



Greenhouse Gas Assessment for Projects (GAP) Rulemaking

July 2020 WEBINAR



Webinar Agenda

Introduction

Presentation (30 minutes)

GAP Rule Applicability

Break and Audience Poll (5 minutes)

Public Input and Feedback

Input from Groups Representing Key Interest Areas (10-15 minutes)

Public input and feedback (1 ½ hours)



Hello from Ecology!

Here is who you'll be hearing speak today and who is helping with the webinar:

- Brook Swensen, Co-Host and Facilitator
- Sadie Hinklin, Co-Host and Facilitator
- Diane Butorac, GAP Rule Project Manager
- Neil Caudill, Greenhouse Gas Expert
- Bill Drumheller, Climate and Energy Expert



GAP Rule

- Ecology is starting rulemaking as directed by Governor's Directive 19-18.

- The purpose of this rulemaking is to create a new rule:

Chapter 173-445 WAC, Greenhouse Gas Assessment for Projects

- This rulemaking will:
 - Address analysis and mitigation of greenhouse gas emissions for environmental assessments of industrial and fossil fuel projects
 - Provide consistent and comprehensive assessment methods for industrial and fossil fuel projects
 - Provide clarity and transparency to industry, the public, and agencies



Previous Webinars

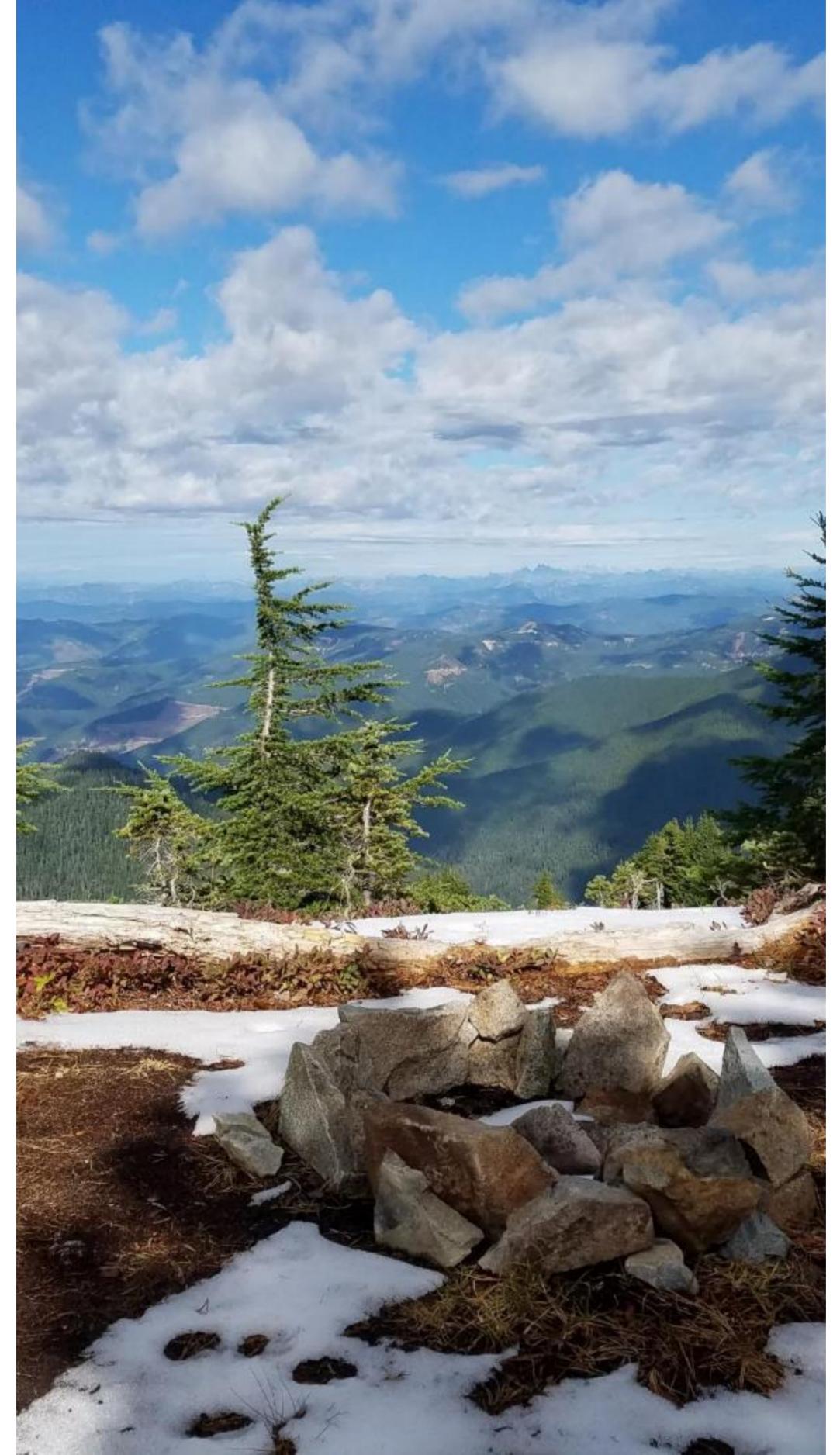
The presentation from this webinar is available on the GAP Rule website

