



# 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

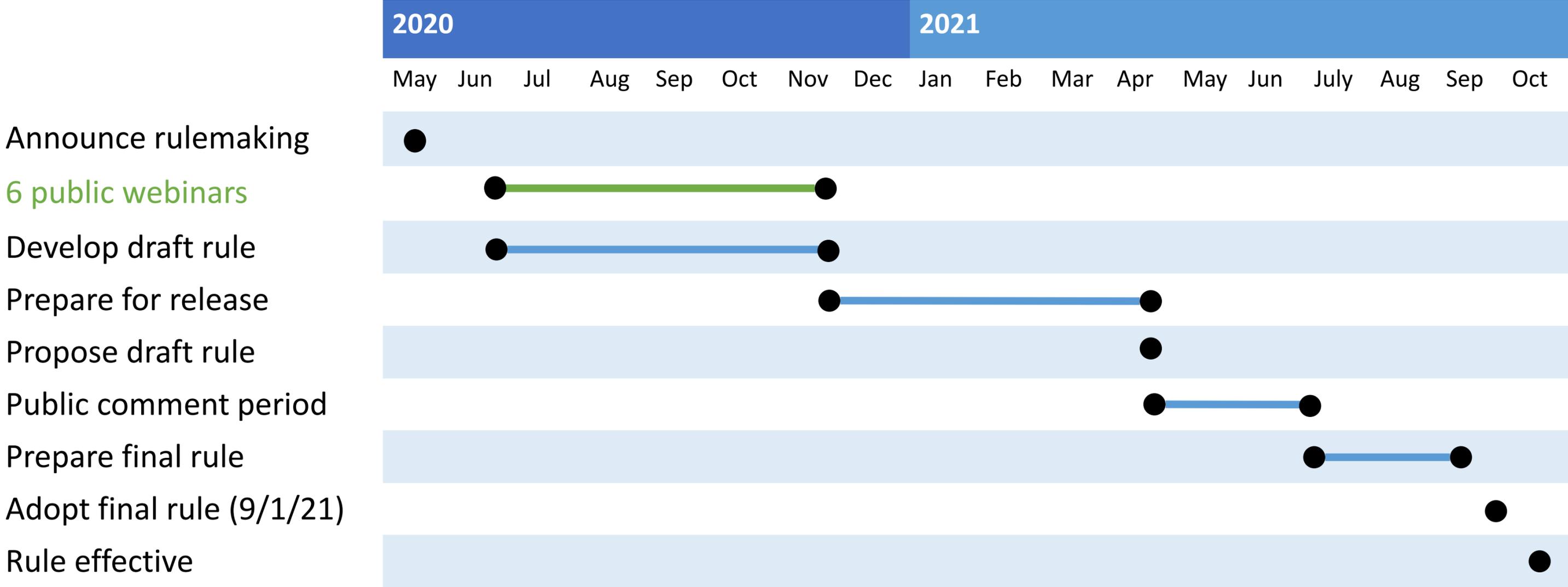
- Ecology is starting rulemaking as directed by Governor's Directive 19-18.
- The purpose of this rulemaking is to create a new rule:

## **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

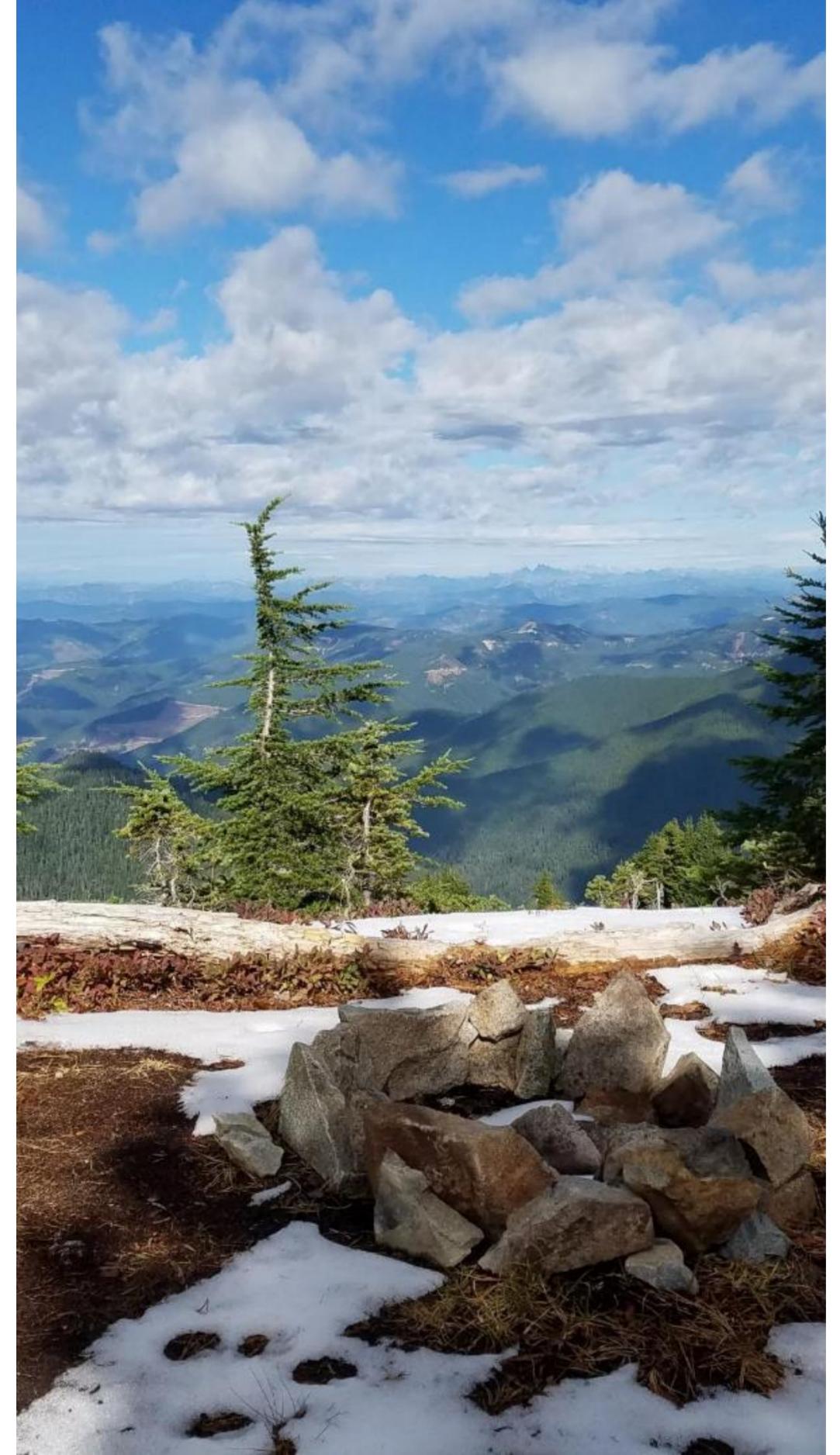


# GAP Rule Webinar Series

- 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*)

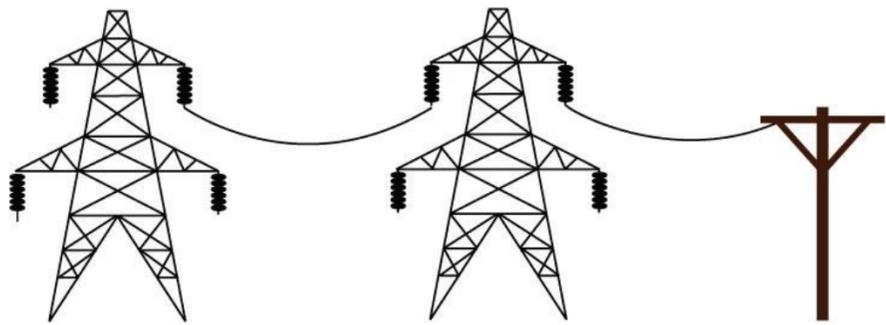
- Actual (Reported)
  - Emissions released during operation
  - Used for operating facilities and permit compliance
- Potential (Estimated)
  - Emissions that could be released if operated fully
  - Used for non-operational or changing facilities, permit applications, and policy evaluations

