



Greenhouse Gas Assessment for Projects (GAP) Rulemaking

June 2020 WEBINAR



Webinar Agenda

Introduction

Presentation (30 minutes)

GAP Rule Overview of Purpose and Process

Key Concepts

Break and Audience Poll (5 minutes)

Public Input and Feedback

Input from Groups Representing Key Interest Areas (25 minutes)

Environmental, Business and Industry, and Local Government

Public input and feedback (60 minutes)



Hello from Ecology!

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

- Margaret Plummer, Host and Facilitator
- Diane Butorac, GAP Rule Project Manager
- Neil Caudill, Greenhouse Gas Expert
- Bill Drumheller, Climate and Energy Expert
- Fran Sant, GAP Rulemaking Lead
- Brook Swensen, Webinar Assistance
- Sadie Hinklin, Webinar Assistance



GAP Rule

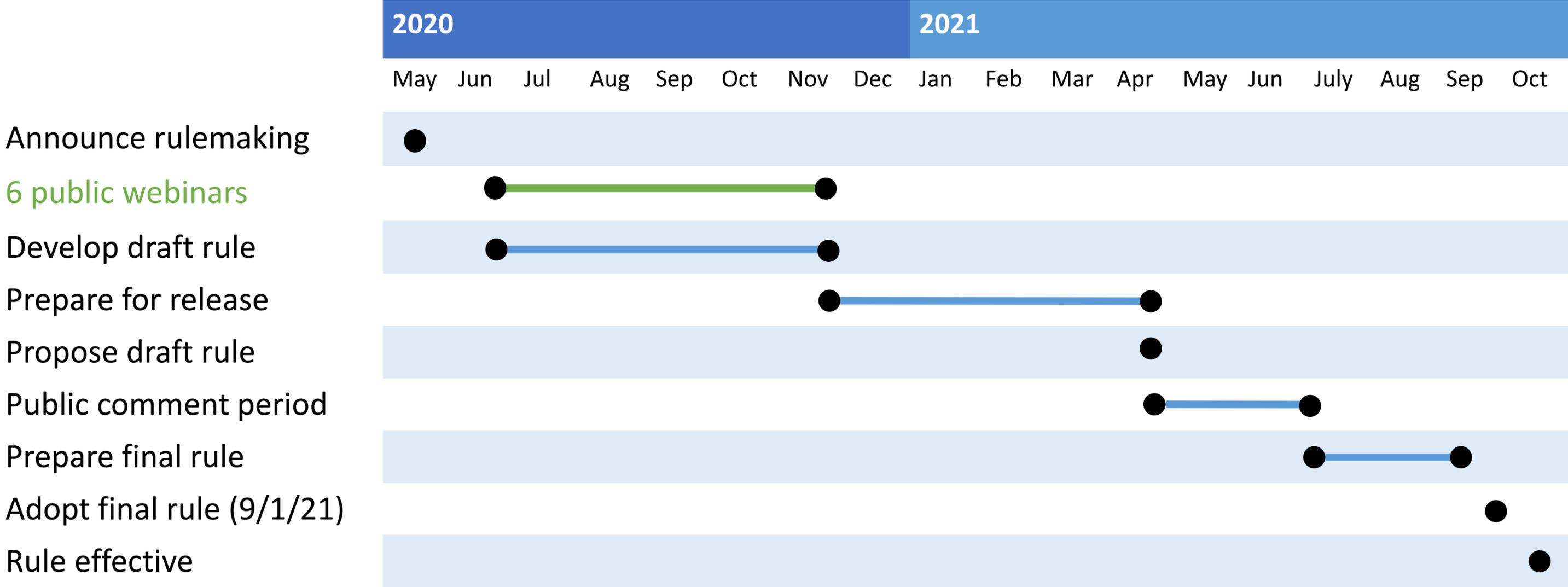
- Ecology is starting rulemaking as directed by Governor's Directive 19-18.
- The purpose of this rulemaking is to create a new rule:

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



Schedule

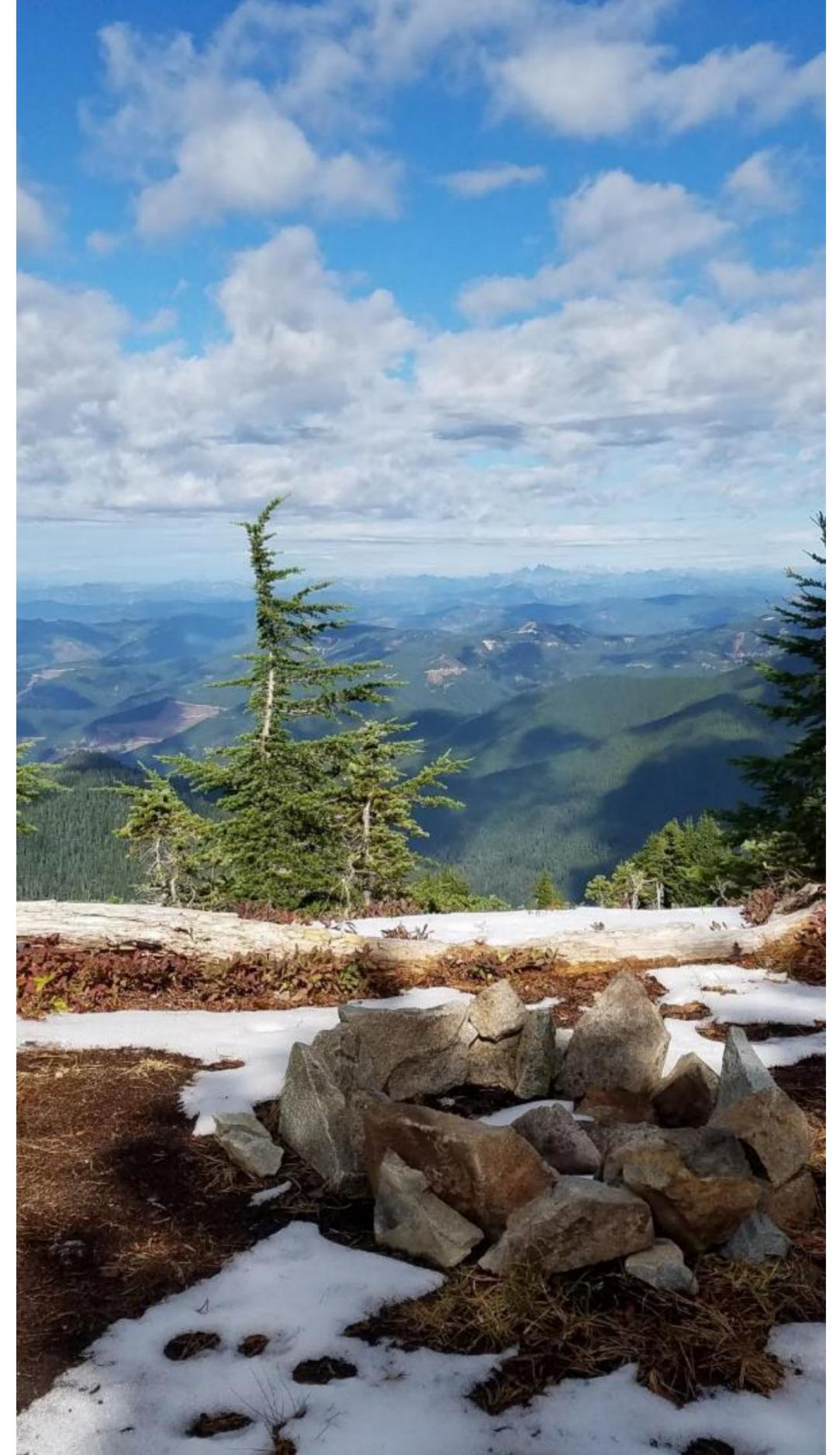


GAP Rule Webinar Series

- June 25 1:30 pm - 4:00 pm GAP Rule purpose, process and key concepts
- July 23 2:00 pm - 4:00 pm 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



Key concepts we are using during the rule development



Projects

- 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 or for changes to an existing facility which require environmental review
- An initial screening process will be used to determine if the rule applies to a project or not. (This will be discussed at the July webinar.)
- 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



Greenhouse Gases (GHGs)

- Greenhouse gases are defined in RCW 70.235.010. They include:
 - Carbon dioxide
 - Methane
 - Nitrous oxide
 - Hydrofluorocarbons
 - Perfluorocarbons
 - Sulfur hexafluoride
 - Any other gas or gases designated by the department by rule
 - RCW 70.94.151(5)(b)(ii)
 - WAC 173-441-040



Types of GHG Emissions

Potential vs Actual (*when the GHG emissions occur*)

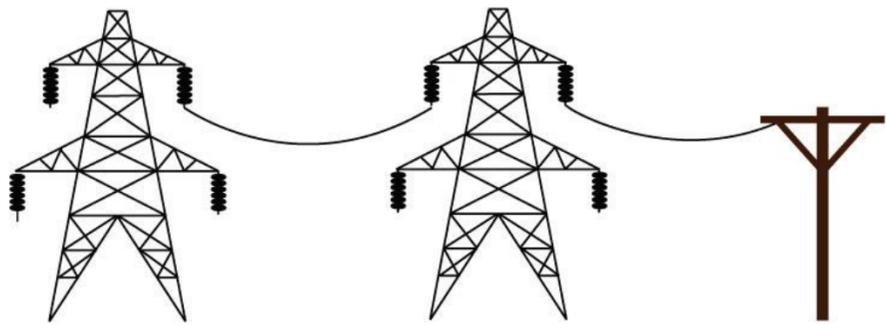
- Actual (Reported)
 - Emissions released during operation
 - Used for operating facilities and permit compliance
- Potential (Estimated)
 - Emissions that could be released if operated fully
 - Used for non-operational or changing facilities, permit applications, and policy evaluations

Direct vs Indirect (*who emits the GHGs*)

- Direct (owned or controlled by applicant)
 - Onsite, smokestack, chemical reactions, company fleets
- Indirect (consequence of the activities by applicant)
 - Upstream: materials consumed (electricity, natural gas pipeline leaks, cement purchased)
 - Downstream: products made (refineries -> gasoline, wastes generated)



