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# Washington Climate Change Challenge

## Climate Advisory Team

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### **Summary of First Meeting**

Friday, March 30, 1:00 p.m. – 5:00 p.m.

Washington Department of Ecology Headquarters Auditorium

Meeting documents are available on the Washington Climate Change website:

[www.ecy.wa.gov/climatechange/cat\\_documents.htm](http://www.ecy.wa.gov/climatechange/cat_documents.htm)

### **Overview of the Washington Climate Change Challenge**

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Governor Chris Gregoire declared Washington's commitment to address climate change on February 7, 2007, by signing Executive Order No. 07-02. The Executive Order establishes goals for reducing greenhouse gas emissions (GHGs), increasing clean energy jobs, and reducing expenditures on imported fuel. It also specifies objectives for preparing for climate change impacts, coordinating regionally and nationally, and advancing public outreach and awareness. The Executive Order directs the Washington Department of Ecology (Ecology) and Department of Community, Trade and Economic Development (CTED) to lead the Washington Climate Change Challenge, a process that will engage business, community and environmental leaders in considering the full range of policies and strategies that may be adopted to achieve the goals established by Governor Gregoire.

Ecology and CTED have formed the Washington Climate Advisory Team (CAT) to assist with the development of specific action-oriented recommendations for climate change mitigation and GHG reduction policies for Washington. This broad-based group of Washington leaders is charged with developing a comprehensive set of state-level policy recommendations to deliver to Ecology and CTED by January 2008.

### **The Makeup of the Climate Advisory Team**

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As of March 30, 2007, the Climate Advisory Team includes: co-chairs Jay Manning (Ecology) and Juli Wilkerson (CTED); and members Rod Brown (Washington Environmental Council), Reverend Alexander J. Brunett (Archbishop of Seattle), Vicky Carwein (WSU Tri Cities), KC Golden (Climate Solutions), Dennis Hession (City of Spokane), Sara Kendall (Weyerhaeuser), Bill Kidd (BP), Mike Kreidler (Office of the Insurance Commissioner), Dennis McLerran (Puget Sound Clean Air Agency), Kelly Linville, (Washington State Legislature, ex-officio), Bill Messenger (Washington State Labor Council), Debora Moore (Agriculture/Eastern Washington), Larry Paulson (Port of Vancouver), Michael Rawding (Microsoft), Aaron Reardon (Snohomish County), Steve Reynolds (Puget Sound Energy), Rich Riazzi (Chelan County PUD), Mike Rousseau (Alcoa), Doug Sutherland (Department of Natural Resources), Terry Uhling (Simplot), Terry Williams (Tulalip Tribe).

Each caucus of the House and the Senate was invited to name liaisons to the CAT. Rep. Kelli Linville was at the meeting representing the House Democratic Caucus. King County and the City of Seattle were also invited to participate but were not represented at this first meeting.

Project management for the CAT is being provided by Janice Adair (Ecology) and Tony Usibelli (CTED).

## **Meeting Summary**

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The CAT held its first meeting on March 30, 2007, at the Department of Ecology Headquarters Auditorium in Lacey, WA. The meeting was open to the public. All aforementioned members were present at the first meeting except Reverend Alexander J. Brunett, Dennis McLerran (Leslie Stanton, alternate), and Steve Reynolds (Eric Markell, alternate). Members of the public and interested stakeholders in attendance included private citizens and representatives from the Tacoma News Tribune, the Olympian, the Associated Press, the League of Women Voters, General Motors, the Northwest Food Processors Association, the Western States Petroleum Association, City of Everett, Department of Transportation, Department of Natural Resources, Department of Health, Office of the Insurance Commissioner, the Office of the Attorney General, and the Governor's Office.

There were five objectives for the meeting:

1. Establish a common framework and shared expectations for the efforts of the CAT, and bring focus to this work in support of the Washington Climate Change Challenge
2. Provide an introduction to the policy development process, including the structure, schedule, and expectations of the step-wise approach, and the relationship between the CAT and the Technical Working Groups (TWGs)
3. Brief CAT members on the reasons for taking climate change action in Washington State, and the status of accomplishments already taken
4. Develop a common understanding of Washington's climate impacts profile by briefing CAT members on the forthcoming draft Washington Emissions Inventory and Forecast
5. Provide members with the specific details in moving forward with the process

## **Charge to the Climate Advisory Team**

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The co-chairs of the Climate Advisory Team, Juli Wilkerson (Director, CTED) and Jay Manning (Director, Ecology), gave the following charge to the Climate Advisory Team: To formulate a set of recommendations for climate change mitigation that achieve the GHG reduction and clean energy economy goals for Washington state listed in Executive Order 07-02.

