



2026 WTE Legislative Outcome



Previous Climate Commitment Act Impacts

- WTE responsible for purchasing allowances to offset Non-Biogenic Emissions
- Facility Emits Roughly **100,000 MTCO2/Year**
- Allowance purchases to start in 2028, based off 2027 emissions
- Purchases are in an auction environment, with auction prices expected to increase annually
- Last auction price in **2025** was **\$70.86/allowance**
- Cost to the City of Spokane would be **\$7,086,000**



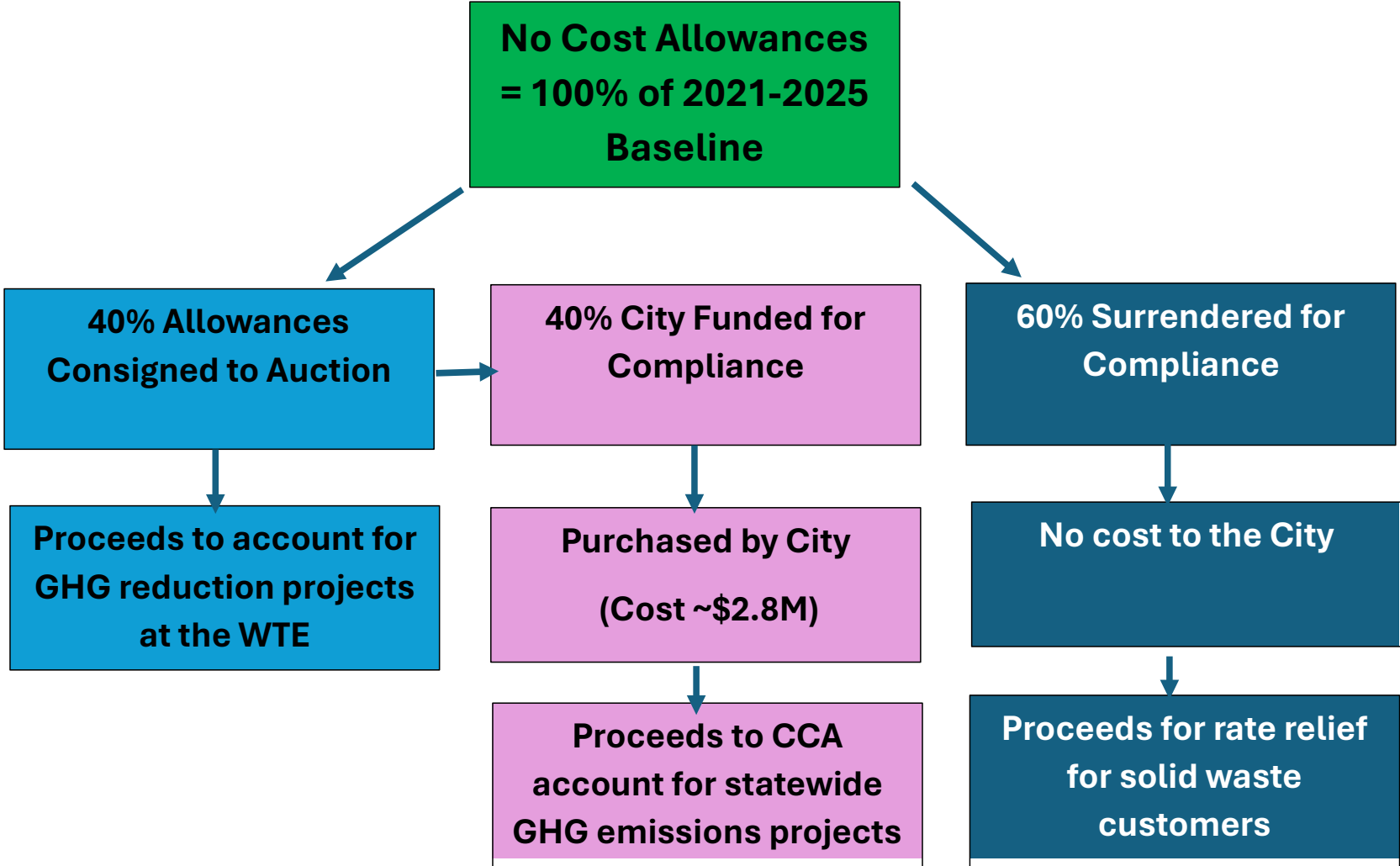


2026 Adopted Legislation

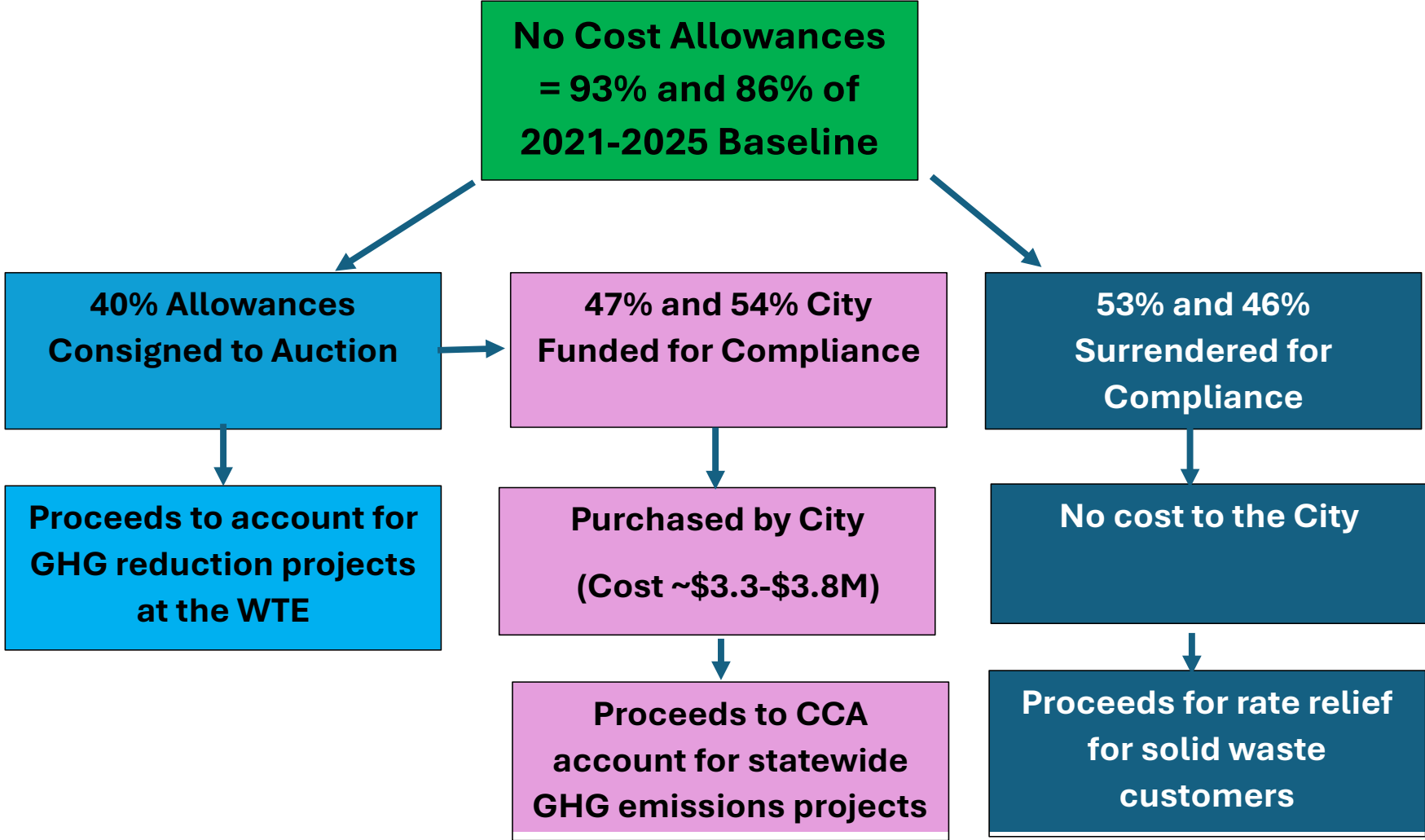
- Requires WTE Facility to submit two plans to Ecology and Commerce by 2030:
 - Greenhouse Gas Emissions Reduction
 - Waste Reduction and Material Recovery
- Provides no cost allowances for 2027-2030
 - 100% for 2027 and 2028, 93% for 2029, and 86% for 2030
 - Remaining no cost allowances are split between consignment and rate relief accounts
 - **40%** held in **consignment account** for facility decarbonization projects
 - **60%** provided for **rate relief**



2027 and 2028
Cost/Revenue
Flow



2029 and 2030
Cost/Revenue
Flow



Summary

- Legislation provides **\$3.4-\$4.2M/year avoided cost** for our ratepayers
- Majority of money paid into the program provides for **direct investments** into **Waste to Energy GHG reductions** rather than a statewide account
- Work to begin on materials recovery and GHG emission reduction plans
- Significant challenges remain: **rate impacts, capital funding sources, 2031 cliff** when program ends

