



# Washington State's Climate Commitment Act: **A New Standard for Climate Action**

June 2, 2021



**Welcome, and why we're here today**

# The Climate Commitment Act

1. What does it do?
2. How did it get done?
3. What's the big deal?
4. What's next?

# Agenda

**Sarah Severn, Outreach Director**

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**Reuven Carlyle, Senator:** Washington's political will

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**Paula Sardinas, WA Build Back Black Alliance:** Delivering with and for overburdened communities

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**Kevin Tempest, R&D Scientist:** Key program details

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**Katelyn Roedner Sutter, Senior Manager US Climate, EDF:** A new gold standard

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**Isaac Kastama, Government Affairs:** What now?

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# David Giuliani

The very best outcomes occur when people are drawn together with a common mission of great societal import with an urgent intention of solving the problem. Even better when it turns into a strategy to improve our economy with a fair-handed, savvy approach, cast into practical policy.

This remarkable outcome could not have been achieved without the steadfast leadership of Senator Carlyle, Representative Fitzgibbon, and a host of elected officials and other climate champions. Years of passionate advocacy and alliance building enabled this moment, which had eluded Olympia over the last decade.



# The Climate Commitment Act: Political Will



“Passage of historic climate action reflects the best of our state's public policy resolve, entrepreneurial spirit & thought leadership.”  
– **Sen Reuven Carlyle**

# The Climate Commitment Act: Environmental Justice

Environmental groups. Energy companies.  
Local employers. Equity advocates.  
These voices and many more agree:

**THE CLIMATE COMMITMENT ACT  
IS WHAT WASHINGTON NEEDS NOW.**

SB 5126 is the kind of progress Washingtonians want. We have to start pushing down statewide emissions. We have to do it equitably. And we have to do it in a way that will boost our economy at this crucial moment. Do what's right for Washington, our planet, and our next generation. Support the Climate Commitment Act.

Scan the code to contact your legislator.



**Clean & Prosperous Washington**  
CleanProsperousWA.com

We thank the supporters of SB 5126

**WA BUILD BACK BLACK ALLIANCE** **VULCAN** **VIGOR** **Urban League of Metropolitan Seattle** **umc 100 YEARS**

**The Breakfast Group** **THE BLACK COLLECTIVE** **Tabor 100** **SUSTAINABLE LIVING INNOVATIONS**

**SPHERE SOLAR ENERGY** **RAIN INCUBATOR** **PUGET SOUND SOLAR** **PSE PUGET SOUND ENERGY**

**PWG PACIFIC MOBILITY GROUP** **NORTHWEST ENERGY EFFICIENCY COUNCIL** **McKinstry** **MacDonald-Miller FACILITY SOLUTIONS**

**The Jia Group** **FMS GLOBAL STRATEGIES** **EDF** **climate solutions** **BYRD BARR PLACE** **tp**

“The impacts of climate change will not be borne equally or fairly, between rich and poor, women and men, and older and younger generations... we are going to leave our children a far better planet than the one we all inherited.”

– **Paula Sardinas**

A scenic landscape featuring a hot air balloon with a colorful striped pattern floating in a clear blue sky. Below the balloon, a range of mountains stretches across the horizon. The foreground and middle ground are filled with rolling hills and valleys covered in trees with vibrant autumn foliage in shades of yellow, orange, and red. A winding river or stream is visible through the forested areas. In the bottom right corner, a paved road with white lane markings is visible. The overall scene is bright and clear, suggesting a sunny day.