The key CAT responsibilities are to:

- Review and approve the state GHG inventory and forecast
- Review and assess recent actions taken in the state and their impacts on goals
- Identify actions to meet 2020 goals for GHG emissions, job creation, and fuel savings
- Evaluate opportunities for regional collaboration
- Identify state lead-by-example opportunities
- Identify ways to coordinate state and local GHG reduction actions
- Inform and involve the public

The CAT will provide a set of recommendations to Ecology and CTED by January 2008.

## Principles and Expectations of the Process

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The focus of the CAT will be to generate specific action-oriented state-level policy recommendations to achieve the goals laid out in the Executive Order; the CAT will neither debate the science of climate change nor revisit the goals. The Executive Order does not establish a hierarchy for the five goals; each must be addressed as equally important by the CAT. The intent of the CAT's recommendations for achieving the goals must be clear, and the CAT must be prepared to explain the ramifications of each recommendation. The CAT will present its recommendations to Ecology and CTED in a document by January of 2008.

The CAT reviewed its charter and ground rules, and emphasized the following key principles of the process:

- **Transparency:** It will be crucial to maintain transparency throughout this process due to the high level of interest in the issues. All materials considered by the CAT and TWGs will be posted to the project website, and all meetings will be open to the public.
- **Inclusiveness:** CAT members are a diverse group chosen to represent a broad spectrum of interests and expertise in Washington. CAT members serve as individuals, not as representatives of their respective sectors. Although it is expected that members will consult with their peers, decision making on the CAT needs to be done by the individual members in order allow the process to keep moving forward.
- **Striving for Consensus:** The CAT will strive for consensus in order to deliver the most powerful collective statement possible. To the extent that consensus cannot be reached on specific proposals, the final report will document the level of member support. At various points during the process it may be necessary for CAT members to vote to express their opinion; the CAT charter details the voting approach.
- **Equality:** All CAT members will have equal footing during deliberations and decisions.
- **Full Participation and Engagement:** It will be crucial for each member to try to attend every meeting and to stay current with all information provided; otherwise, the process will stall and deadlines will not be met.

## The Climate Advisory Team Approach

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### Overview of the Step-Wise Policy Development Process

Tom Peterson and Michael Lazarus of the Center for Climate Strategies (CCS), and Bill Ross of Ross & Associates Environmental Consulting, Ltd. (R&A) gave a brief overview of the step-wise policy development process model that the CAT will use. The step-wise model is a sequential and incremental approach. Once the CAT achieves a certain milestone by consensus or vote it moves to the next step in the process, and participants are asked not to reconsider decisions that have already been made. Sufficient time, information and interaction will be provided to the members between the steps to allow for appropriate and informed decision-making.

### Importance of State Actions in Addressing Climate Change

Michael Lazarus reviewed the importance of state action for addressing climate change. States have an important role to play in the reduction of GHG emissions; 30 of the top 75 emitters of GHG globally are states. States are also often considered to be laboratories for policy innovations, and it is anticipated that Congress will be looking to the states for guidance on this issue. Several states have set targets for absolute GHG tonnage reductions, and CCS has observed that states which enact a planning process to reach their goals experience a remarkable level of success.

CCS has experience conducting similar processes in 14 other states. This process is both necessary and different for each state; due to the unique circumstances facing each state, there is no single list of prescriptive actions that any one state can follow.

### **Key Milestones of the Step-Wise Process**

The CAT will develop its recommendations, in light of the list of actions already undertaken in Washington, by:

- Identifying and prioritizing additional actions, including early action items
- Developing straw proposals
- Quantifying GHG reductions and subsequent costs and savings
- Evaluating externalities such as the co-benefits of job creation and environmental improvements
- Evaluating the feasibility of recommendations for policy action, including barriers to implementation
- Resolving conflicts by identifying the problem and potential alternative approaches

Policy options considered by the CAT will span everything from actions Washington can adopt through legislation and regulation, to efforts at the local level, to options that might influence the national agenda. A living document will be generated over the course of the process consisting of policy option templates. Each template will include a short description of the policy, the policy design, implementation methods, related programs and policies, estimated GHG savings and costs, additional non-GHG benefits and costs as needed, feasibility issues as needed, the status of group approval, the level of group support, and identification of barriers to consensus, if any.

### **Relationship of the Climate Advisory Team and the Technical Working Groups**

The CAT was briefed on the relationship between the CAT and the TWGs, the function and scope of the TWGs, and the role of the TWGs in the overall process. The following points were highlighted in the discussion (additional information is contained in the TWG charter):

- The TWGs will assess actions for achieving the goals laid out in the Executive Order and will serve in an advisory role to the CAT.
- TWGs have been divided into five focus areas as a starting point for deliberations; Agriculture, Energy Supply, Forestry, Residential/Commercial/Industrial, and Transportation. There will inevitably be overlap between certain issues considered by the TWGs, and these will be addressed on a case-by-case basis.
- Each CAT member will be assigned to a TWG, with the understanding that some members will choose to send a delegate.
- CAT members will be on an equal basis with all of the other participants in the TWG, and will not be leading or chairing the TWGs.
- It is vital that CAT members, regardless of personal participation on a TWG, stay up to date on the issues relevant to their TWG. It is the role of the CAT member to help present, support, and explain the position of his or her TWG at the full meetings of the CAT.