Components of a Fictional Refinery



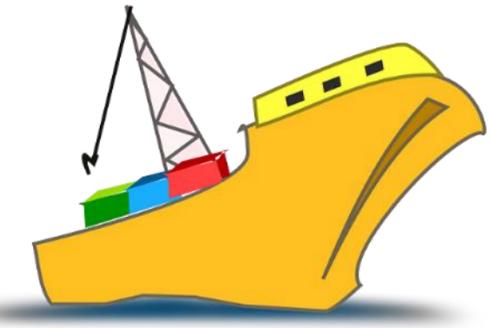
Purchased electricity



Facility combustion



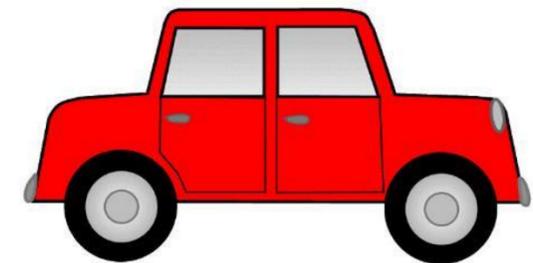
Refinery reactions



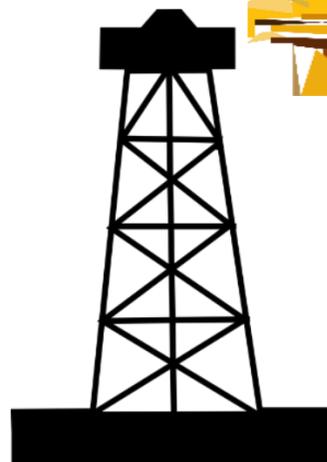
Product shipping



Pipeline emissions



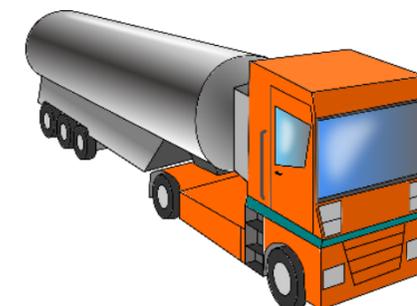
Product use



Oil extraction



