

**WAC 173-442-160 Activities and programs recognized as generating emission reduction units.** (1) Ecology will accept ERUs from the activities and programs described below, provided they comply with third-party verification under WAC 173-442-220, the requirements of this section, and WAC 173-442-150:

- Transportation activities;
- Combined heat and power activities;
- Energy activities;
- Livestock and agricultural activities;
- Waste and wastewater activities;
- Industrial sector activities;
- Certain EFSEC recognized emission reductions; and
- Ecology approved emission reductions.

(2) To generate an ERU, the following must occur:

(a) If a protocol is listed from an external registry program, then the emission reduction must be registered on that registry along with the information necessary to establish eligibility to meet the criteria of this chapter.

(b) Where a process is listed instead of a registry-specific protocol, all steps of the process must be followed in a manner approved by ecology and any other departments referenced in the applicable process.

(c) Emission reduction projects implemented consistent with this section and that are physically located at a stationary source facility must not be project types included in the methodologies used in the emission calculations that generate the covered GHG emissions for the covered party with the facility reporting as per chapter 173-441 WAC.

(d) Third-party verification must occur as per WAC 173-442-220.

(3) **Transportation activities.** Transportation activities must:

(a) Use less energy or different forms of energy for transportation through the application of:

(i) *Emission Reductions through Improved Efficiency of Vehicle Fleets* methodology from the American Carbon Registry (using a version approved by that program no later than September 1, 2016); or

(ii) *Methodology for GHG Emission Reductions through Truck Stop Electrification* from the American Carbon Registry (using a version approved by that program no later than September 1, 2016).

(b) Exceed workplace targets for a commute trip reduction program established under the authority of RCW 70.94.527 according to the following:

(i) Organizations that participate in commute trip reduction programs may generate ERUs if they provide data and surveys consistent with the requirements of their applicable program and those of the department of transportation.

(ii) Generation of ERUs will be derived from reductions in the drive-alone trip rate at workplaces participating in commute trip reduction programs, as tracked and reported by the department of transportation.

(iii) The drive-alone trip rate will be measured relative to a baseline maintained by the department of transportation consisting of the average of the 2013/2014 and 2015/2016 commute trip reduction program survey years. An imputed baseline will be used for organizations that enter commute trip reduction programs in years after 2016.

(iv) GHG emission reductions associated with reductions in the drive-alone trip rate will be calculated by the department of transportation.

(v) Ecology will assign the appropriate quantity of ERUs.

(4) **Combined heat and power activities.** Combined heat and power projects demonstrating GHG emission reductions through a methodology submitted to and approved by ecology.

(5) **Energy measures.** Energy efficiency measures and demand side management of electricity and natural gas consumption in Washington, and alternative energy generation technologies located in Washington may generate ERUs.

(a) The acquisition of conservation and energy efficiency in excess of the targets required by the Energy Independence Act per RCW 19.285.040 and any additional acquisition targets established by the utilities and transportation commission by rule or order may generate ERUs.

(i) Eligible conservation and energy efficiency must be reported to the department of commerce or the utilities and transportation commission in accordance with its rules or orders, and consistent with RCW 19.285.070.

(ii) Utilities that are not qualifying utilities, as defined in RCW 19.285.030, may voluntarily submit data on their conservation and energy efficiency acquisitions to the department of commerce in accordance with its rules and in a manner consistent with RCW 19.285.070 to generate ERUs under this section.

(iii) Only conservation and energy efficiency that exceeds the targets established through RCW 19.285.040, targets for natural gas conservation put in place through order, and any additional targets established by the utilities and transportation commission by rule or order is eligible to generate ERUs.

(b) The acquisition and subsequent retirement of renewable energy credits that are not retired for purposes of complying with the Energy Independence Act or other regulatory or voluntary programs may generate ERUs.

(i) Renewable resources eligible for generating ERUs include eligible renewable resources as defined by RCW 19.285.030(12) except that only those eligible renewable resources physically located in Washington may generate ERUs.

(ii) ERUs may only be generated if a sufficient quantity of renewable energy credits are retired in the renewable energy credit tracking system identified in WAC 194-37-210(1) and the following conditions are met:

(A) Each renewable energy credit retired must have the appropriate notation within the tracking system that the renewable resource is eligible for Washington compliance for the Energy Independence Act or this rule.