June 25, 2020 Webinar

- Information on the rule purpose, process, and timeline
- Discussed key concepts being used for rule development



GAP Rule Applicability



Where the GAP Rule Would Apply

- The rule will apply to proposed projects with likely greenhouse gas emissions
- The focus of this rule will be on fossil fuel and industrial projects per the Governor's Directive 19-18
- Proposed projects could be for:
 - A new facility which require environmental review
 - or*
 - Changes to an existing facility which require environmental review
- The rule would be used by any lead agency under the State Environmental Policy Act or by project applicants



Where the GAP Rule Would NOT Apply

- The rule would **not** apply to existing facility operations which are already permitted
- The rule would **not** apply to projects currently going through an environmental review process
- The rule would **not** apply to projects which have completed an environmental review process
- In general, the rule would **not** apply to:
 - Programmatic reviews or plans, like a Comprehensive Plan update
 - Highway, road, or passenger rail projects
 - Housing projects
- For projects that are not covered by the GAP rule, greenhouse gas emissions will still require consideration under SEPA on a case-by-case basis



How to Know if a Project Must do the GAP Rule Environmental Assessment

- An initial screening process would be used to determine if the GAP rule environmental assessment procedures for GHG emissions apply to a fossil fuel or industrial project
- If the screening process identifies a project as being applicable, then the greenhouse gas assessment in the GAP Rule must be used
 - The greenhouse gas assessment methods will be discussed during the August webinar



Initial Screening

For the project, consider:

1. Facility onsite emissions
2. Feedstocks (inputs)
3. Products (outputs)



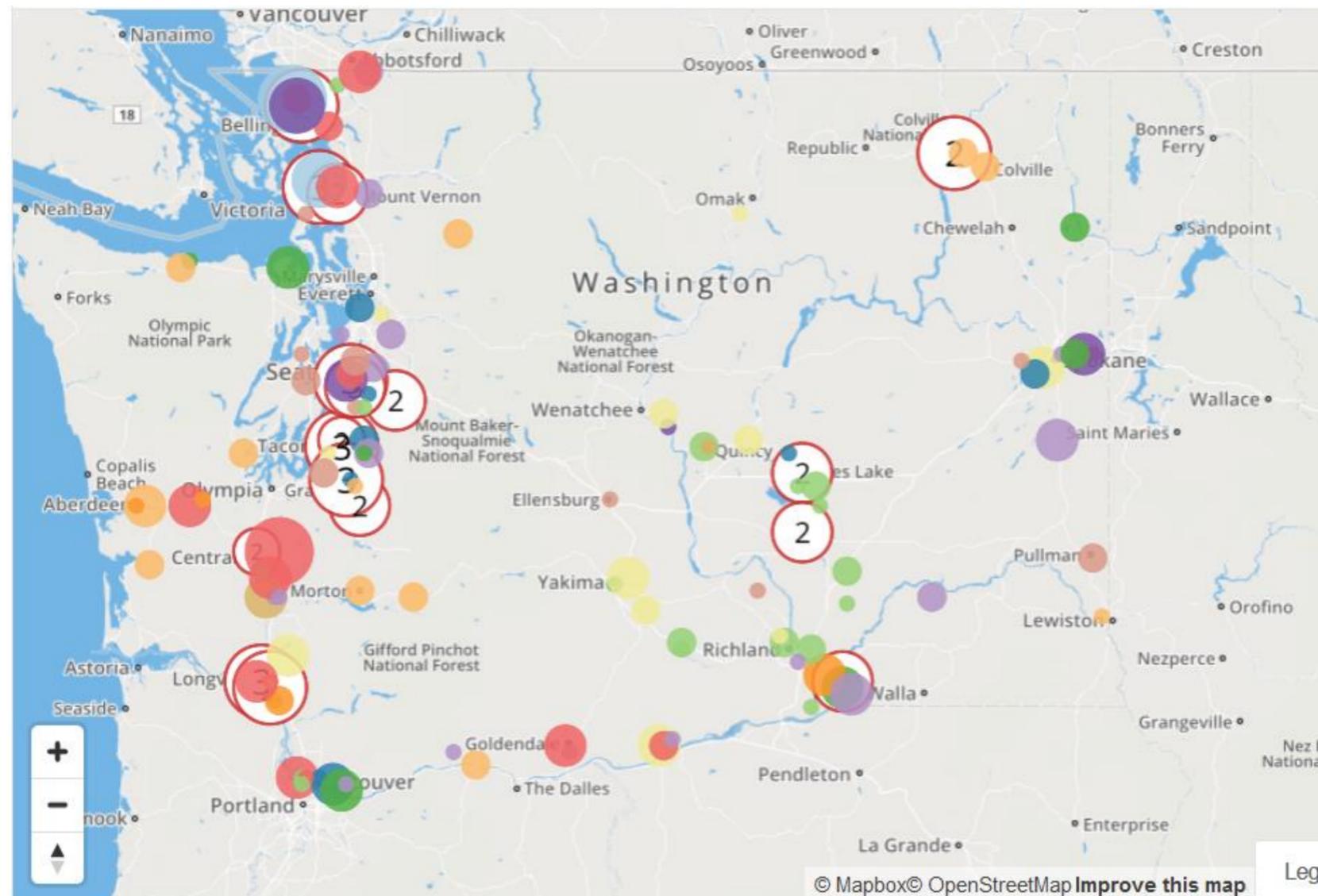
Project's Facility GHG Emissions

- Estimate the project's facility emission sources using methods described in WAC 173-441-120, Reporting of Emissions of Greenhouse Gases
 - The WAC requires using the methods adopted by reference from EPA's GHG reporting regulation, 40 CFR 98, Mandatory Greenhouse Gas Reporting
 - WAC 173-441 applies to facilities emitting at least 10,000 metric tons CO₂e of GHG per year in Washington (RCW 70.94.151(5)(a))



Project's Facility GHG Emissions

In 2018, over 150 Washington facilities reported GHG emissions over 10,000 metric tons of CO₂e



- Power plants
- Petroleum refineries
- Pulp and paper plants
- Metals (aluminum, steel)
- Glass plants
- Chemical producers
- Electronics manufacturers
- General manufacturing
- Large boilers
- Food processors
- Waste facilities

Project's Facility GHG Emissions

- Estimate facility GHG emissions using a potential to emit basis.
 - Normally GHG reports are based on actual measurements (for example, amount of natural gas burned per year)
 - For screening use maximum quantity of natural gas per year that could be burned (for example, permit limit, boiler rating, etc.)
 - Include estimating emissions from biogenic CO₂
- If facility emissions are equal to or greater than 10,000 metric tons of CO₂e per year, the GAP Rule applies to the project and the greenhouse gas assessment described in the rule must be done



GHG Emissions for Project Inputs and Outputs

If a project's facility GHG emissions are less than 10,000 metric tons of CO₂e, then consider inputs and outputs to the project

- Inputs are materials used by the project (feedstocks: natural gas for a chemical plant)
 - Outputs are materials made by the project (products: gasoline from a refinery)
 - Identify inputs or outputs using a table in the rule for:
 - Fossil fuels
 - Electricity
 - Estimate the potential to emit
 - Similar to 40 CFR 98 Table C-1 and Table MM-1
 - For unlisted hydrocarbons, estimate on a carbon content basis
- If a single input or output, or a combination of multiple inputs or outputs, are \geq 10,000 metric tons of CO₂e, the GAP Rule applies to the project and the greenhouse gas assessment described in the rule must be done



Initial Screening

- An initial screening process would be described in the GAP Rule to determine which projects would complete the environmental assessment in the rule
 - We will discuss the environmental assessment methods for the GAP Rule at the August 27 webinar.
- If the GAP rule does not apply to a project, an evaluation of GHG emissions is still required under the State Environmental Policy Act (SEPA) on a case-by-case basis



GAP Rule Webinar Series

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|----------------|-------------------------|--|
| ▪ June 25 | Video available online | GAP Rule purpose, process and key concepts |
| ▪ July 23 | Slides available online | Rule applicability |
| ▪ August 27 | 9:30 am - noon | Environmental assessment methods |
| ▪ September 24 | 2:00 pm – 4:30 pm | Mitigation |
| ▪ October 29 | 9:30 am – noon | TBD |
| ▪ November 17 | 9:00 am – noon | Draft GAP Rule overview |



For More Information

- Website: <https://ecology.wa.gov/Regulations-Permits/Laws-rules-rulemaking/Rulemaking/WAC-173-445>
- Join our email list (the link is also on the website):
<http://listserv.ecology.wa.gov/scripts/wa-ECOLOGY.exe?SUBED1=GAP-RULE&A=1>
- Email your input and feedback to: gap-rule@ecy.wa.gov
- Points of Contact:

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