# Climate Commitment Act: **Program Context & Details**

# Carbon Cap Programs: Global Adoption

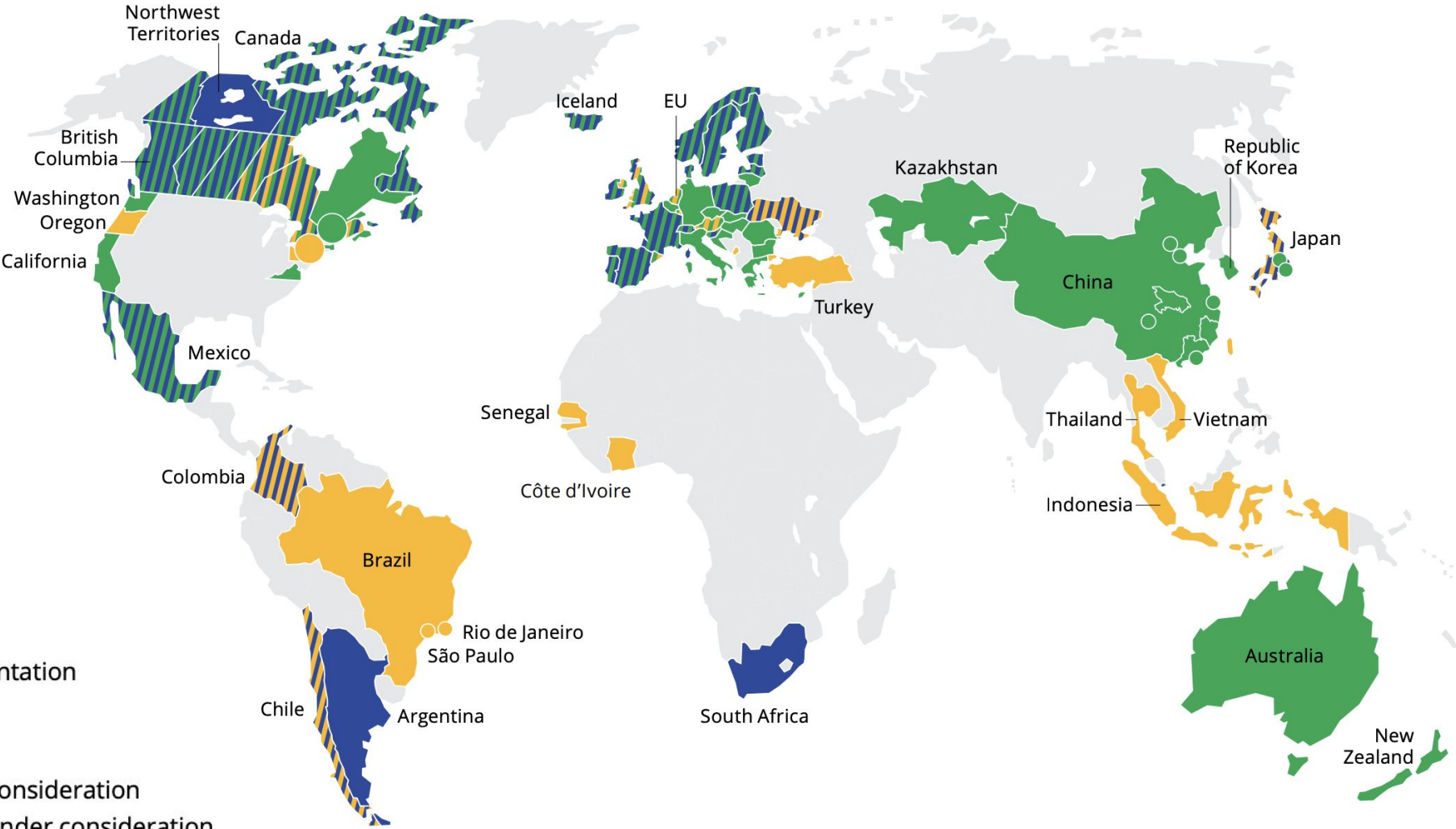
29

Cap programs implemented

9

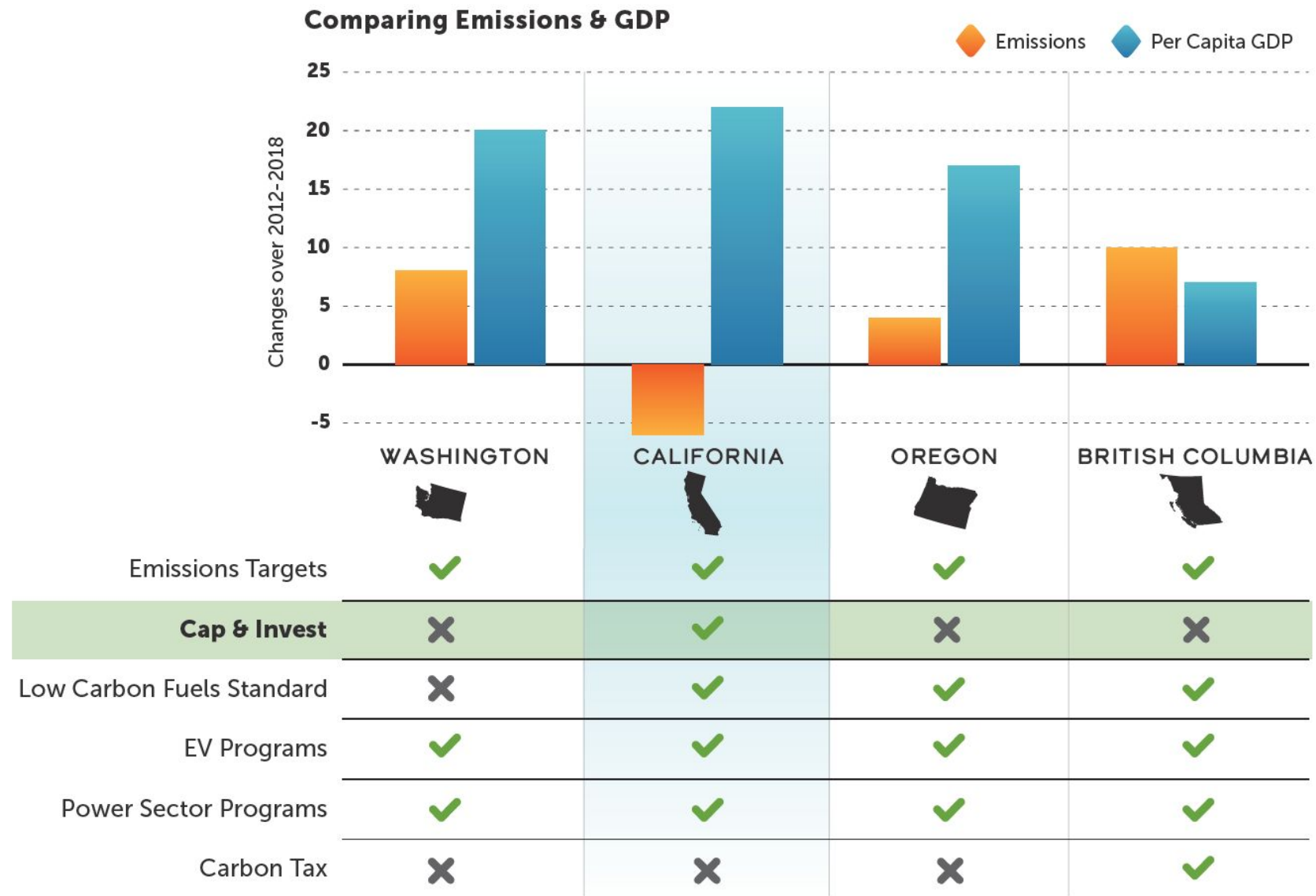
Billion tons CO<sub>2</sub> equivalents coverage

