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PREPROPOSAL STATEMENT OF INQUIRY

CR-101 (October 2017) (Implements RCW 34.05.310)

OFFICE OF THE CODE REVISER STATE OF WASHINGTON FILED

DATE: July 07, 2021 TIME: 8:34 AM

WSR 21-14-087

Do NOT use for expedited rule making

Agency: Department of Ecology AO #21-07

Subject of possible rule making: Ecology is considering amending Chapter 173-441 WAC, Reporting of Emissions of Greenhouse Gases, as directed by Section 33 of the Climate Commitment Act (CCA).

In 2021, the Legislature passed the CCA, which establishes a cap and invest program to achieve Washington's goal of netzero greenhouse gas (GHG) emissions by 2050. Ecology will be undertaking three separate rulemakings to address the first set of requirements.

This rulemaking will consider amending Chapter 173-441 WAC (Reporting of Emissions of Greenhouse Gases) to expand persons subject to reporting and improve reporting requirements. Specifically, this rulemaking may:

- Add natural gas suppliers, carbon dioxide suppliers, and electric power entities to the existing GHG reporting program.
- Replace the transportation fuel supplier program with a CCA-compatible fuel supplier program.
- Update GHG reporting requirements to support the CCA and facilitate program linkage with other jurisdictions.
- Add program elements to support the verification of GHG reporting data.
- Modify administrative provisions, such as deadlines and GHG reporting fees.
- Include requirements necessary to support the above items, the overall objectives of the statute or chapter, or the goals of the CCA.
- Made administrative changes for correction or clarification.

Statutes authorizing the agency to adopt rules on this subject: Climate Commitment Act (Engrossed Second Substitute Senate Bill 5126), Chapter 316, Laws of 2021

Reasons why rules on this subject may be needed and what they might accomplish: The CCA amends Chapter 173-441 to support new CCA requirements. Approximately 75 percent of the GHG emissions included in the new cap and invest program are not reported or are reported using methods inconsistent with the CCA. Ecology will create an accurate system for reporting GHGs by adding new businesses to the program, improving data verification processes, and modifying reporting requirements and reporting fees.

Identify other federal and state agencies that regulate this subject and the process coordinating the rule with these agencies: The Energy Facility Site Evaluation Council must adopt this rule to apply it to sources they regulate. Ecology will advise the Energy Facility Site Evaluation Council during their rulemaking to adopt this rule.

Process for developing new rule (check all that apply):

- □ Negotiated rule making
- □ Pilot rule making
- □ Agency study

☑ Other (describe) Ecology will follow the standard process for the adoption of rules under the Administrative Procedure Act (Chapter 34.05 RCW.

Interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication by contacting:

Name: Rachel Assink Address: Department of Ecology Air Quality Program (If necessary) Name: Address:

| P.O. Box 47600 | | |
|--|--------------|--|
| Olympia, WA 98504-7600 | | |
| Phone: (360) 407-6827 | Phone: | |
| Fax: N/A | Fax: | |
| TTY: For Washington Relay Service or TTY call 711 or 877- | TTY: | |
| 833-6341. | | |
| Email: ghgreporting@ecy.wa.gov | Email: | |
| Web site: https://ecology.wa.gov/Regulations-Permits/Laws- | Web site: | |
| rules-rulemaking/Rulemaking/WAC-173-441 | | |
| Other: Sign up to receive email notices on this rulemaking: | Other: | |
| http://listserv.ecology.wa.gov/scripts/wa- | | |
| ECOLOGY.exe?SUBED1=WA-GHG-REPORTING&A=1 | | |
| Additional comments: Interested parties can stay informed about the rulemaking and public involvement opportunities as | | |
| described above. Ecology will extend an offer for government-to-government consultation with tribal governments during | | |
| each phase of rule development. | | |
| Date: July 7, 2021 | Signature: | |
| Name: Kathy Taylor | lit lefo | |
| Title: Air Quality Program Manager | KIT KI LITTI | |