Employee commuting

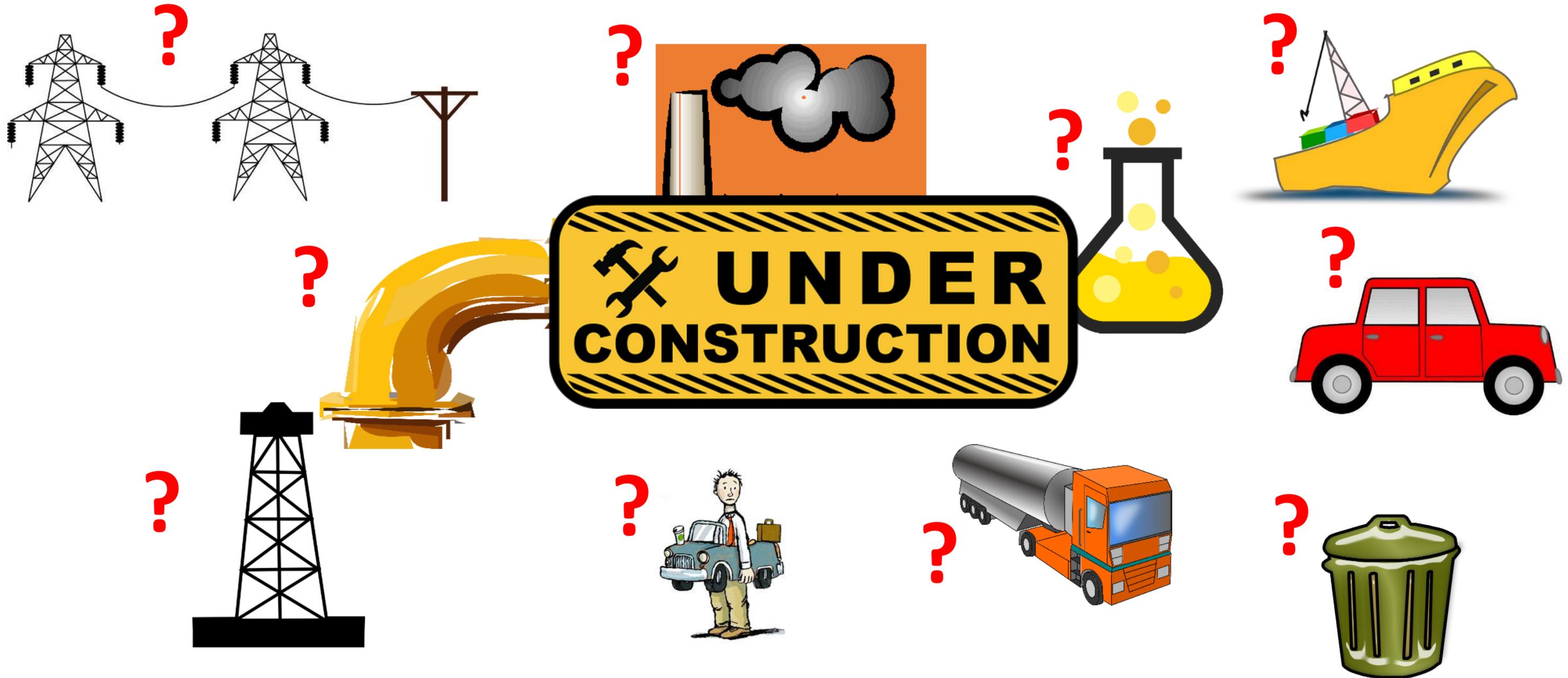


Local deliveries

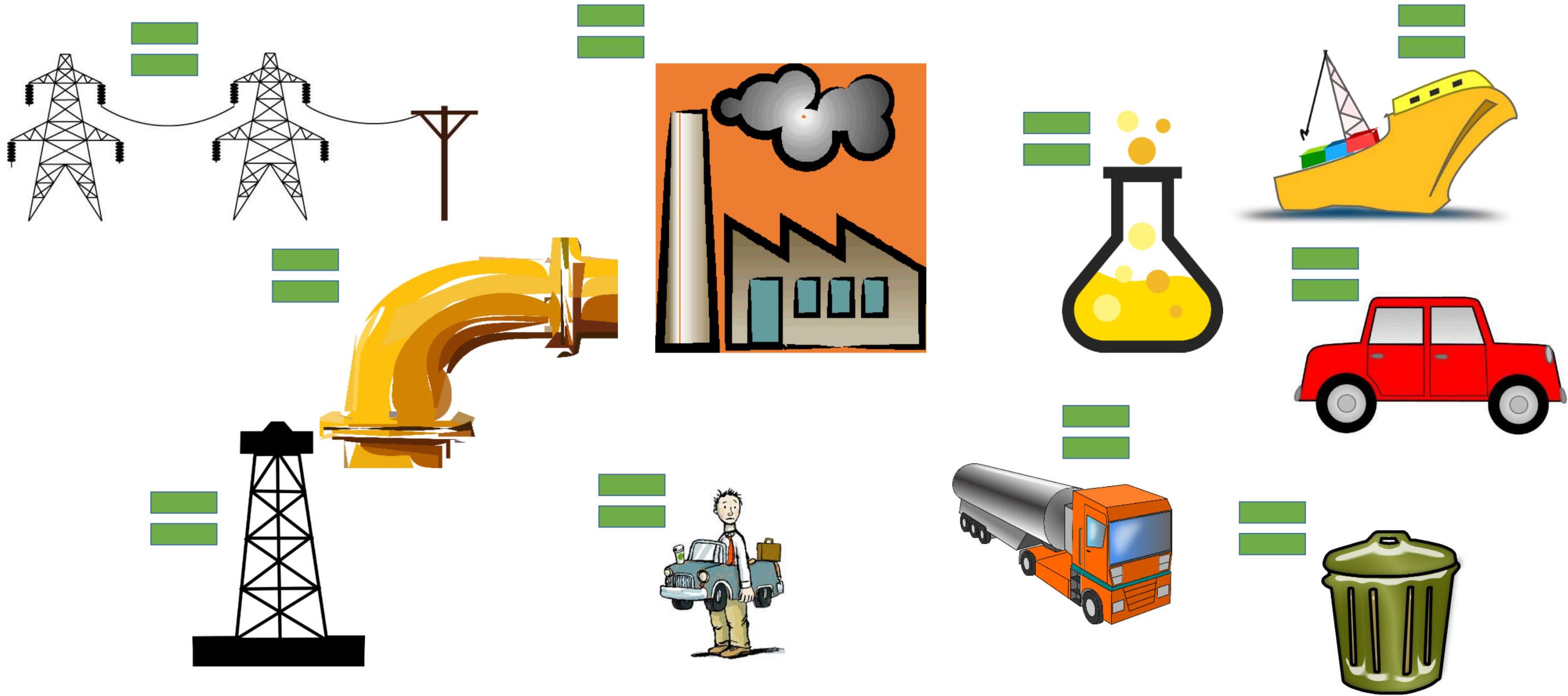


Waste

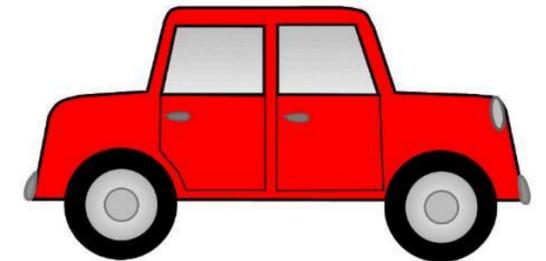
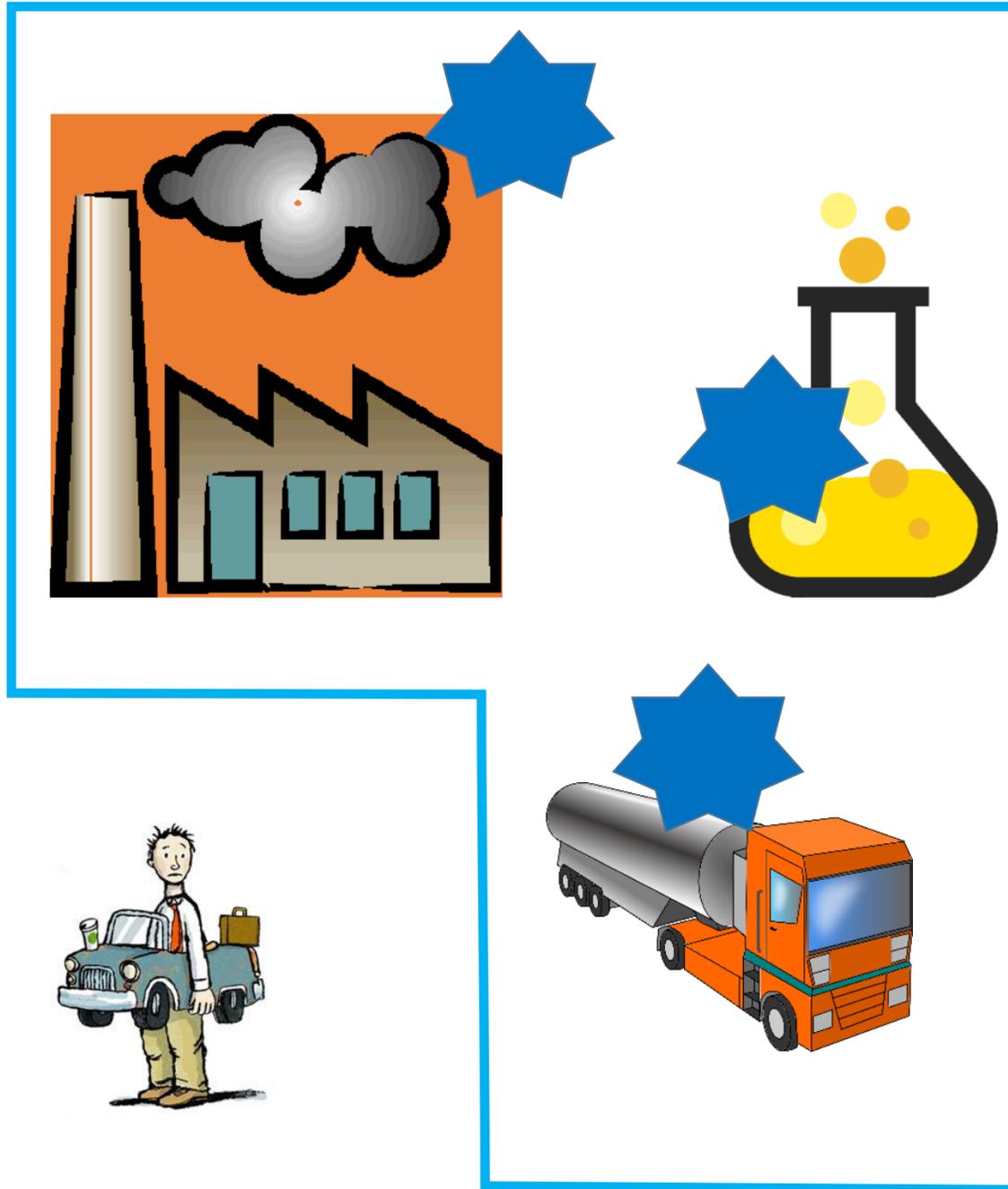
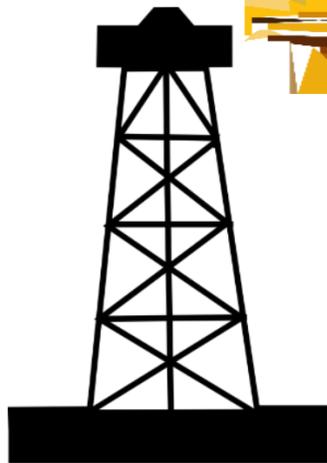
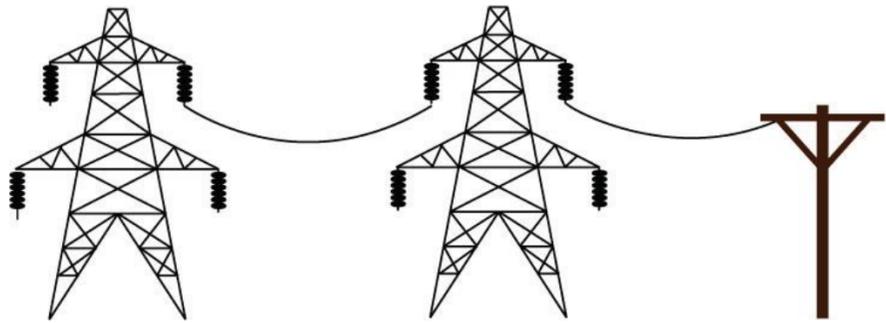
Fictional Refinery: Potential Emissions



