



# 2026 WTE Legislative Outcome

# Previous Climate Commitment Act Impacts

- WTE responsible for purchasing allowances to offset Non-Biogenic Emissions
- Facility Emits Roughly **100,000 MTCO<sub>2</sub>/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**



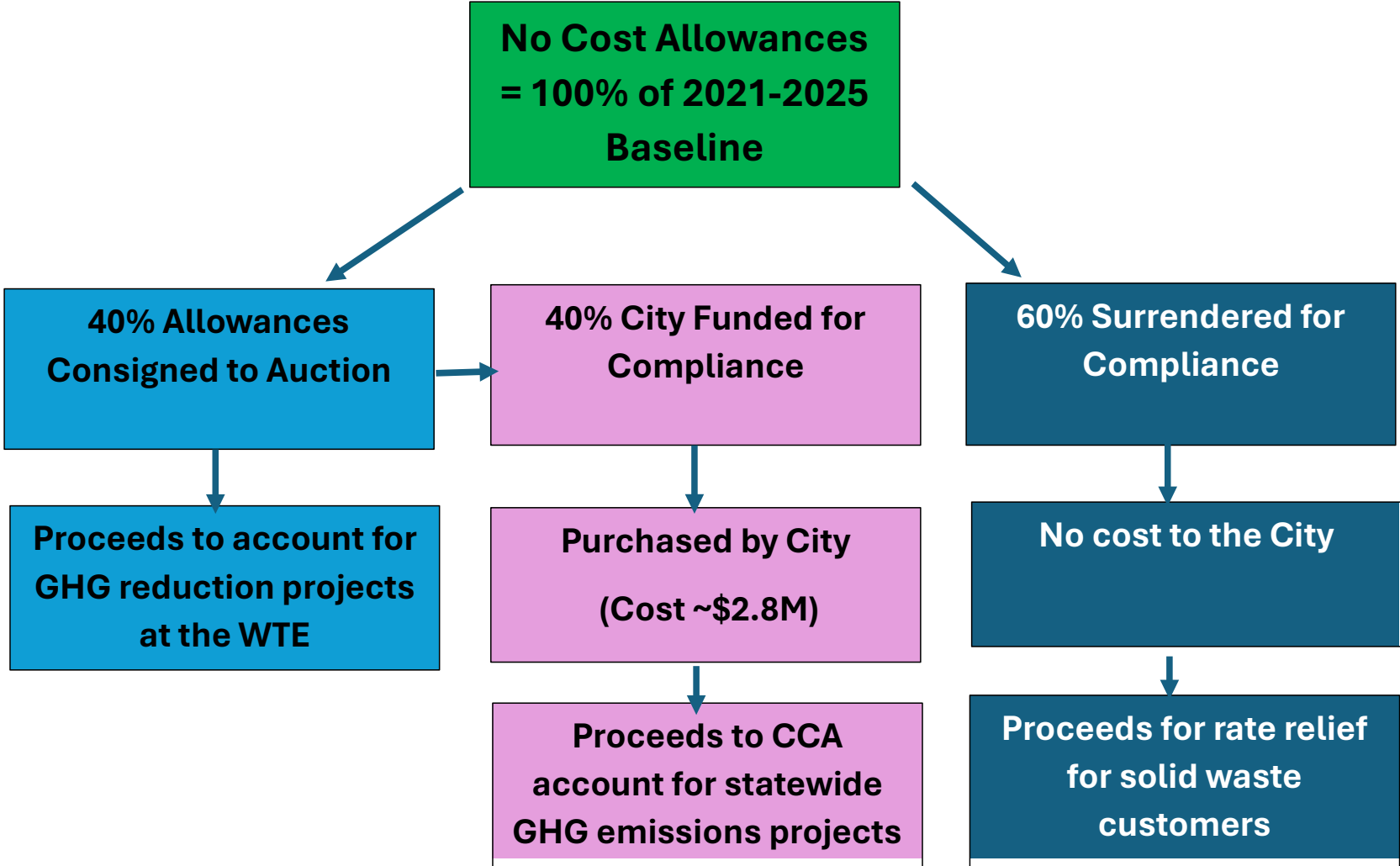


# 2026 Adopted Legislation

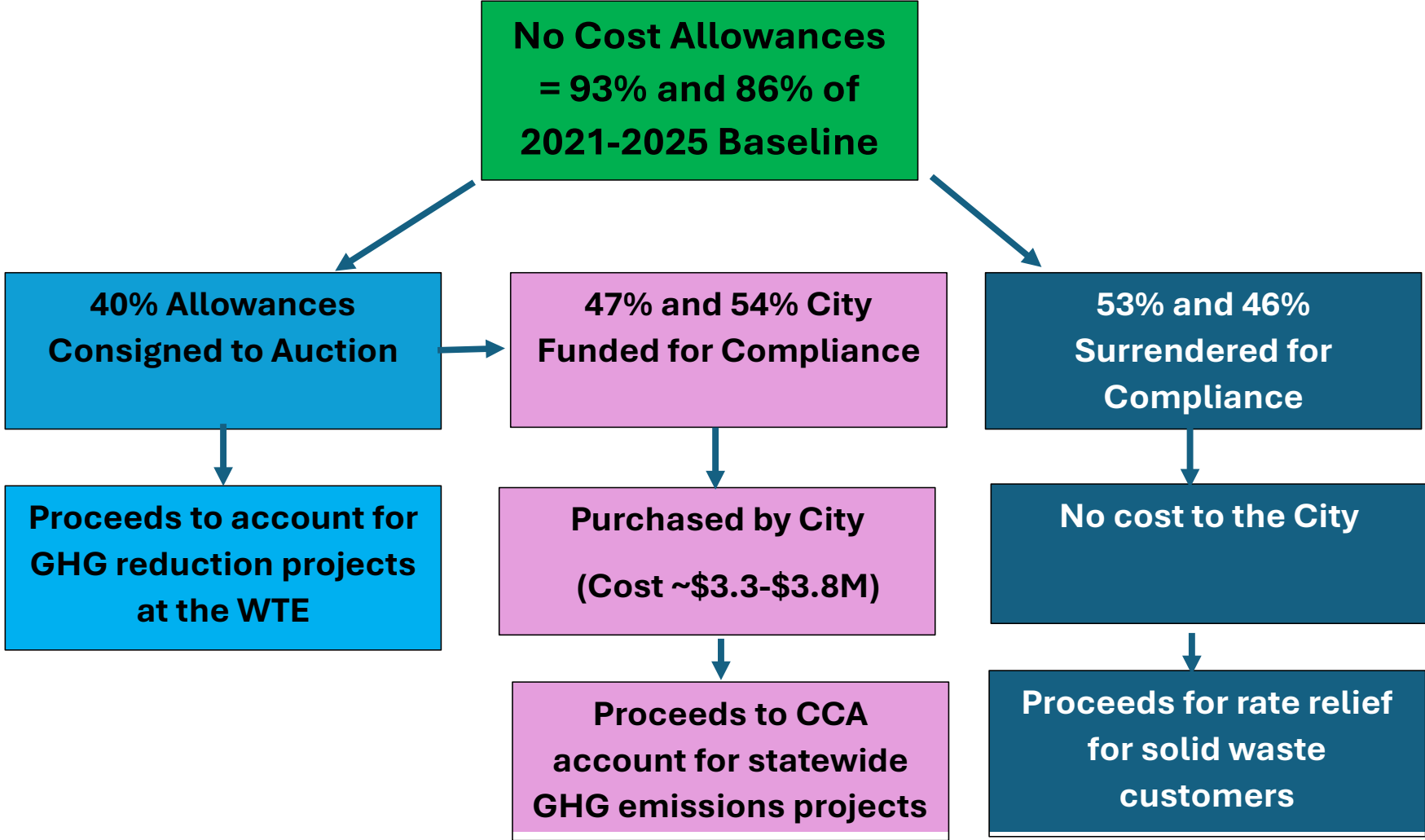
- Requires WTE Facility to submit two plans to Ecology and Commerce by 2030:
  - Greenhouse Gas Emissions Reduction
  - Waste Reduction and Material Recovery
- Provides no cost allowances for 2027-2030
  - 100% for 2027 and 2028, 93% for 2029, and 86% for 2030
  - Remaining no cost allowances are split 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

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- 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