- ETS implemented or scheduled for implementation
- Carbon tax implemented or scheduled for implementation
- ETS or carbon tax under consideration
- ETS and carbon tax implemented or scheduled
- Carbon tax implemented or scheduled, ETS under consideration
- ETS implemented or scheduled, ETS or carbon tax under consideration
- ETS and carbon tax implemented or scheduled, ETS or carbon tax under consideration

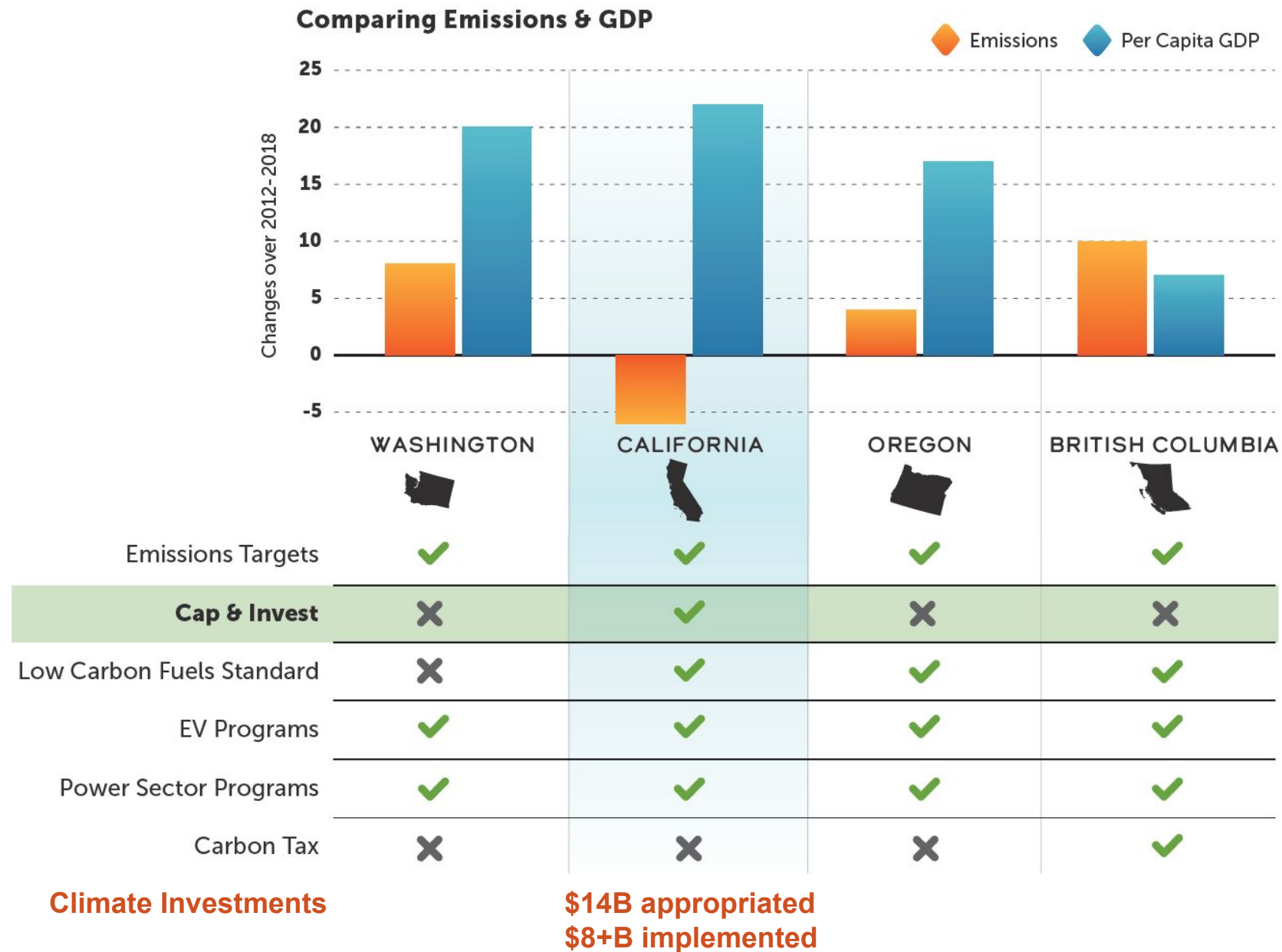


Source: World Bank Carbon Pricing Dashboard

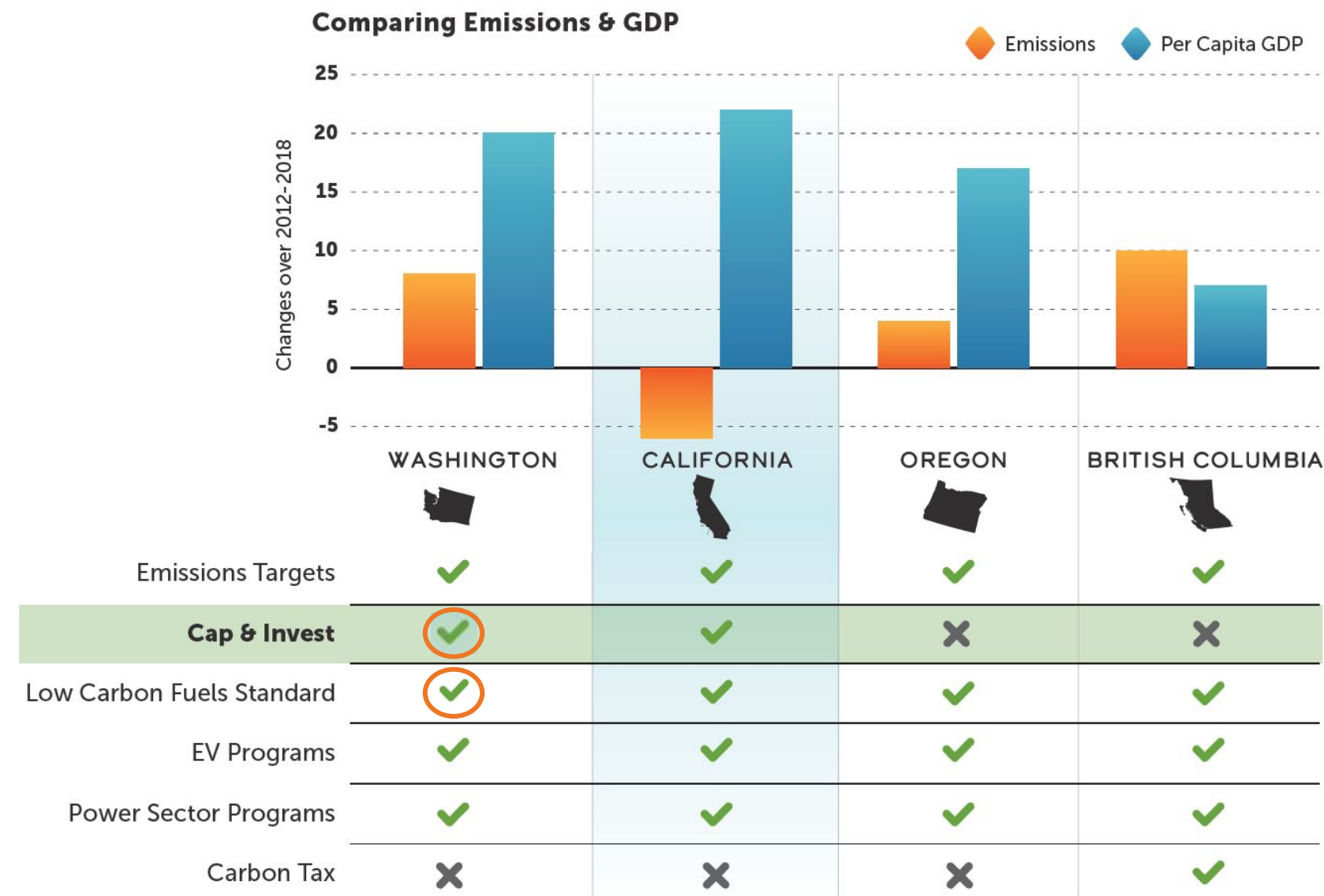
# Pacific West Coast – California’s Performance Stands Out



