

**WAC 173-446-070 Exiting the program.** (1) When a covered entity reports covered emissions that are below 25,000 metric tons of CO<sub>2</sub>e in any given calendar year during a compliance period, the covered entity continues to have a compliance obligation for all of its covered emissions through the end of that compliance period.

(2) A covered entity may exit the program based on the following:

(a) Except as provided in (b) of this subsection, when a covered entity reports covered emissions below 25,000 metric tons of CO<sub>2</sub>e for every year during an entire compliance period, or has permanently ceased all processes at the facility requiring reporting under chapter 173-441 WAC, the facility, supplier, or first jurisdictional deliverer is no longer a covered entity as of the beginning of the subsequent compliance period. Even though no longer a covered entity, the facility, supplier, or first jurisdictional deliverer must meet its compliance obligation for covered emissions occurring during any compliance period when it was a covered entity.

(b) A covered entity identified in (a) of this subsection will remain a covered entity if ecology provides notice at least 12 months before the end of the compliance period that the facility, supplier, or first jurisdictional deliverer's covered emissions are below the 25,000 metric ton threshold but still within 10 percent of the 25,000 metric ton threshold, and the covered entity must remain a covered entity to ensure equity among all covered entities.

(c) Whenever a facility, supplier, or first jurisdictional deliverer ceases to be a covered entity, ecology will notify the appropriate policy and fiscal committees of the legislature of the name of the facility, supplier, or first jurisdictional deliverer and the reason it is no longer a covered entity.

[Statutory Authority: RCW 70A.65.220. WSR 22-20-056 (Order 21-06), § 173-446-070, filed 9/29/22, effective 10/30/22.]