## 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



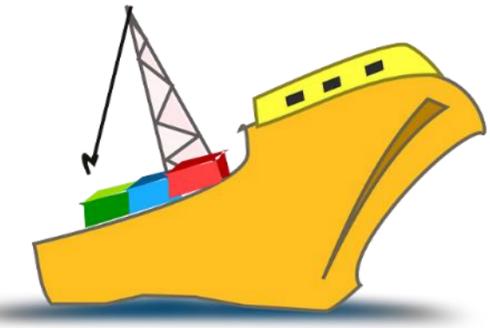
Purchased electricity



Facility combustion



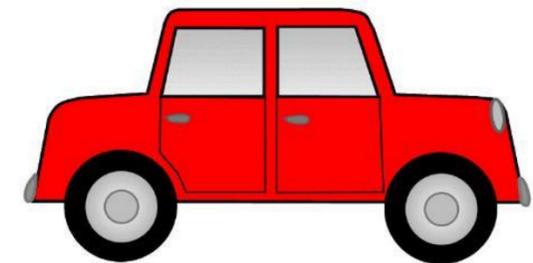
Refinery reactions



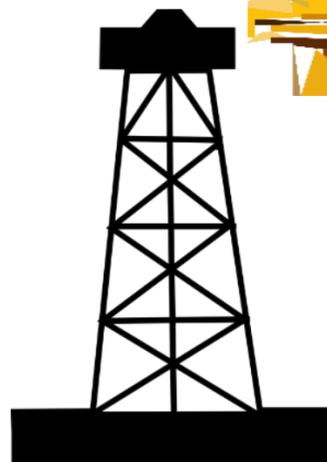