# Pacific West Coast – California’s Performance Stands Out



# Washington building upon California's example



# The Climate Commitment Act: Key Elements

## 1: Cap

Across all major sectors of the economy

## 2: Reduce

Drive towards emission goals with certainty

## 3: Heal

Leverages the HEAL Act and other mechanisms to embed overburdened community feedback and promote measurable outcomes

## 4: Invest

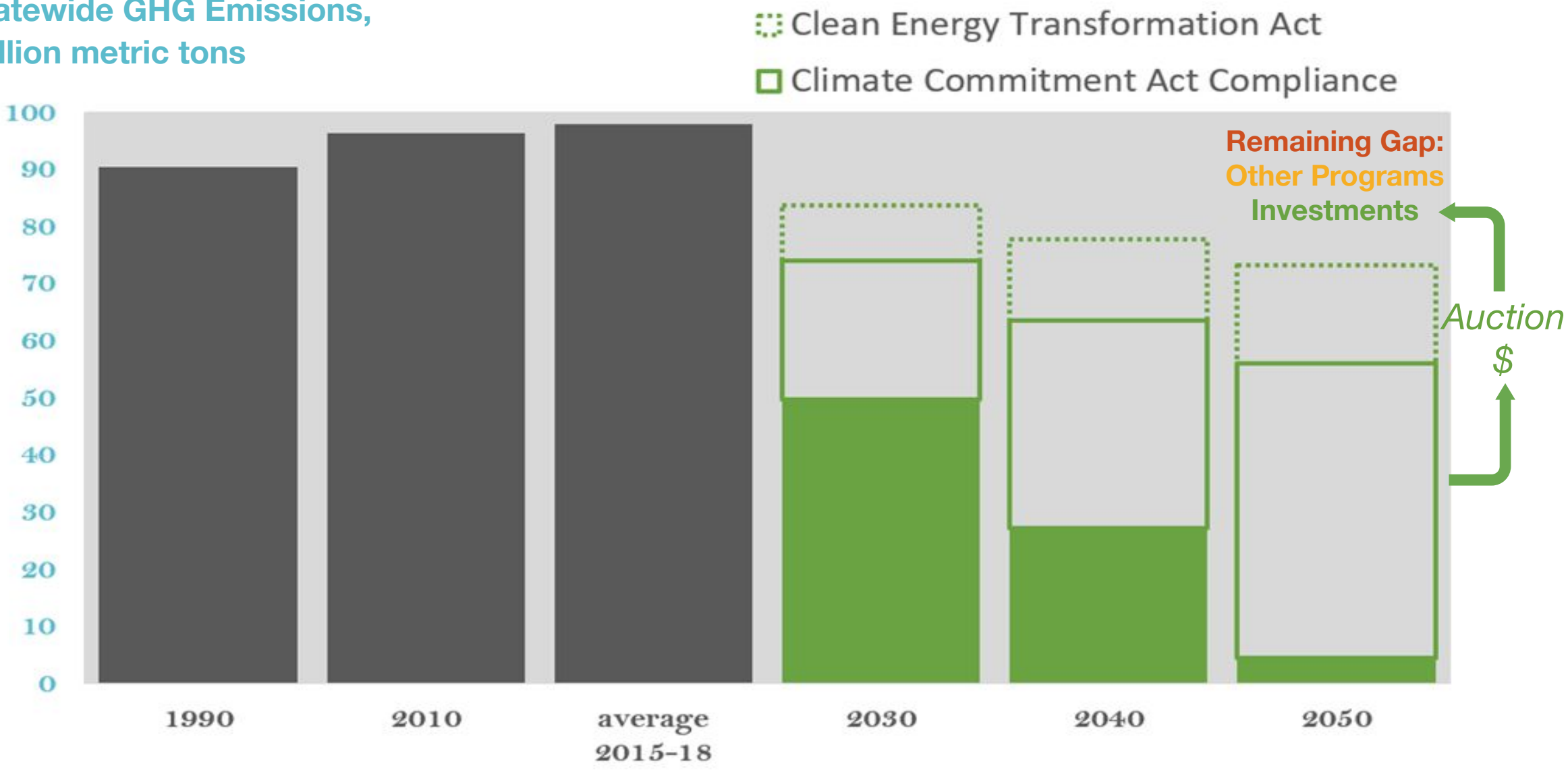
Directs billions of dollars to benefit residents

