

WSR 26-19-139 - Department of Ecology [Order 24-02-FILED September 23, 2026, 8:46 A.M., Effective October 24, 2026]: adopting amendments to chapters 173-446 WAC and 173-441 WAC to improve the implementation of the cap and invest program, facilitate the linkage of...

Published September 23, 2026

Statewide, WA - Washington statewide County, WA

<https://noticenearby.com/notices/ingest-d99ae9c1826ec6fe>

WSR 26-19-139 - Department of Ecology [Order 24-02-FILED September 23, 2026, 8:46 A.M., Effective October 24, 2026]: adopting amendments to chapters 173-446 WAC and 173-441 WAC to improve the implementation of the cap and invest program, facilitate the linkage of...

WSR 26-19-139 (26-19) WSR 26-19-139

PERMANENT RULES

DEPARTMENT OF ECOLOGY

[Order 24-02-Filed September 23, 2026, 8:46 a.m., effective October 24, 2026]

Effective Date of Rule: Thirty-one days after filing.

Purpose: The department of ecology (ecology) is adopting amendments to chapters 173-446 WAC and 173-441 WAC to improve the implementation of the cap and invest program, facilitate the linkage of Washington's carbon market with the California-Quebec carbon market, and make other necessary updates consistent with amendments to the Climate Commitment Act.

Washington has decided to link its carbon market to the California-Quebec carbon market, creating a unified carbon market across the three jurisdictions. In a linked market, allowances issued by California and Quebec could be used by Washington entities to cover their emissions, and vice versa. Linkage would also allow for joint allowance auctions, a common allowance price, and trading of allowances across jurisdictions. The rule amendments align certain aspects of the cap and invest program rules with those jurisdictions, including compliance periods, allowance price containment provisions, registration requirements, corporate association requirements, and auction processes. The rule includes provisions that would become effective upon linkage with another jurisdiction. The rule also establishes processes for announcing a linkage effective date and adds provisions for ecology to suspend or revoke linkage with another jurisdiction.

The rule amendments set the allowance budgets for future compliance periods (2027-2050) and adjust 2023 through 2026 budgets consistent with statutory direction, ensuring that emissions reductions align with Washington's 2030, 2040, and 2050 greenhouse gas emissions limits. This rule also facilitates the coverage of additional sectors of the economy, waste-to-energy facilities and railroads, under the cap and invest program in future compliance periods, as required by statute.

Ecology is adopting rules to address topics associated with imported electricity and centralized electricity

markets, as well as amendments relevant to no-cost allowance allocation to electric utilities; natural gas utilities; and emissions-intensive, trade-exposed industries.

The adopted amendments also implement sections of legislation, including E2SHB 6058 (chapter 352, Laws of 2024) to facilitate linkage; 2SHB 1975 (chapter 320, Laws of 2025), which modifies auction price containment mechanisms, allowance supply, and ceiling prices; E2SHB 1912 (chapter 282, Laws of 2025), which addresses the exemption for fuels used for agricultural purposes; and E2SHB 2416 (chapter 216, Laws of 2026), which concerns waste-to-energy facilities.

In addition, the adopted rule includes amendments to enhance clarity, strengthen enforcement, and maximize the effectiveness of the cap and invest program. These amendments are based on implementation experience since the start of the cap and invest program (2023).

Overall, ecology anticipates that these amendments will improve program implementation, facilitate linkage, and ultimately strengthen market stability and confidence, as well as ensure that the rule aligns with changes to statute.

Citation of Rules Affected by this Order: Amending chapter 173-446 WAC, Climate Commitment Act program rule; and chapter 173-441 WAC, Reporting of emissions of greenhouse gases.

Statutory Authority for Adoption: Chapter 70A.65 RCW, Greenhouse gas emissions - Cap and invest program; and RCW 70A.15.2200 , Washington Clean Air Act.

Other Authority: Ecology has completed an environmental justice assessment in accordance with RCW 70A.02.060 as a part of this rule making.

Adopted under notice filed as WSR 26-12-055 [and 26-15-011] on June 1, 2026 [and July 6, 2026].

Changes Other than Editing from Proposed to Adopted Version: Changes from the proposed to adopted version primarily consist of clarifying revisions and changes made in response to public comments. These re

Matter furnished by the Washington Office of the Code Reviser (Washington State Register). Notice Nearby did not write this notice.

Source: Washington State Register

Published: 2026-09-23

Original: <https://lawfilesexternal.wa.gov/law/wsr/2026/19/26-19-139.htm>

This listing was added to the Notice Nearby public register from a public government source. It is not a Notice Nearby paid publication, affidavit, or placement certificate.

[[nn-forward-shelf]]