Product shipping



Pipeline emissions



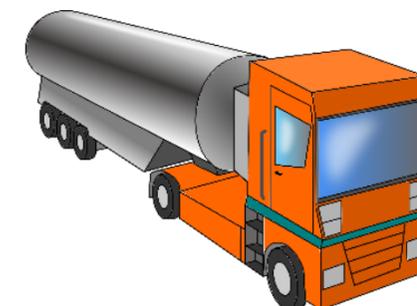
Product use



Oil extraction



Employee commuting

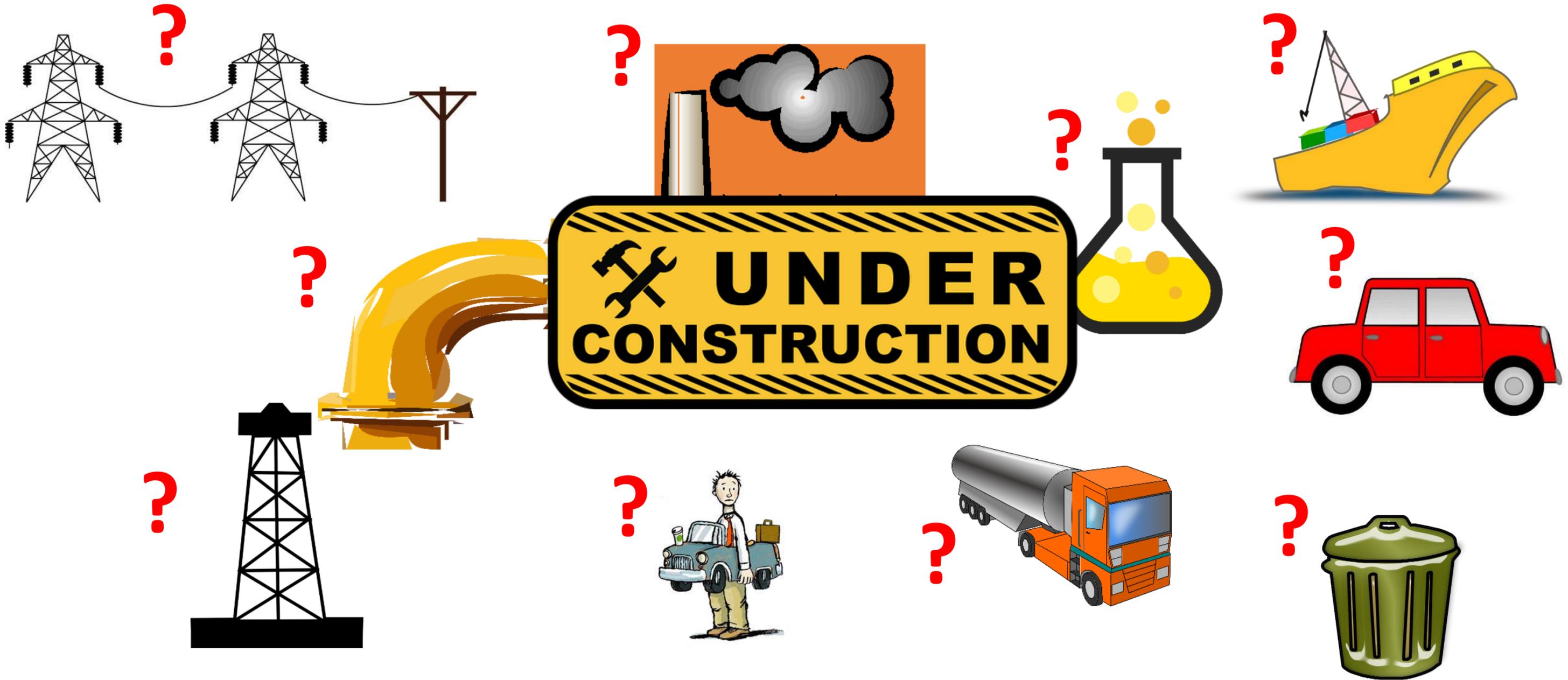


Local deliveries

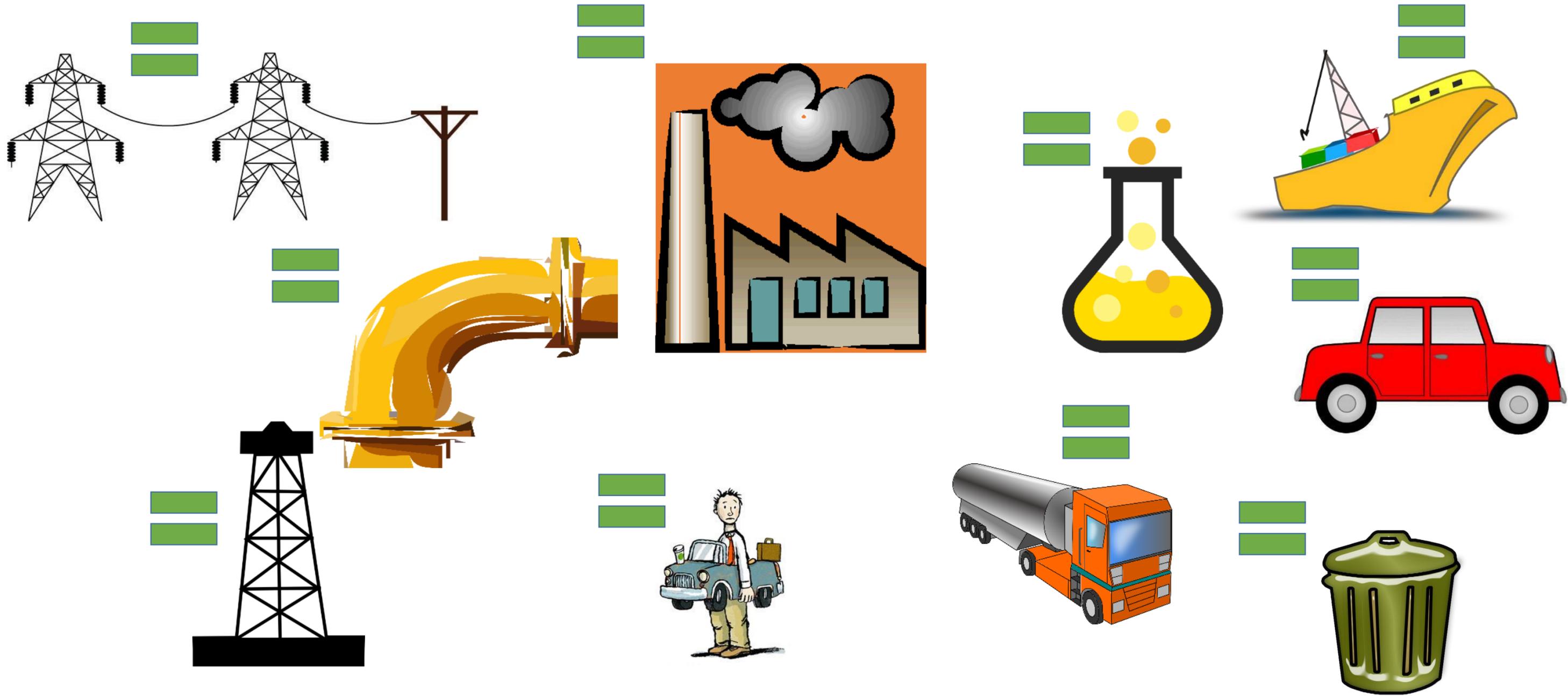


Waste