Fictional Refinery: Actual Emissions

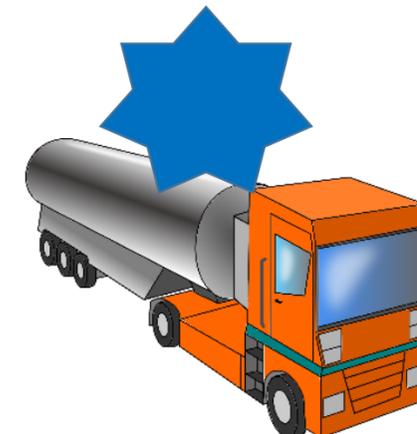
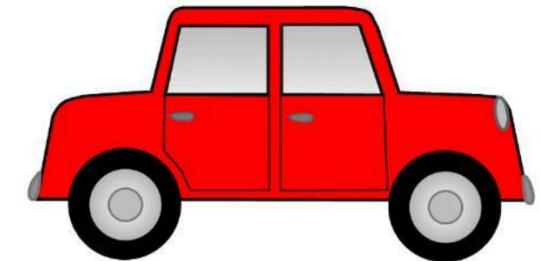
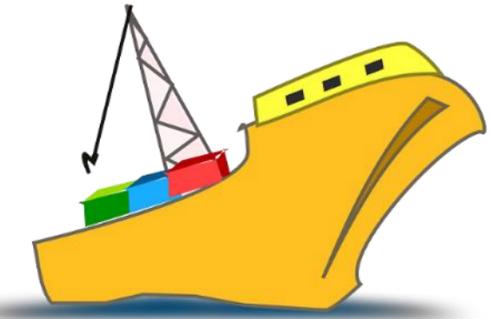
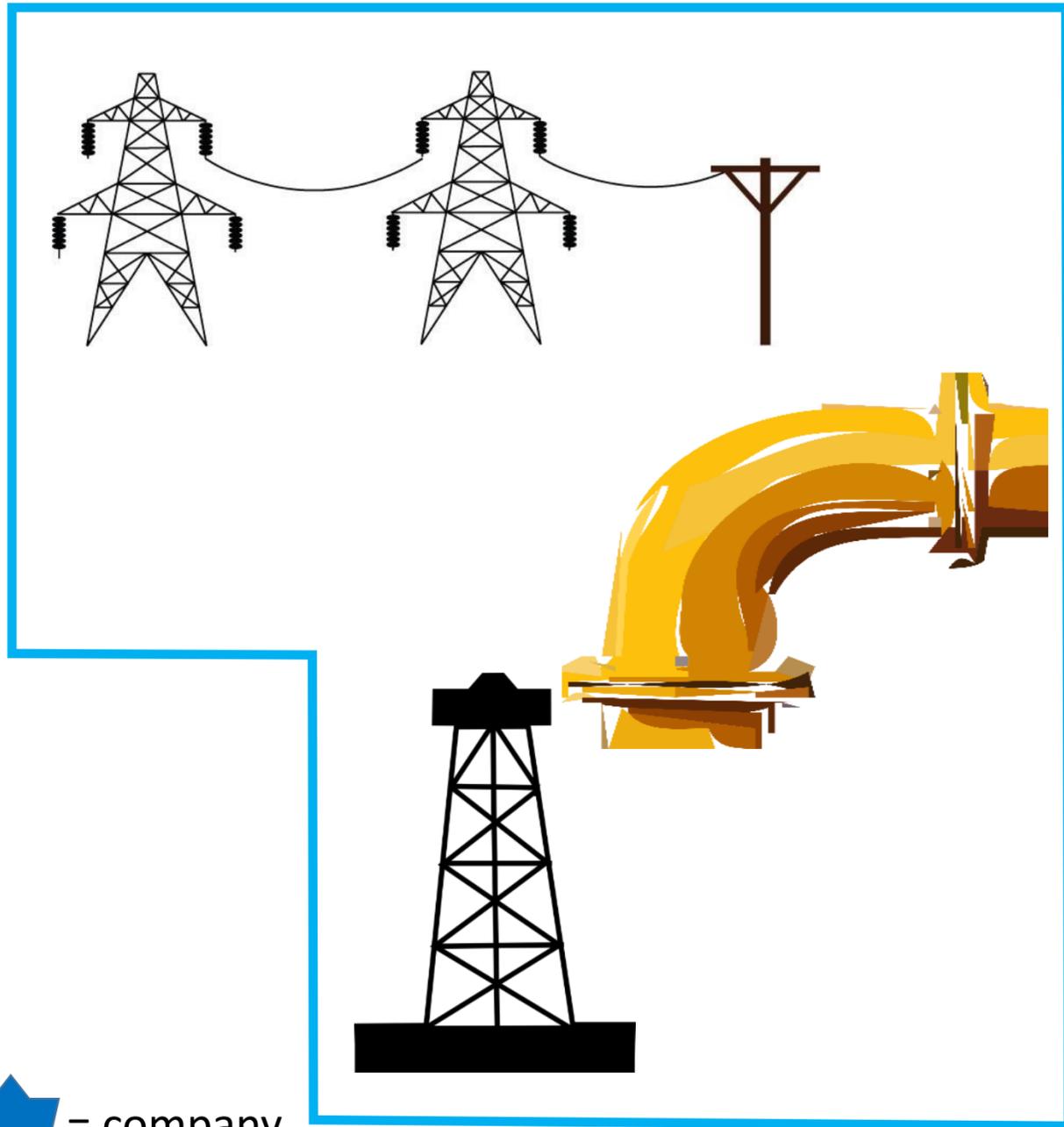