## 5: Comply

Large emitters enforceably and collectively meet the cap

# The Climate Commitment Act: Ambition

Statewide GHG Emissions,  
Million metric tons



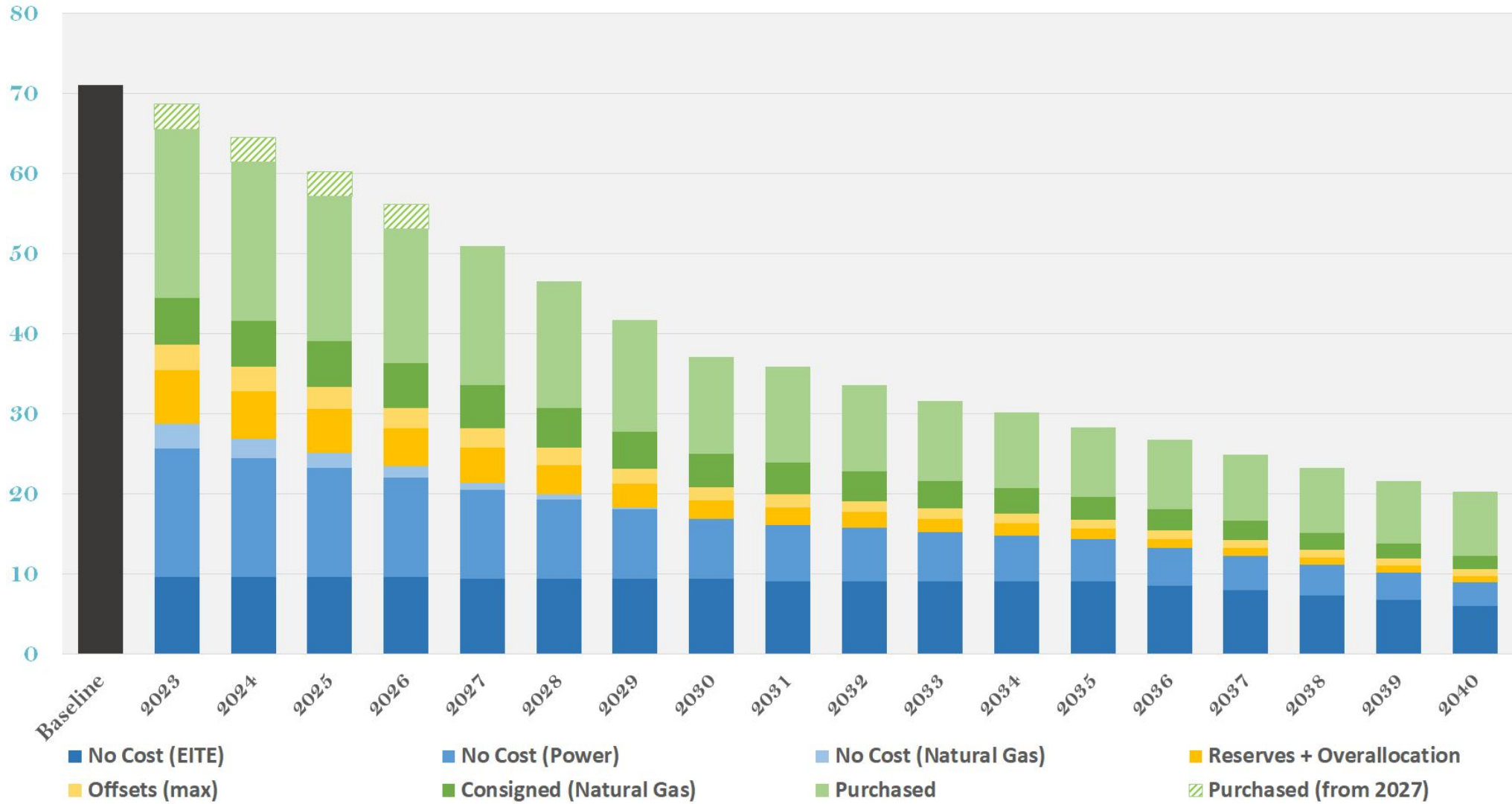
# The CCA in action



## CAP & INVEST SYSTEM

Covers 70-75% of baseline emissions, about 100 entities

Million metric tons of CO2 emissions  
(as cap compliance instruments)