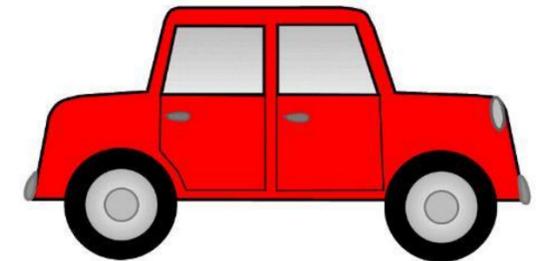
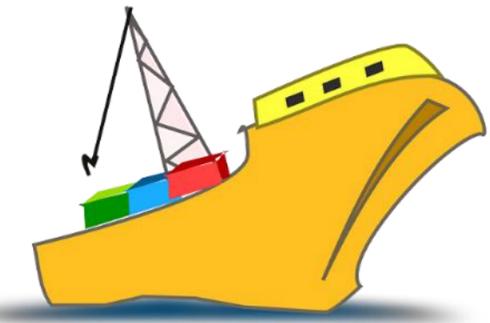
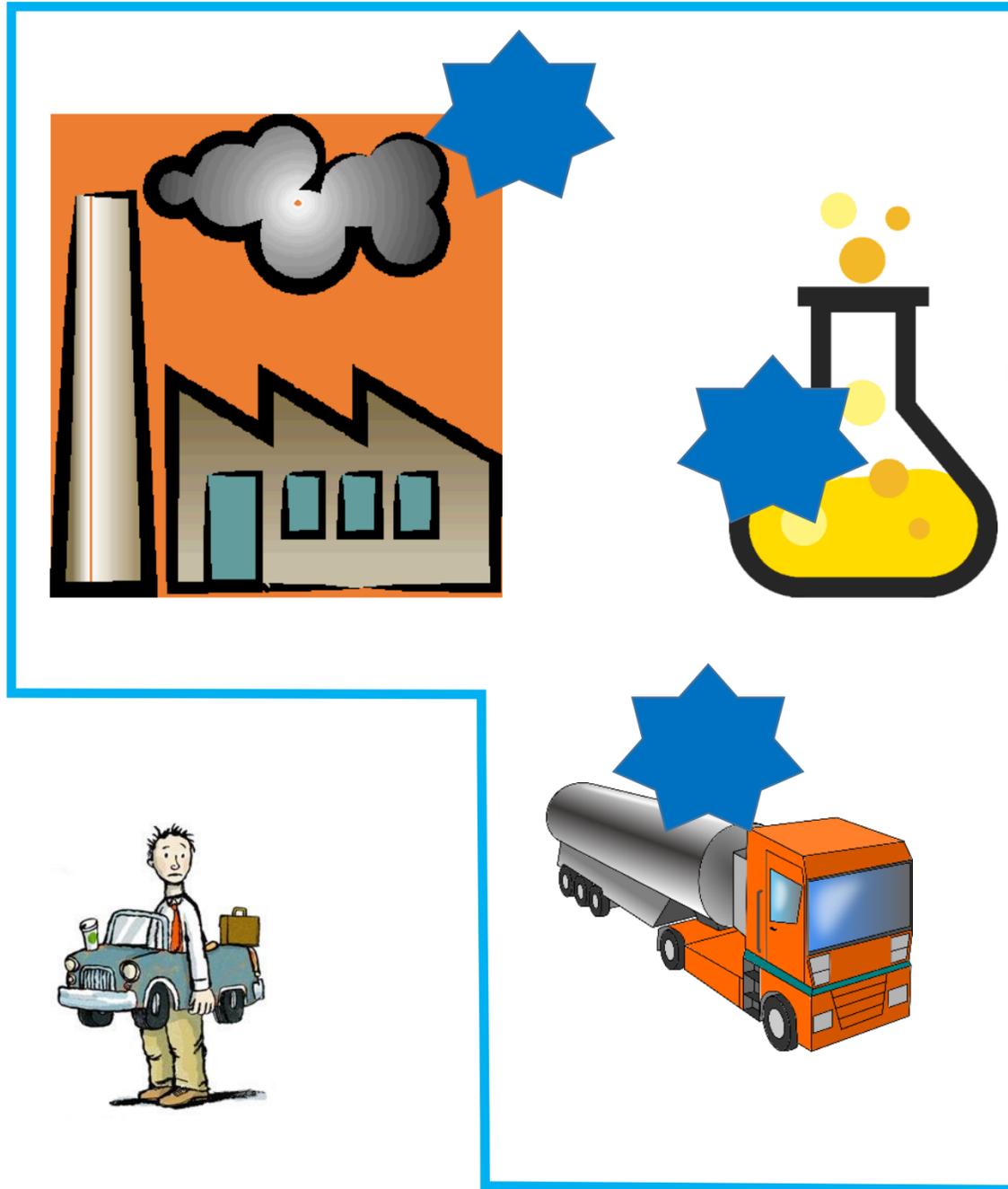
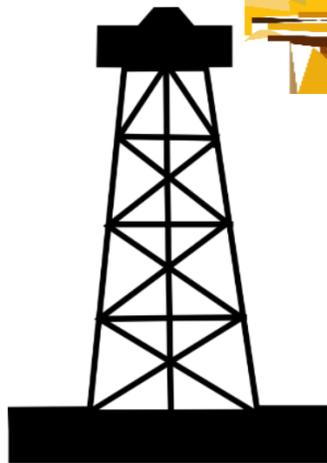
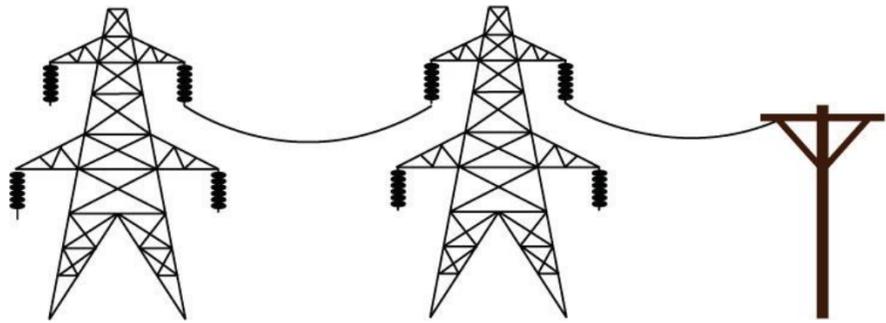
# Fictional Refinery: Potential Emissions