Fictional Refinery: Direct Emissions



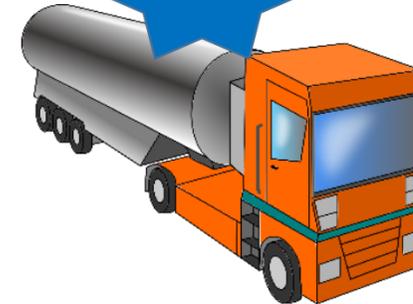
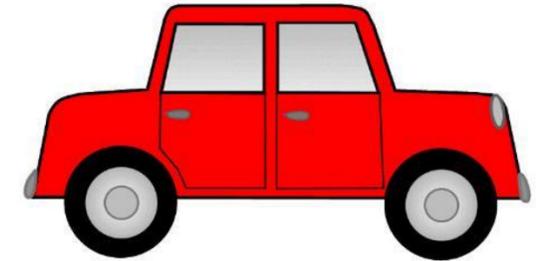
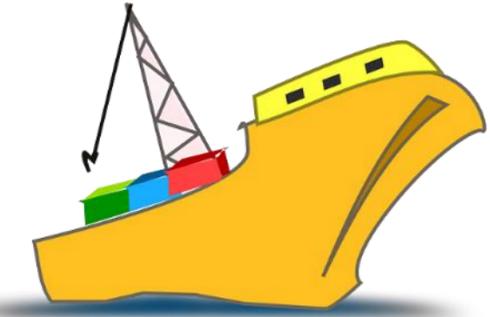
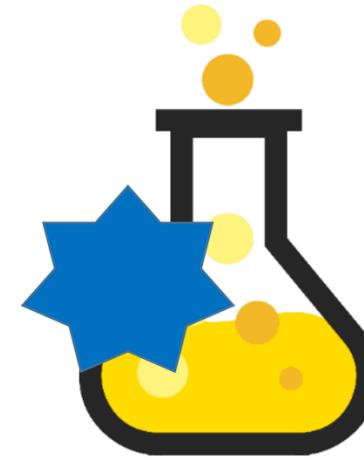
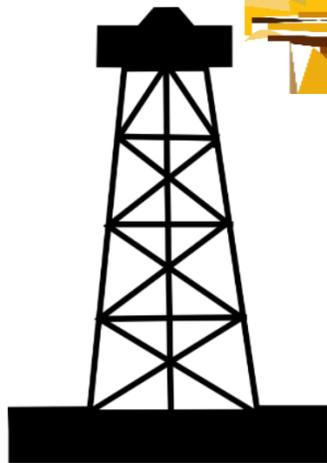
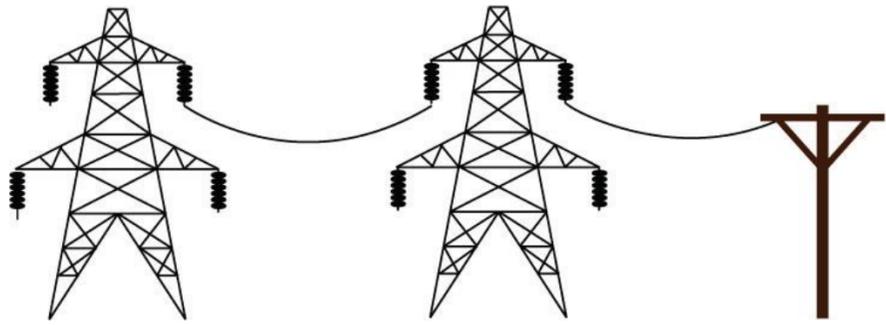
 = company ownership/control

