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HOUSE BILL 2684

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State of Washington                      64th Legislature                      2016 Regular Session

By Representatives DeBolt, Magendanz, Condotta, and Muri

Read first time 01/18/16. Referred to Committee on Environment.

1            AN ACT Relating to requiring that rules to regulate greenhouse  
2 gas emissions must provide for the establishment of credits for  
3 certain emission reduction activities; and adding a new section to  
4 chapter 70.94 RCW.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6            NEW SECTION.    **Sec. 1.**    A new section is added to chapter 70.94  
7 RCW to read as follows:

8            (1) A greenhouse gas rule adopted by the department must be  
9 consistent with the requirements of this section.

10           (2)(a) A greenhouse gas rule must allow a source to earn a credit  
11 for each ton of carbon dioxide equivalents that the source does not  
12 emit relative to a business as usual level of greenhouse emissions by  
13 the source that would have taken place prior to the effective date in  
14 the rule of any restrictions or limits on greenhouse gas emissions by  
15 the source.

16           (b) After the effective date of a greenhouse gas rule's  
17 restrictions or limits on greenhouse gas emissions by a source, the  
18 rule must allow the source to earn a credit for each ton of carbon  
19 dioxide equivalents that the source does not emit relative to the  
20 limits or restrictions established in the rule for the source.

1 (3) Consistent with RCW 80.80.110, a greenhouse gas rule may not  
2 further limit or restrict the carbon dioxide or greenhouse gas  
3 emissions of a coal-fired baseload electric generation facility whose  
4 greenhouse emissions are regulated pursuant to RCW 80.80.040. A  
5 greenhouse gas rule must allow a coal-fired baseload electric  
6 generation facility to earn a credit for each ton of carbon dioxide  
7 equivalents that the facility does not emit relative to a business as  
8 usual level of greenhouse emissions by the facility and consistent  
9 with chapter 80.80 RCW. Under the rules established pursuant to this  
10 subsection, a coal-fired baseload electric generation facility may  
11 earn credits for emissions reductions that take place before December  
12 31, 2020.

13 (4) A greenhouse gas rule must allow for the emissions reduction  
14 credits earned by a source under subsection (2) of this section or a  
15 coal-fired baseload electric generation facility under subsection (3)  
16 of this section to be purchased by a source that is subject to  
17 emissions limits or restrictions under the greenhouse gas rule. A  
18 source may use the purchased credits to offset or count towards the  
19 greenhouse gas emission restrictions or limits that the rule  
20 establishes for the emissions of the purchasing source.

21 (5) The greenhouse gas rule must base determinations of business  
22 as usual levels of greenhouse gas emissions upon on the average  
23 emissions from a source during the most recent three years for which  
24 greenhouse gas emissions data is available or capable of being  
25 estimated.

26 (6) The definitions in this subsection apply throughout this  
27 section unless the context clearly requires otherwise.

28 (a) "Baseload electric generation" has the same meaning as  
29 defined in RCW 80.80.010.

30 (b) "Carbon dioxide equivalents" has the same meaning as defined  
31 in RCW 70.235.010.

32 (c) "Greenhouse gas" and "greenhouse gases" has the same meaning  
33 as defined in RCW 70.235.010.

34 (d) "Greenhouse gas rule" means a rule that establishes limits or  
35 restrictions on the emissions of carbon dioxide or other greenhouse  
36 gases that is adopted by the department after January 1, 2015, under  
37 the authority in this chapter.

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