# Fictional Refinery: Actual Emissions

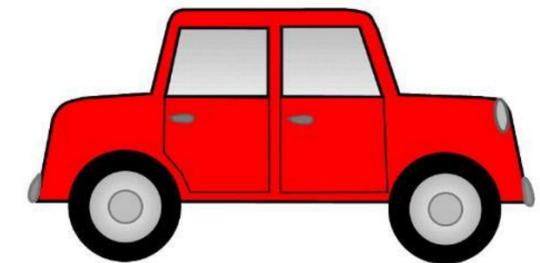
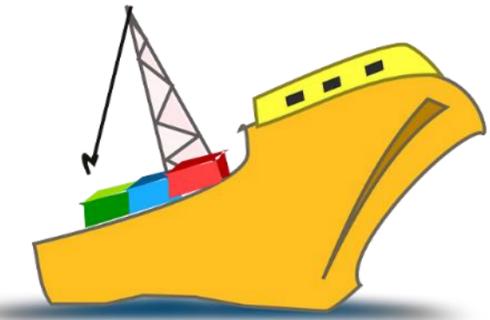
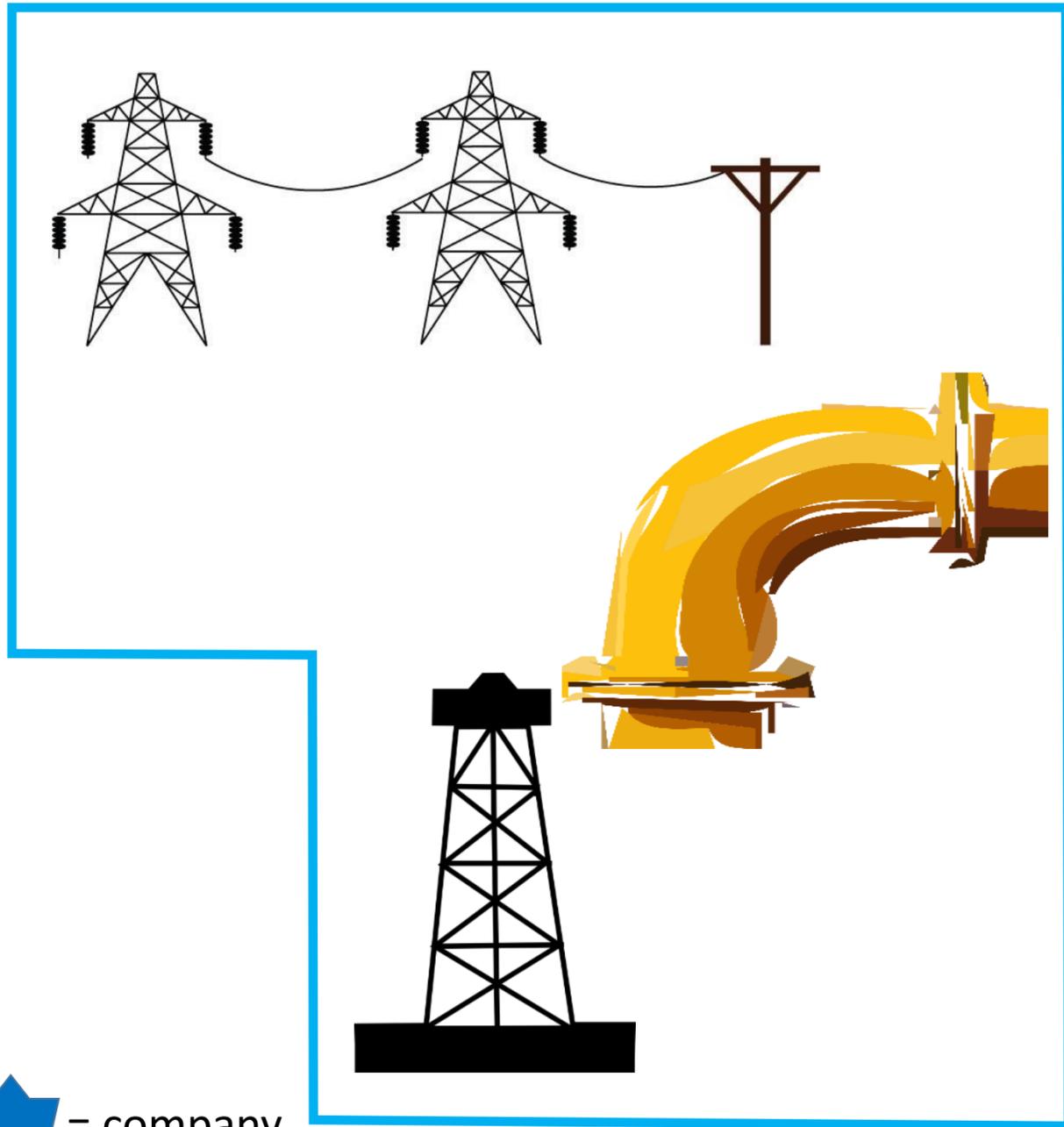