Fictional Refinery: Indirect - Upstream



 = company ownership/control

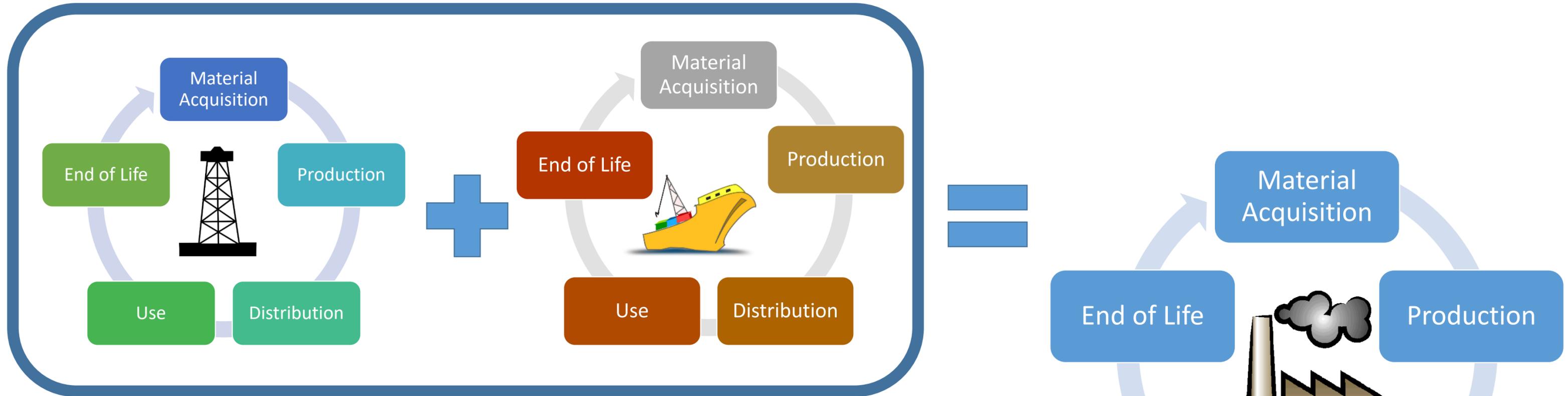
Fictional Refinery: Indirect - Downstream



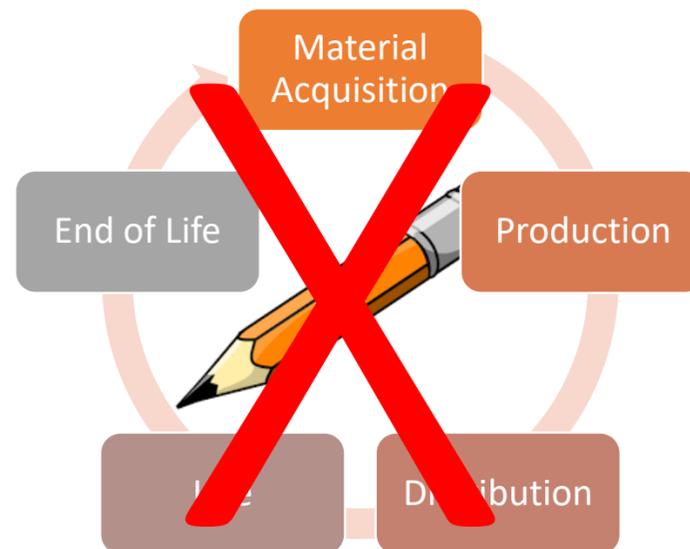
 = company ownership/control



Project Lifecycle and Analysis Boundaries



What's In, What's Out?
Critical Question for
the Lifecycle Analysis



Understanding the role of the GAP rule

Environmental Assessment

- Provides understanding of how human activities can and do affect the environment.
- *National or State Environmental Policy Act*
- *Pollution reporting*
- *Water quality assessment*

Environmental Law & Regulation

- Binding constraints that place boundaries on how the environment can be affected.
- *Clean Air Act*
- *Clean Water Act*
- *Resource Conservation and Recovery Act*

Environmental Compliance

- Tools and procedures for controlling the manner and extent to which the environment is affected.
- *Air pollution permits*
- *Water quality permits*
- *Shoreline permits*

Use of the GAP Rule with SEPA

- The State Environmental Policy Act (SEPA) is a state law that directs state and local agencies to evaluate the environmental consequences of a project and ensure they are consistent with state and local environmental policies.
- SEPA helps agencies protect and enhance the natural and built environment.
- The GHG analysis identified in the GAP rule is expected to be used in the SEPA environmental review process for industrial and fossil fuel projects.
- Even if a project is not required to do the GHG assessment in this rule, evaluation of GHG emissions is still required under SEPA.

Key Features of SEPA

Substantive

- Identifies the responsibility of a lead agency to protect the environment.
- Requires evaluation of probable impacts of a proposal to elements of the environment.

