



# Climate Commitment Act Revenues & Expenditures

Organics Stakeholder Group

Tamara Jones

Climate Pollution Reduction Senior Legislative Planner

December 6, 2023

# CCA Funds

- Legislature is responsible for appropriating and determining which activities and projects are funded
- CCA requires that a minimum of 35%, with a goal of 40%, of auction-generated revenue be used for projects that provide a direct benefit to vulnerable populations within overburdened communities
- 10% of auction funds must be used for projects with Tribal support

# CERA

## Carbon Emissions Reduction Account

For projects that reduce emissions from the transportation industry and increase access to public and alternative transportation.

Subject to appropriation by the Legislature.

24%

Climate Active Transportation Account

56%

Climate Transit Programs Account

# CIA

## Climate Investment Account

For the administration of the CCA and for projects that support the transition to clean energy, ecosystem resilience, and carbon sequestration.

Subject to appropriation by the Legislature.

75%

Climate Commitment Account

25%

Natural Climate Solutions Account

# AQHDIA

## Air Quality & Health Disparities Improvement Account

For projects that help identify and reduce criteria pollutants and health disparities in overburdened communities highly impacted by air pollution.

Subject to appropriation by the Legislature.

# Appropriations and Expenditures of Funds from the CCA Accounts FY2023

Agency	CCA Account	Appropriation	Expenditure
Department of Transportation	26N - Climate Transit Programs Account	\$53,436,000	\$49,345,417
Department of Transportation	26M - Climate Active Transportation Account	\$12,182,000	\$203,583
Transportation Improvement Board	26M - Climate Active Transportation Account	\$3,000,000	\$3,000,000
Department of Ecology	26B - Climate Investment Account	\$7,138,000	\$1,685,309
Environmental & Land Use Hearings Office	26B - Climate Investment Account	\$311,000	\$0
Office of Financial Management	26B - Climate Investment Account	\$83,000	\$0
<b>Total</b>		<b>\$76,150,000</b>	<b>\$54,234,309</b>

**CERA**

## Carbon Emissions Reduction Account

For projects that reduce emissions from the transportation industry and increase access to public and alternative transportation.

Subject to appropriation by the Legislature.

**24%**

Climate Active  
Transportation  
Account

**56%**

Climate  
Transit Programs  
Account

# Carbon Emissions Reduction Account (CERA)

- FY2023, funds appropriated to WSDOT and TIB were used to fund six grant programs with over 100 projects funded for a total expenditure of \$52,245,587.
- Funded projects included fleet transition plans, feasibility studies, operating and capital equipment projects.

# CCA Auction Proceeds

**CERA**

## Carbon Emissions Reduction Account

For projects that reduce emissions from the transportation industry and increase access to public and alternative transportation.

Subject to appropriation by the Legislature.

**24%**

Climate Active Transportation Account

**56%**

Climate Transit Programs Account

**CIA**

## Climate Investment Account

For the administration of the CCA and for projects that support the transition to clean energy, ecosystem resilience, and carbon sequestration.

Subject to appropriation by the Legislature.

**75%**

Climate Commitment Account

**25%**

Natural Climate Solutions Account

**AQHDIA**

## Air Quality & Health Disparities Improvement Account

For projects that help identify and reduce criteria pollutants and health disparities in overburdened communities highly impacted by air pollution.

Subject to appropriation by the Legislature.

**CERA**

## Carbon Emissions Reduction Account

For projects that reduce emissions from the transportation industry and increase access to public and alternative transportation.

Subject to appropriation by the Legislature.

**24%**

Climate Active  
Transportation  
Account

**56%**

Climate  
Transit Programs  
Account

# Carbon Emissions Reduction Account (CERA)

- Examples of programs funded in 2023-25 biennium:
  - \$403M for public transit grants and projects
  - \$157M for active transportation projects, e.g. bike trails & safer sidewalks
  - \$120M for incentives and infrastructure to support zero-emission commercial vehicles, including school buses and drayage trucks

# Climate Investment Account

- Examples of programs funded in 2023-25 biennium:
  - \$60M in riparian protection grants
  - \$30M for fish passage projects
  - \$11M for the Conservation Reserve Enhancement program

CIA

## Climate Investment Account

For the administration of the CCA and for projects that support the transition to clean energy, ecosystem resilience, and carbon sequestration.

Subject to appropriation by the Legislature.

75%

Climate  
Commitment  
Account

25%

Natural  
Climate Solutions  
Account



# Air Quality & Health Disparities Improvement Account

- 16 locations across Washington identified as meeting this definition
  - mix of urban, suburban, and rural communities totaling 1.2M people
- Examples of programs funded in 2023-25 biennium:
  - \$25M to improve air quality in overburdened communities
  - \$26M for grants to Tribes and overburdened communities related to implementing the HEAL Act and updating the Department of Health's environmental health disparities map

**AQHDIA**

## **Air Quality & Health Disparities Improvement Account**

For projects that help identify and reduce criteria pollutants and health disparities in overburdened communities highly impacted by air pollution.

Subject to appropriation by the Legislature.