# Fictional Refinery: Direct Emissions



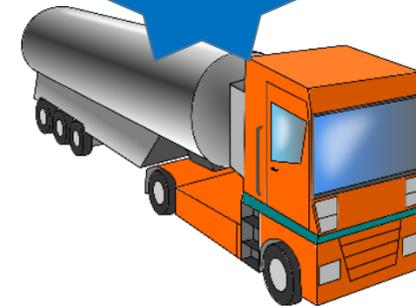
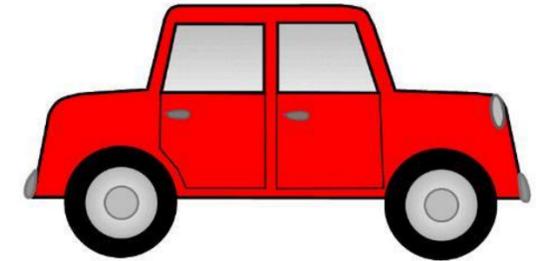
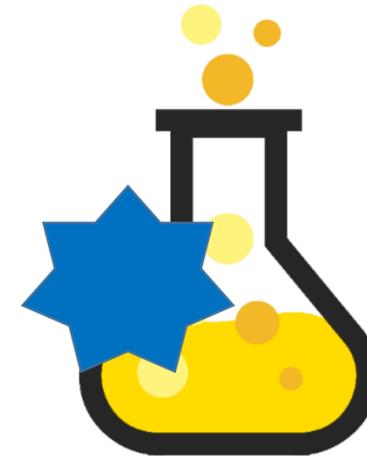
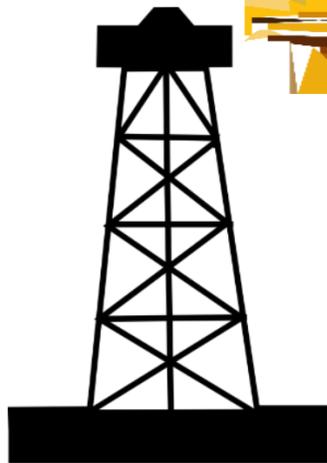
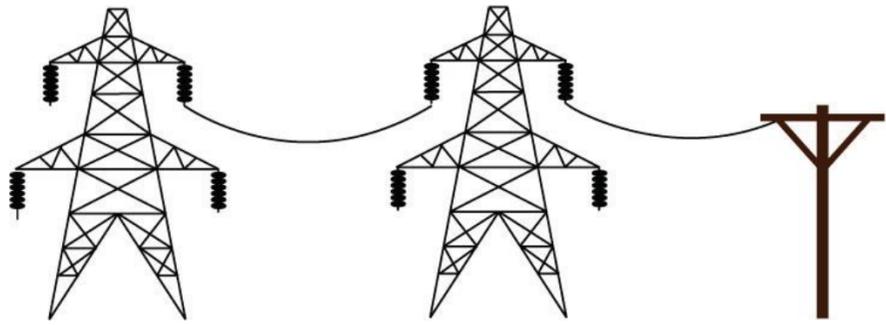
 = company ownership/control