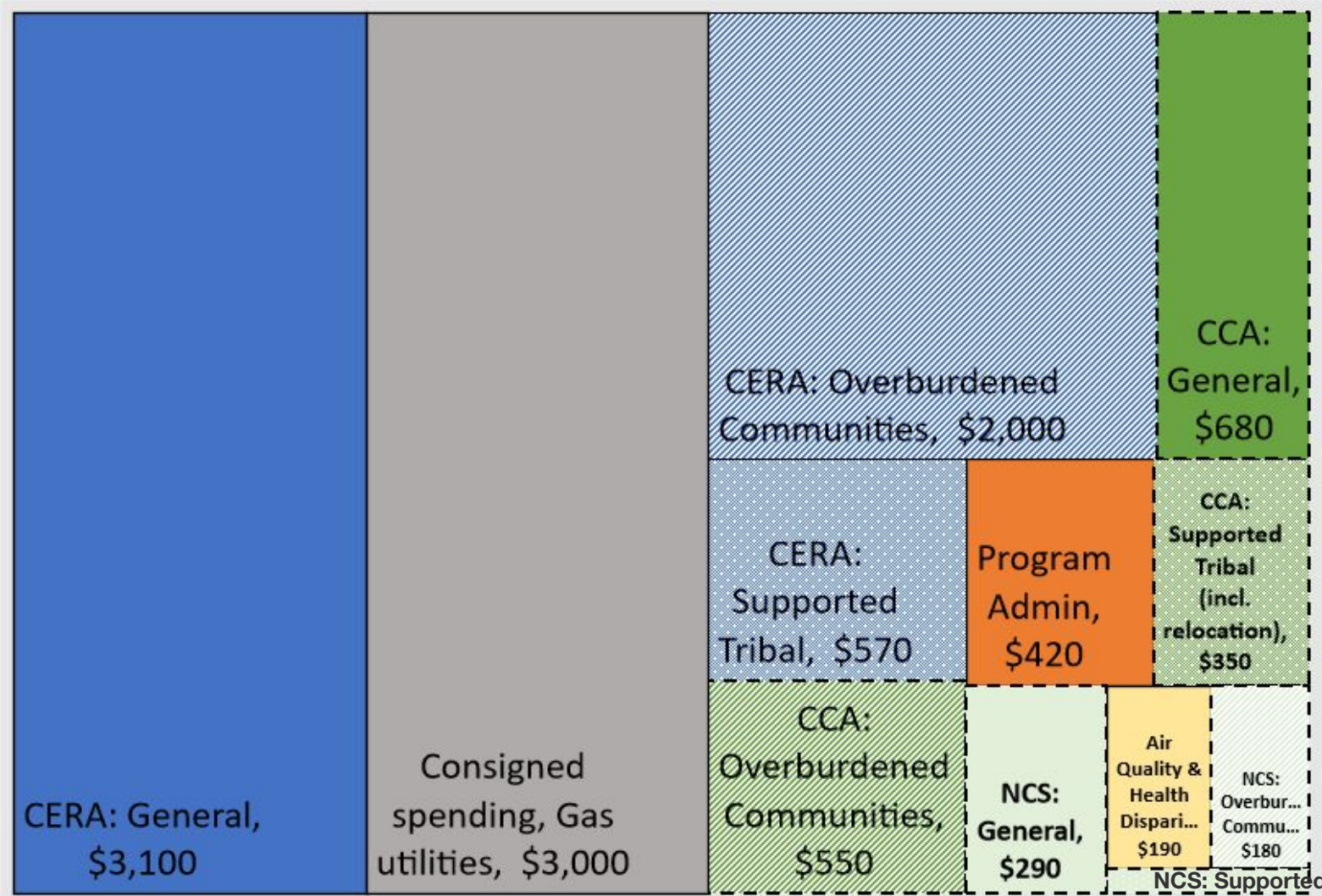


# The CCA in action



CAP & INVEST  
SYSTEM

Revenue Generated Through 2040:  
> \$11 Billion



CERA = Climate Emissions Reduction Account for Transport decarbonization = \$5.2B guaranteed through 2038

Climate Investment Account: 75% for Climate Commitment Account (CCA) 25% for Natural Climate Solutions (NCS)