A primary planning objective in the Executive Order involves climate adaptation and preparation. Ecology and CTED are managing a parallel process of Preparation/Adaptation Working Groups that will develop recommendations for actions to address impacts of climate change. CCS observed that this is the first time that a state has included preparation and adaptation on "equal footing" in this type of process. While CAT

members will receive updates on this work, adaptation is a separate effort from the focus of the CAT on GHG reductions, clean energy jobs creation and imported fuel reduction.

### **Process Timeline**

The CAT will meet every two months and produce a final report by January 2008. Each TWG will meet at least twice between each CAT meeting. The process is broad and requires a rigorous timeline to accommodate the large amount of analytics required to provide enough information to make decisions. The nature of climate change and the need to seize opportunities where they arise also requires a timeline imbued with urgency.

## **Current “State of Play” of Climate Change for Washington**

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Tony Usibelli (CTED) and Janice Adair (Ecology) briefed CAT members on the status of accomplishments already undertaken to address climate change in Washington, and the reasons to continue to take action.

Washington has already implemented a number of state-wide actions, including updated power plant requirements and the adoption of California’s vehicle emission standards. There are also a number of actions that have taken place under leadership at the local level such as creation and participation in the Cities for Climate™ Protection Campaign, and impressive work carried out by King County, the City of Seattle and the Puget Sound Clean Air Agency, among others. Washington has also been significantly involved on a regional level. In February 2007, Washington was one of five states to sign the Western Climate Action Initiative, which established three policy mandates:

1. Set an overall regional GHG emissions reduction goal within 6 months
2. Design a market-based, multi-sector mechanism, such as a load-based cap and trade program, within 18 months
3. Participate in a multi-state GHG registry

In the Washington State legislature, there are currently several pieces of legislation with potential climate impacts being considered. Since these are continually evolving, they were not specifically reviewed during this meeting. One of the challenges for the CAT will be to quantify these actions if any are enacted into law and incorporate them into the recommendations.

It remains to be determined how the CAT process and the Western Climate Action Initiative process will intersect. This will be an evolving issue that will depend upon the relative progression of the two processes. Given the proposed timing of each effort, it is unlikely that the five-state Western Climate Action Initiative will conclude before the CAT; a goal of the CAT would then be to add value and inform the five-state process through its work for as long as the CAT is active.

While the process to address adaptation and preparation explicitly will only be tangentially connected to the CAT, it will be important for the CAT to understand signs of climate change and incorporate predictions into planning and investment decisions. The impacts of climate change are already beginning to be felt in Washington State. One of the most notable examples described at the meeting is the total disappearance of four glaciers in the Cascade Range, with an additional glacier under threat of imminent disappearance. The CAT was informed that the loss of glaciers, and their ability to feed streams in summer months, has already had an adverse impact on negotiations for certain fish passage agreements, as stakeholders are uncertain of whether there will be enough water in the system to support an agreement.

## **Review of the draft Washington Emissions Inventory and Forecast and Introduction to the Catalog of Potential Climate Emission Reduction Actions**

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### **Draft Emissions Inventory and Forecast**

Tom Peterson and Michael Lazarus of CCS presented a summary of the draft Washington Emissions Inventory and Forecast to provide the CAT with a general understanding of the current emissions profile of Washington State. The Inventory and Forecast that will be used in this process is currently being prepared by CTED, Ecology and CCS, and a draft will be available in mid-April. Using 1990 emissions levels as a baseline, the draft will capture historic and current emission conditions, and forecast emissions through 2020. There are six gases that are critical contributors to global climate change: Carbon Dioxide, Methane, Nitrous Oxide, Hydrofluorocarbons, Perfluorocarbons, and Sulfur Hexafluoride. The Inventory and Forecast has attempted to estimate the emissions of these gases in Washington using guidelines established by the UN and US EPA.

