
- 6 Lower Yakima Valley

Climate Investments by Budget, 2023-25 Biennium

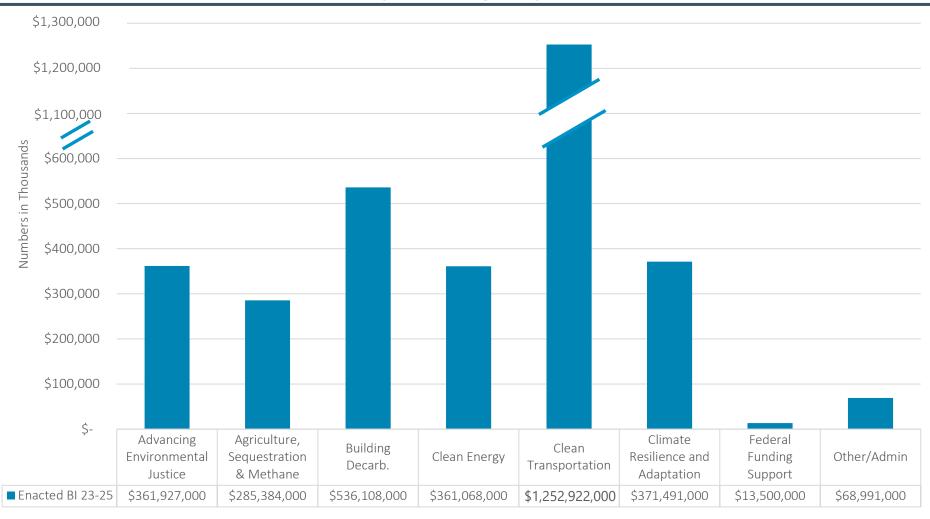


Operating: \$682,700,000 Capital: \$1,386,854,000

Transportation: \$1,318,575,000

*\$834,647,000 of the 2024 Supplemental budget appropriations are not effective until January 1, 2025

Climate Investments by Category, 2023-25 Biennium



Enacted 2023-25: \$2.129 Billion Enacted 2024 Supplemental: \$1.122 Billion Total CCA Investments \$3.251 Billion

Overburdened Communities and Tribes



Estimate of original 2023-25 CCA Investments

Investments in overburdened communities

\$924M 43% Investments designated specifically for tribes

\$155M 7.3%*

^{*} It is anticipated that tribally-supported investments to meet or exceed 10%. Tribes are eligible for additional grants, and may support other CCA funded salmon recovery investments

Clean Transportation \$1.5 Billion

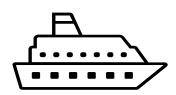


- \$563M for ferry and terminal electrification
- \$429M for Public Transit Grants

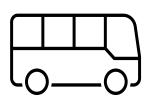




- \$45M for EV infrastructure grants on state highways
- \$130M for incentives and infrastructure for zero-emission commercial vehicles, school buses and drayage trucks.
- \$109M for rail electrification and shore power at ports







Clean Buildings \$536 Million

- \$115M to assist low-income households and businesses electrify their homes and businesses
- \$136M to electrify state higher education campuses
- \$58M to improve energy efficiency of state facilities
- \$50M on energy retrofits and solar power for public buildings
- \$20.6M for energy audits for public buildings



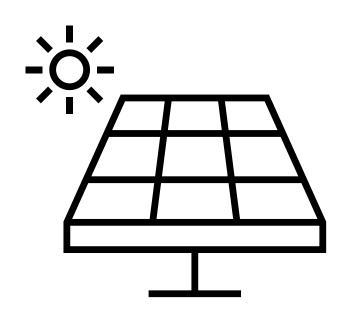




Environmental Justice \$361 Million

- \$150M for \$200 energy vouchers for low and moderate income residential electrical consumers
- \$107M to reduce GHG emissions and improve air quality in vulnerable, overburdened, and tribal communities.
- \$6M for low-income community solar projects

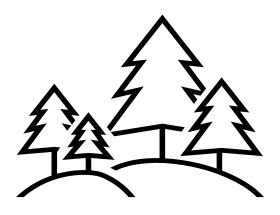




Climate Resilience \$371 Million



- \$60M riparian protection grants
- \$50M Tribal climate adaptation grants
- \$96M fish passage, salmon habitat and climate resilience projects
- \$40.9M comprehensive climate planning grants (HB 1181)
- \$10M GMA climate change implementation grants
- \$2.7M local government salmon recovery planning grants





Agriculture, sequestration, and methane reduction \$285 Million

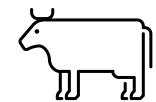


• \$98M carbon sequestration on state trust lands



• \$35M on farm GHG reduction, anerobic digester and ag sequestration grants





• \$15M for Firewise, forest health and community wildfire grants

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