———— First priority allocation

- - - - Allocated from remainder

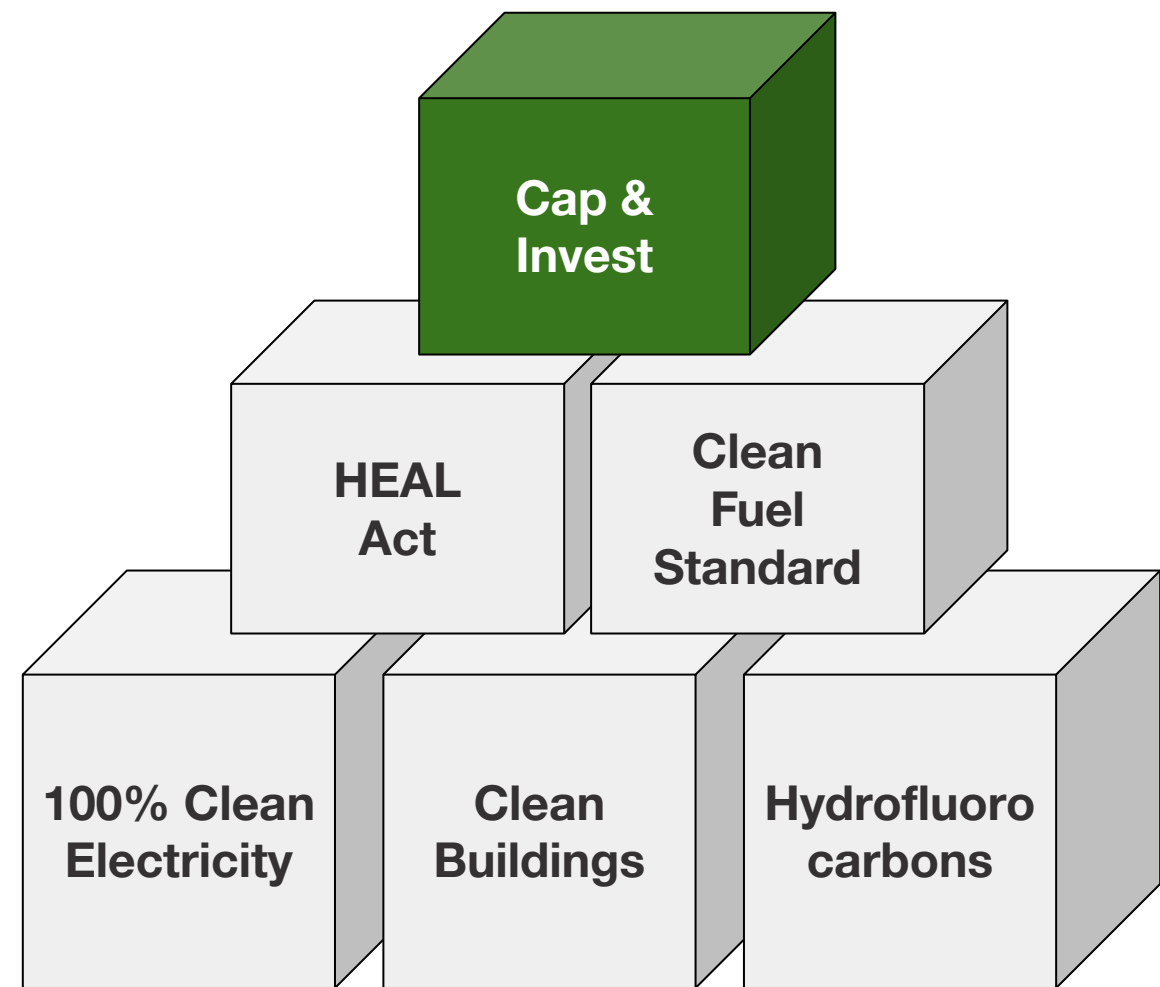
# The Climate Commitment Act: A New Gold Standard

“...the Climate Commitment Act could be a tipping point to catalyze action across the United States – both in slashing climate emissions but doing it in a way that addresses localized pollution as well. This could be the new gold standard for other states to follow.”

**– Katelyn Roedner Sutter, Senior Manager, US Climate, Environmental Defense Fund**

# Comprehensive Vision

- ❑ Cap & Invest builds upon sector policies
- ❑ Aligned to state GHG limits
- ❑ Young regulatory structure, targeting deeper levels of ambition



An aerial photograph of a dense, lush green forest. A winding asphalt road with yellow double lines runs diagonally from the upper left towards the bottom center. The trees are tall and closely packed, creating a vibrant green canopy. In the bottom left corner, there is a semi-transparent dark blue rectangular area containing white text.

# Climate Commitment Act: What's Next

# Implementation Timeline

**Effective Date:** 25 July 2021

**Allowance Budget (1st Compliance Period):** By October 2022

**Rules for Electric and Gas Utilities:** October 2022

**Criteria for EITE Identification:** July 2022

**Program Commencement:** 1 Jan 2023

**Environmental Justice Review:** Every two years starting 2023

**Comprehensive Program Review:** By 1 December 2027, and at least every four years thereafter

**Program Linkage:** Ongoing



# What's Next

## The Legislature

- ❑ Complete the “Grand Bargain” and pass a Transportation Package
- ❑ Revisit EITE compliance pathway through 2050 in 2022
- ❑ Appropriations Budget for CCA Accounts

## Clean & Prosperous Washington

- ❑ Organizing high quality inputs into the rulemaking process
- ❑ Source for continued education, advocacy, and program development
- ❑ Engagement with other jurisdictions

*We invite deeper dialogue with you and your organization to seize the opportunity presented by this historic legislation.*

A scenic landscape photograph of a paved road winding through a mountainous region. The road, marked with a double yellow line, leads the eye from the foreground into the distance. On the left, a steep, rocky hillside is dotted with evergreen trees and some autumn-colored shrubs. On the right, the road is bordered by a gravel shoulder and more evergreens. In the far distance, a range of jagged, snow-capped mountain peaks is visible under a clear, pale blue sky. The overall atmosphere is serene and majestic.

# Questions?



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Prosperous  
Washington**