

ENGROSSED SUBSTITUTE SENATE BILL 6001

Mitigating the impacts of climate change

PROGRAM IMPACTS

This bill establishes greenhouse gas (GHG) emissions and economic development goals of the Governor's Executive Order 07-02 (Washington Climate Change Challenge) in statute. The bill requires Ecology and the Department of Community, Trade and Economic Development to establish by December 2007 a formal GHG emissions baseline from 1990 and to report statewide GHG emissions every two years starting in 2010.

The Governor is charged with submitting recommendations to the Legislature about how the state can achieve the greenhouse gas emission reduction goals contained in the statute. The recommendations will be developed through the Executive Order 07-02 process conducted by the Departments of Ecology and Community, Trade and Economic Development (CTED).

Ecology is responsible for writing a regulation to enforce a new greenhouse gas emissions performance standard for long-term power generation. The regulation includes developing evaluation criteria for projects that choose carbon sequestration as a GHG mitigation option. The regulation is to be completed by June 30, 2008 - an extremely fast track for a complex, potentially contentious rule.

RESOURCE IMPACTS

Ecology will use existing resources to establish the 1990 GHG emissions baseline and report statewide GHG emissions. Ecology received an FTE and funding in 2006 to conduct regular GHG emission inventories.

Developing recommendations to reduce GHG emissions from various sectors of the economy and increase clean energy jobs was not funded through appropriations related to ESSB 6001. Funding to conduct the evaluation of GHG reduction strategies was appropriated to CTED through E2SHB 1303. Pass-through funding from CTED is expected in the amount of \$488,000 for the costs of consultants, public meetings, travel, and public education and outreach.

Ecology received \$600,000 in the 2007-09 biennium operating budget for writing the rule(s) to enforce the new greenhouse gas emission performance standard for long-term power generation. New staffing, hiring consultants, and reassigning existing staff from other duties will be required to meet the ambitious timelines of the legislation. Other scheduled air quality program rule development work may be postponed indefinitely while this work takes priority.

WORK PLAN

Climate Advisory Team (CAT) Process

A formal, statewide stakeholder process, called the Climate Advisory Team (CAT), is underway to solicit ideas, evaluate emission reduction potential, develop priorities, and make recommendations to reduce sector-by-sector emissions in order to achieve the goals contained in both the Governor's Executive Order and ESSB 6001. A broad range of representatives of government, business, and environmental organizations are participants in a highly rigorous process. The full CAT process and work plan can be found at:

http://www.ecy.wa.gov/climatechange/cat_overview.htm

Recommendations are expected to be submitted to the Governor prior to the start of the 2008 Legislative Session.

Ecology has advertised internally a short-term project position to assist with staffing the CAT process and evaluate potential 2008 legislation.

GHG Emissions Performance Standard Regulation

Because of the ambitious timeline to complete this rule, work has already begun. The CR 101, which announces Ecology's intent to proceed with rule making, will be filed in July 2007. A rule advisory committee, composed of interested groups (to include the independent energy producers sector, the publicly-owned electrical energy sector, the various environmental community members, and electricity rate payers) is being formed to help with drafting rule language. A consultant will be hired in July to assist Ecology with the technical aspects of geologic sequestration. The CR 102, which sets out the proposed rule language for public comment, is expected to be filed January 2008. Final adoption of the rule will occur on or before June 30, 2008.

Four to six staff members from Ecology's air quality program are expected to participate in the rule development effort. This will include two experienced, full-time rule writers with the balance of staff providing necessary support. Additional project rule writers will likely be engaged to help alleviate the backlog of rule development work that will be created by the re-deployment of staff to this effort.

Contact person(s):

Climate Advisory Team process:

Janice Adair, Special Assistant to Director, 360/407-0291; jada461@ecy.wa.gov

GHG Performance Standard rule and Emission Inventory reporting:

Tom Todd, Air Quality Program, 360/407-6823; sare461@ecy.wa.gov