# Fictional Refinery: Indirect - Upstream



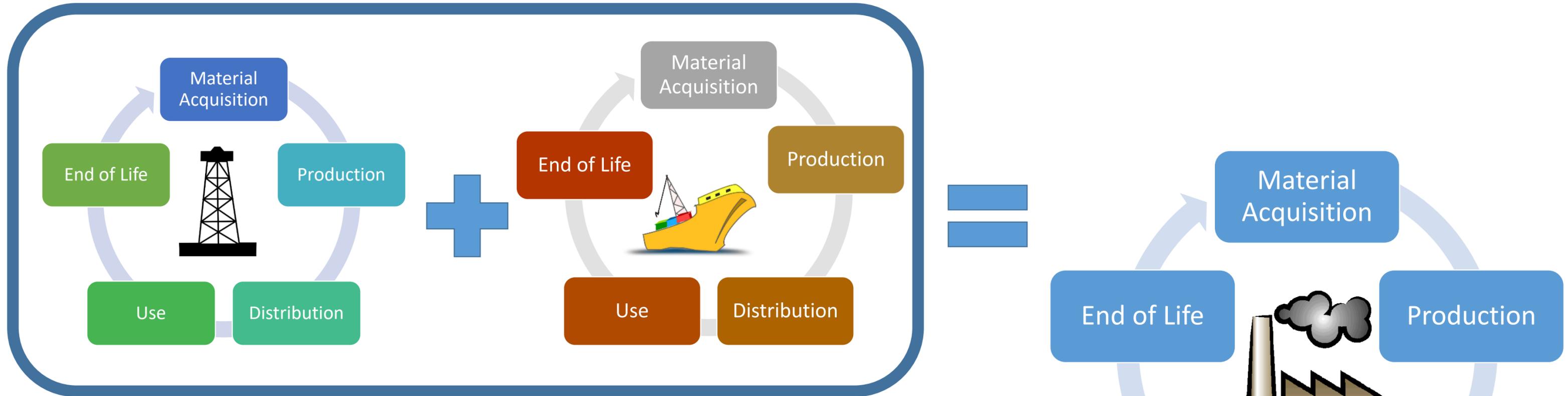
 = company ownership/control

# Fictional Refinery: Indirect - Downstream

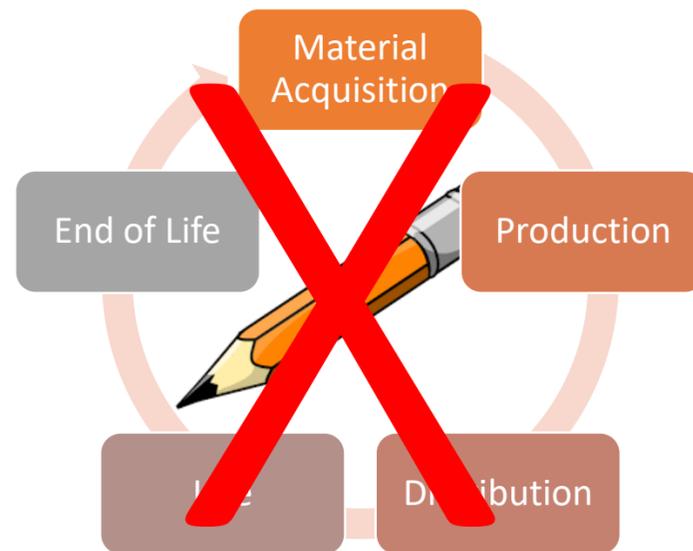


 = company ownership/control

# 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

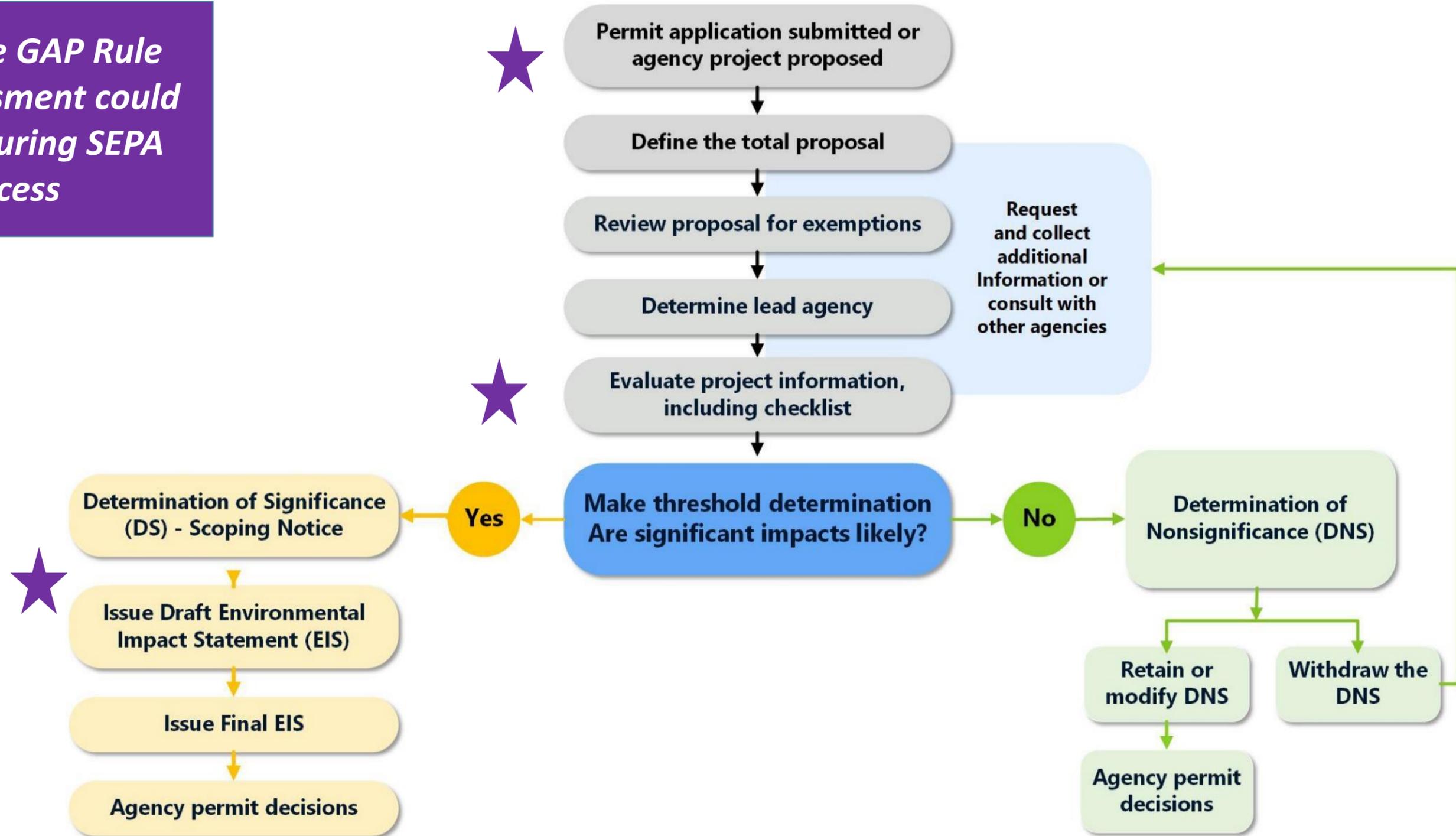
- Provides a process for applicants and lead agencies to consider environmental values.
- SEPA allows for mitigation to reduce or eliminate impacts of a proposal.

## 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](mailto: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](mailto:gap-rule@ecy.wa.gov)

- Points of Contact:

Diane Butorac

[diane.butorac@ecy.wa.gov](mailto:diane.butorac@ecy.wa.gov)

(360) 407-6573

Fran Sant

[fran.sant@ecy.wa.gov](mailto:fran.sant@ecy.wa.gov)

(360) 407-6004



# 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.