(B) Renewable energy credits must be retired consistent with the operating rules of the renewable energy credit tracking system and in the proper retirement account within the tracking system as designated by the Washington renewable energy credit tracking system administrator.

(C) Any renewable energy credit used for the purposes of generating ERUs must not have been retired or otherwise used for any other program or requirements.

(D) The renewable energy credit tracking system account holder must establish the department of commerce as a state program administrator with access to the account holder's compliance reports.

(c) The quantity of ERUs generated from exceeding conservation targets as per (a) of this subsection or from retiring renewable energy credits as per (b) of this subsection is computed by assuming either:

(i) For electrical energy efficiency, conservation, and alternative energy measures:

(A) The marginal resource for which an electrical conservation project or the renewable energy generation is avoiding is a new combined-cycle natural gas thermal electric generation turbine sited in Washington.

(B) The average rate of GHG emissions for such a turbine is nine hundred seventy pounds per megawatt-hour, as per the determination made in WAC 194-26-020.

(C) That under these assumptions one ERU may be generated by retiring two and one-quarter renewable energy credits or for exceeding a conservation target by two and one-quarter megawatt-hours.

(ii) For natural gas energy efficiency and conservation the applicable GHG emissions are to be derived from the appropriate conversion process from therms (100,000 British Thermal Units) to CO<sub>2</sub>e as directed in WAC 173-441-120.

(d) Ecology will allocate the appropriate quantity of ERUs as determined in this subsection.

(6) **Livestock and agricultural activities.** GHG management activities addressing agricultural and livestock activities using:

(a) *Methodology for Quantifying Nitrous Oxide (N<sub>2</sub>O) Emissions Reductions from Reduced Use of Nitrogen Fertilizer on Agricultural Crops* from the American Carbon Registry (using a version approved by that program no later than September 1, 2016).

(b) The enteric methane, manure methane, and nitrous oxide from fertilizer use modules from the *Grazing Land and Livestock Management* methodology from the American Carbon Registry (using a version approved by that program no later than September 1, 2016). The biotic sequestration and fossil fuel modules of this protocol may not generate ERUs.

(c) The *U.S. Livestock Project* protocol from the Climate Action Reserve (using a version approved by that program no later than September 1, 2016).

(7) **Waste and wastewater activities.** GHG management activities addressing waste and wastewater infrastructure and activities using:

(a) *U.S. Landfill Project* protocol from the Climate Action Reserve (using a version approved by that program no later than September 1, 2016);

(b) *Organic Waste Composting Project* protocol from the Climate Action Reserve (using a version approved by that program no later than September 1, 2016); or

(c) *Organic Waste Digestion Project* protocol from the Climate Action Reserve (using a version approved by that program no later than September 1, 2016).

(d) *Landfill Methane Collection and Combustion* methodology from the American Carbon Registry (using a version approved by that program no later than September 1, 2016).

(8) **Industrial sector activities.** GHG process and equipment management, operations, and changes affecting industry and manufacturing using:

(a) *Replacement of SF<sub>6</sub> with Alternate Cover Gas in the Magnesium Industry* methodology from the American Carbon Registry (using a version approved by that program no later than September 1, 2016);

(b) *Emission Reduction Measurement and Monitoring Methodology for Use of Certified Reclaimed HFC Refrigerants and Advanced Refrigeration*

Systems from the American Carbon Registry (using a version approved by that program no later than September 1, 2016);

(c) *Conversion of High-Bleed Pneumatic Controllers in Oil and Natural Gas Systems* methodology from the American Carbon Registry (using a version approved by that program no later than September 1, 2016); or

(d) *Emission Reduction Measurement and Monitoring Methodology for the Transition to Advanced Formulation Blowing Agents in Foam Manufacturing and Use* from the American Carbon Registry (using a version approved by that program no later than September 1, 2016).

(e) *Nitric Acid Production Project Protocol* from the Climate Action Reserve (using a version approved by that program no later than September 1, 2016).

(9) Emission reductions derived from one of the activity categories in subsections (3) through (8) of this section and that are from an independent qualified organization recognized by the energy facility site evaluation council under RCW 80.70.050.

(10) Emission reductions derived from one of the activity categories in subsections (3) through (8) of this section through a methodology approved by ecology.

[Statutory Authority: Chapters 70.94, 70.235 RCW. WSR 16-19-047 (Order 15-10), § 173-442-160, filed 9/15/16, effective 10/16/16.]