



Cap-and-Invest Fuel Exemptions Workgroup Meeting Summary

Thursday, June 29, 2023 | 1:00 – 3:00 p.m.

Location: Zoom

Attendance:

- 29 out of the 37 workgroup members attended virtually.
- 5 Ecology staff attended virtually.

Welcome and Introductions:

- The facilitation team welcomed workgroup members, shared the anti-trust reminder, an overview of the meeting #2 agenda, and the workgroup timeline.

Review reflections shared during meeting #1:

- The facilitation team shared the results from synthesizing across the meeting #1 icebreaker responses to the prompt: what is one thing you're hoping to accomplish through participation in this workgroup? Four themes arose across the responses:
 - Gain a clearer understanding of the exemption process.
 - Ensure the program meets exemptions specified in the statute.
 - Understand and develop methods to reimburse end users who paid surcharges on exempt fuels.
 - Find solutions to ensure exemptions are appropriately applied.
- The facilitation team also shared out the summary of results across the Mural board activity from meeting #1, during which workgroup members shared issues or challenges they had experienced, observed, heard about related to fuel exemptions. To summarize across the 105 sticky notes, the facilitation and Ecology team reviewed all the sticky notes, identified and tagged each sticky to one of 17 categories of issues across fuel categories, and then selected the most frequently identified issues. Eight issues clearly rose to the top:
 - Request for interim guidance on agricultural products.
 - Challenges with the combustion of fuel within Washington waters (3 nautical miles from shore)
 - Lack of clarity on the line of sight.
 - Lack of clarity on definitions within the interim guidance.
 - Difficulty determining how to accommodate hauling loads with both exempt and non-exempt products.
 - Lack of clarity on system to reimburse end user when assessed a surcharge for exempt fuels.
 - Challenges when not purchasing fuel in bulk.
 - Difficulty in knowing what information to provide to ECY and how to track the use of exempt fuels.

Understanding the issues and challenges activity:

- The facilitation team led the workgroup members through a breakout room exercise to discuss and better understand six of the issues in greater detail. Two issues identified are being addressed in alternative ways:
 - Request for interim guidance on agricultural products.
 - Ecology has requested feedback on the interim guidance by July 13. Feedback should be sent to ghgreporting@ecy.wa.gov.
 - Challenges with the combustion of fuel within Washington waters (3 nautical miles from shore)
 - This issue relates to maritime and workgroup members will be discuss and address this issue during a later meeting.
- For the remaining six issues, the facilitation team guided the workgroup members in breakout group discussions to better understand the issues and help build a foundation from which to begin identifying solutions. For each of the issue statements workgroup members discussed:
 - Did we get the issue right? If not, how would you change the issue statement?
 - Why is it an issue?
 - Who is it an issue for?
 - How does this issue impact you?
- The facilitation and Ecology team will review and summarize the clarification provided to each issue statement.

Next Steps and Action Items

- The next Fuel Exemptions Workgroup meeting will occur on July 13, 2023, 9:00 – 11:00am both virtually via Zoom or in-person at the Ecology Headquarter Office in Lacey.
- **Action Items:**
 - Facilitation team and Ecology staff will review and summarize comments from the breakout room discussions of each issue statement discussed during meeting #2.
 - Workgroup members review and share comments on the interim guidance for agricultural products by July 13, please send all comments and feedback to ghgreporting@ecy.wa.gov.

Resource and Assistance

- Contact Jihan Grettenberger at Jihan.Grettenberger@ecy.wa.gov or 360-742-1153
- [Fuel Exemptions Workgroup webpage](#)