# Auction Results

- **Auction #1: Feb. 28, 2023**
  - Settlement price \$48.50 – in line with economic analysis
  - All 6.2M allowances sold, competitive auction
  - Total revenue just under \$300M, subject to appropriation
- **Auction #2: May 31, 2023**
  - Settlement price \$56.01 (2023), \$31.12 (2026)
  - All 8.6M (2023) and 2.45M (2026) allowances sold
  - Total revenue about \$550M, subject to appropriation
  - APCR Auction #1 triggered, scheduled for Aug. 9



# Auction Results

- **APCR Auction #1: Aug. 9, 2023**
  - Allowances sold at two pre-set 'Tiers': \$51.90 and \$66.68, set in rule
  - All 1,054,000 vintage-less allowances sold, 527,000 in each tier
  - Total revenue just over \$62M, subject to appropriation
  
- **Auction #3: Aug. 30, 2023**
  - Settlement price \$63.03 (2023)
  - All 8.6M (2023) sold; 5.7M state-owned, 2.9M consigned by utilities
  - Total revenue just over \$356M to state, subject to appropriation, plus \$184M to utilities for benefit of ratepayers
  - APCR Auction #2 triggered, scheduled for Nov. 8

# Auction Results

- **APCR Auction #2: Nov. 8, 2023**
  - Only Tier 1 allowances were sold
  - Allowances sold at pre-set price: \$51.90, set in rule
  - Sold 5,000,000 allowances
  - Total revenue \$253M, subject to appropriation
- **Auction #4: Dec. 6, 2023**
  - Allowances being auctioned
    - Current Vintage - 7,142,146
    - 2026 Vintage - 2,449,760



# CERA

## Carbon Emissions Reduction Account

For projects that reduce emissions from the transportation industry and increase access to public and alternative transportation.

Subject to appropriation by the Legislature.

24%

Climate Active Transportation Account

56%

Climate Transit Programs Account

# CIA

## Climate Investment Account

For the administration of the CCA and for projects that support the transition to clean energy, ecosystem resilience, and carbon sequestration.

Subject to appropriation by the Legislature.

75%

Climate Commitment Account

25%

Natural Climate Solutions Account

# AQHDIA

## Air Quality & Health Disparities Improvement Account

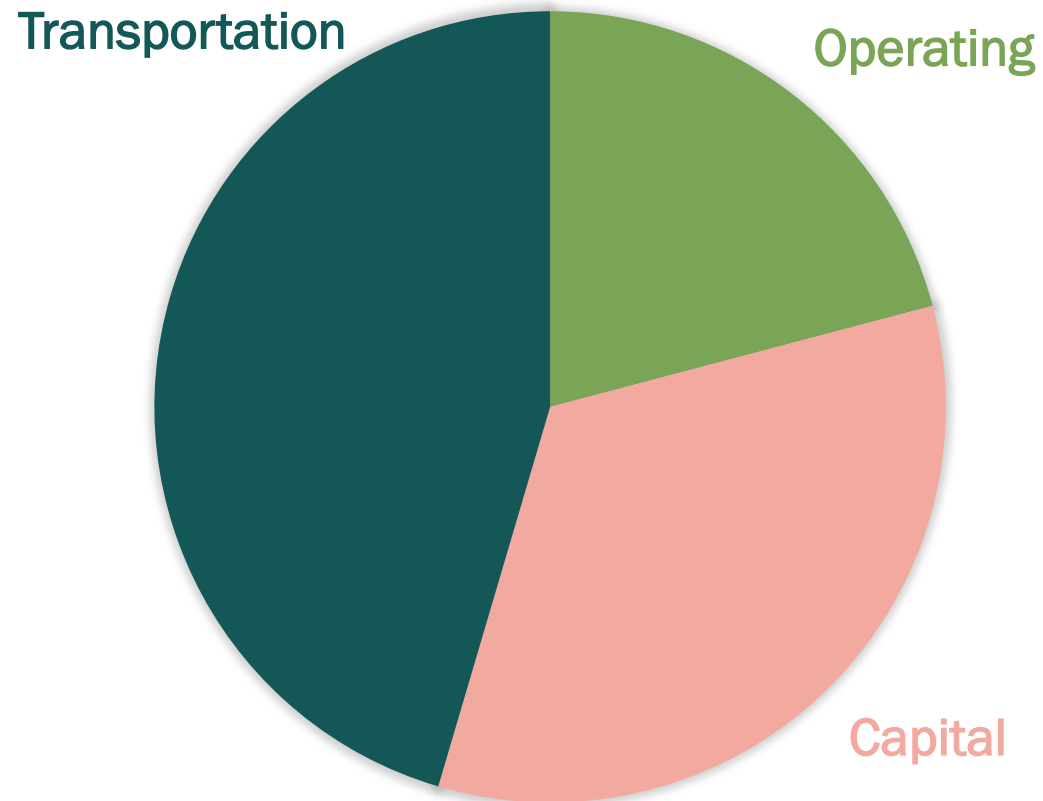
For projects that help identify and reduce criteria pollutants and health disparities in overburdened communities highly impacted by air pollution.

Subject to appropriation by the Legislature.

# Climate Commitment Act Appropriations

## 2023-25 Enacted Operating, Capital, & Transportation Budgets

- Operating - \$444.8 mill
- Capital - \$717.2 mill
- Transportation - \$967.7 mill



## Joel Creswell, PhD

Program Manager

Climate Pollution Reduction Program

[Joel.Creswell@ecy.wa.gov](mailto:Joel.Creswell@ecy.wa.gov)

## Tamara Jones

Senior Legislative Planner

Climate Pollution Reduction Program

[Tamara.Jones@ecy.wa.gov](mailto:Tamara.Jones@ecy.wa.gov)

## Adam Eitmann

Government Relations Director

Department of Ecology

[Adam.Eitmann@ecy.wa.gov](mailto:Adam.Eitmann@ecy.wa.gov)