Procedural

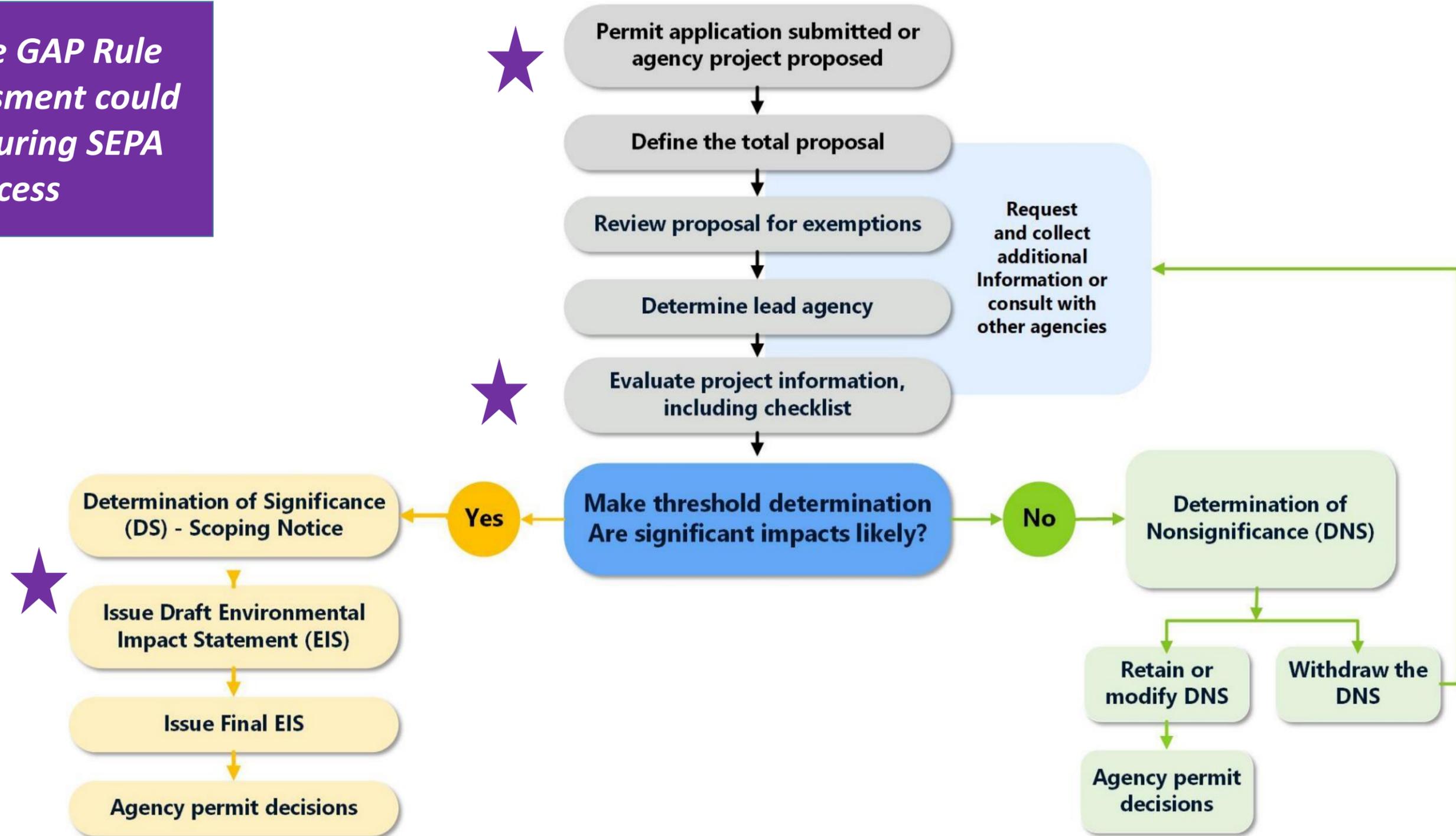
- Provides a process for applicants and lead agencies to consider environmental values.
- SEPA allows for mitigation to reduce or eliminate impacts of a proposal.

Supplements

- SEPA supplements existing authorities of state and local governments.

SEPA Process

★ *Where the GAP Rule GHG assessment could be done during SEPA process*



Types of Mitigation in SEPA

- **Avoid** the impact by not taking a certain action or parts of an action
- **Minimize** impacts by limiting the degree or magnitude of the action and its implementation, by using appropriate technology, or by taking affirmative steps to avoid or reduce impacts
- **Rectify** the impact by repairing, rehabilitating, or restoring the affected environment
- **Reduce or eliminate** the impact over time by preservation and maintenance operations during the life of the action
- **Compensate** for the impact by replacing, enhancing, or providing substitute resources or environment
- **Monitor** the impact and take appropriate corrective measures

Input and Preliminary Feedback from Groups Representing Key Interest Areas

- Environmental
 - Amanda Goodin, Earthjustice
- Business and Industry
 - Peter Godlewski, Association of Washington Business
 - Edgar Scott, Kaiser Aluminum
- Local Government
 - Carl Schroeder, Association of Washington Cities
 - Gerry O'Keefe, Washington Public Ports Association



Public Input and Feedback

We want to provide people an opportunity to provide input and feedback on the webinar topic and GAP rule

- All of the input and feedback will be considered for the rule development. However, this is not a formal comment period and there will not be responses to comments.
- Comments can also be sent to gap-rule@ecy.wa.gov after the webinar.

Ecology's ground rules are intended to provide a non-intimidating and respectful atmosphere that allows all voices to be heard. To do this,

- The speaker time is limited to 2 minutes per speaker.
- We will use a timer to keep track.



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>
- Emails to: gap-rule@ecy.wa.gov
- Points of Contact:

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Thank you for participating in the webinar!

The next webinar is planned for July 23, 2020 and will be about the applicability of the rule to projects.