When designing its recommendations, the CAT must also take into account Washington's unique emissions portfolio. Some key elements to Washington's emissions profile include the following:

- Hydropower is the dominant constituent of the energy supply grid in Washington
- Transportation has the largest share of emissions contributions in Washington because of the size of the hydropower output, and is also expected to contribute heavily to future emissions growth
- Since the limitations of hydropower capacity have already been met, future electricity generation could contribute heavily to the amount of future emissions growth, depending on the source of any additional electric energy supply

The TWGs will use the Inventory and Forecast to assess and analyze policy options. CAT members suggested the following additional topics for discussion by the TWGs:

- The potential for carbon sequestration in forest systems
- The potential for carbon sequestration in underwater systems, including vegetation and fish
- Ramifications for net energy supply and demand calculations given the amount of excess energy supply that is shipped out of state

### **Catalog of States' Actions**

CCS will provide a Catalog of States' Actions, which details existing, planned and proposed state-level actions throughout the country with a wide variety of implementation mechanisms. The catalog will serve as an important tool for the CAT and TWGs. The catalog provides a starting place for the CAT to identify priorities and to add new potential actions for Washington State. The CAT is not limited to the catalog and an important first step for the TWGs and the CAT will be to decide if any actions not in the catalog should be analyzed for possible recommendation by the CAT.

## **Summary and Next Steps**

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### **Notes on Meeting Schedule and Participation**

The meeting schedule will be finalized and sent to CAT members within the next two weeks. The compressed timeline for this process will inevitably lead to scheduling conflicts; however, CAT members are expected to make a good faith effort to accommodate the meeting schedule since consistent participation by all will be necessary to work through the process and deliver a comprehensive and powerful set of recommendations.

### **TWG Assignments and Status**

CAT members were given a list of their preliminary TWG assignments at the conclusion of the meeting. The TWGs will generally be limited to 10–15 participants; hence, participation in the TWGs may not be open to all interested parties in order to keep the groups at a manageable size. Final CAT member TWG assignments will be completed by the first week of April.

The next CAT meeting has been tentatively scheduled for June 5<sup>th</sup> in Spokane, WA.

### **Public Comment**

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One individual made a comment to the CAT at the conclusion of the meeting.

Donna Ewing of the League of Women Voters emphasized the importance of following the benchmarks that have been set, and requested that the CAT keep the public informed. She noted that the public is ready to act on this issue and is looking for guidance.

The meeting adjourned at 5:00 pm.

## Document Appendix

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The following materials were distributed to CAT members at the meeting (these materials can also be found on the Washington Climate Change website and at the links provided below).

Executive Order 07-02, the Washington Climate Change Challenge

([www.governor.wa.gov/execorders/eo\\_07-02.pdf](http://www.governor.wa.gov/execorders/eo_07-02.pdf))

Washington Climate Change Challenge Policy Brief, Office of the Governor

([www.governor.wa.gov/priorities/environment/climate\\_brief.pdf](http://www.governor.wa.gov/priorities/environment/climate_brief.pdf))

March 30, 2007 CAT Meeting Agenda

([www.ecy.wa.gov/climatechange/docs/cat20070327agenda.doc](http://www.ecy.wa.gov/climatechange/docs/cat20070327agenda.doc))

March 30, 2007 CAT Meeting Presentation

([www.ecy.wa.gov/climatechange/docs/cat20070330mtg1\\_presentation.ppt](http://www.ecy.wa.gov/climatechange/docs/cat20070330mtg1_presentation.ppt))

Washington CAT Charter

([www.ecy.wa.gov/climatechange/docs/cat20070327charter.doc](http://www.ecy.wa.gov/climatechange/docs/cat20070327charter.doc))

Washington CAT Ground Rules

([www.ecy.wa.gov/climatechange/docs/CAT20070327GroundRules.doc](http://www.ecy.wa.gov/climatechange/docs/CAT20070327GroundRules.doc))

Washington TWG Charter

([www.ecy.wa.gov/climatechange/docs/TWG20070327charter.doc](http://www.ecy.wa.gov/climatechange/docs/TWG20070327charter.doc))

Work Plan Memo for the Washington CAT

([www.ecy.wa.gov/climatechange/docs/cat20070402workplan.doc](http://www.ecy.wa.gov/climatechange/docs/cat20070402workplan.doc))

Washington Climate Change Challenge Flow Chart

([www.ecy.wa.gov/climatechange/docs/2007marccflowchart.pdf](http://www.ecy.wa.gov/climatechange/docs/2007marccflowchart.pdf))

Western Regional Climate Action Initiative

([www.governor.wa.gov/news/2007-02-26\\_WesternClimateAgreementFinal.pdf](http://www.governor.wa.gov/news/2007-02-26_WesternClimateAgreementFinal.pdf))

Climate Change 101, Understanding and Responding to Global Climate Change:

A report from the PEW Center on Global Climate Change.

([www.pewclimate.org/global-warming-basics/climate\\_change\\_101](http://www.pewclimate.org/global-warming-basics/climate_change_101))

Impacts of Climate Change on Washington's Economy, A Preliminary Assessment of Risks and Opportunities, November 2006, Departments of Ecology and CTED.

([www.ecy.wa.gov/pubs/0701010.pdf](http://www.ecy.wa.gov/pubs/0701010.pdf))