

**ESSB 6001 Stakeholder Committee  
 October 2, 2007 Meeting  
 Decision Matrix:  
 Other Forms of Sequestration  
 Contents of a Sequestration Plan**

Issue	What concerns are there (e.g. with current law)?	What approaches should be considered?	What is the reflected opinion (recommendation) of the committee?	What complicating factors (or minority opinions) are there?
<p><b>Sec. 5</b> (11) In adopting the rules for implementing this section, the energy facility site evaluation council and the department shall include criteria to be applied in evaluating the carbon sequestration plan, for baseload electric generation that will rely on subsection (7) of this section to demonstrate compliance, but that will commence sequestration after the date that electricity is first produced. The rules shall include but not be limited to:            (a) Provisions for financial assurances, as a condition of plant operation, sufficient to ensure successful implementation of the carbon sequestration plan, including construction and operation of necessary equipment, and any other significant costs;</p>				
Is a corporate net worth sufficient?	<ul style="list-style-type: none"> <li>- Site can be maintained and restored.</li> <li>- need more than corporate net worth</li> <li>- EFSEC and DOE have oversight to shut down</li> </ul>	<ul style="list-style-type: none"> <li>- EFSEC rule 463.72.020(2)</li> </ul>	<ul style="list-style-type: none"> <li>- necessary but not sufficient</li> <li>- equivalent for publicly owned facilities</li> </ul>	
Should a bond be required?		<ul style="list-style-type: none"> <li>- letter of credit instead of a bond</li> <li>- dependent on project, owner, history of company</li> </ul>		
Do we need a list of what other significant costs might be?	<ul style="list-style-type: none"> <li>- cost of technology</li> <li>- financial backing to insure that you have the equipment to sequester carbon (main finances are with capture not injection)</li> </ul>			

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Other suggestions				<ul style="list-style-type: none"> <li>- added expense</li> <li>- liability</li> </ul>
(b) Provisions for geological or other approved sequestration commencing within five years of plant operation, including full and sufficient technical documentation to support the planned sequestration;				
What elements of a plan constitute a full and sufficient technical documentation?	<ul style="list-style-type: none"> <li>- site specific</li> </ul>	<ul style="list-style-type: none"> <li>- consider UIC</li> <li>- technically viable and certifiable</li> <li>- safe, reliable(based on identified set of rules) and permanent</li> <li>- design of facility</li> <li>- labor pool</li> <li>- financial cost for designing a proposal is minimal</li> </ul>		
Must mention the definition of permanent.				
Require studies (site specific pilot studies, concept papers that show it worked in the lab, etc.?) that show the technology will work.	<ul style="list-style-type: none"> <li>- cost of proposal may inhibit participation</li> </ul>			
How to make a legally binding requirement in the situation where there is a new financial				

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interest but no NSR triggering action?				
Does the rule need generic language that could apply to any type of sequestration or just text applicable to geologic sequestration.? i.e. should requirement be general at this time to allow for improvements and future modifications to monitoring effectiveness or be prescriptive in methods from the start?				
More?				
<b>(c) Provisions for monitoring the effectiveness of the implementation of the sequestration plan;</b>				
How do we determine what is needed for a monitoring plan for various types of sequestration?				
<b>(d) Penalties for failure to achieve implementation of the plan on schedule;</b>				
What is the most effective penalty for failure to implement: Financial penalty	- ECY needs to resolve legal issues, for example does Clean Air Act apply.	<ul style="list-style-type: none"> <li>- Closure</li> <li>- Consider severity of error</li> </ul>		

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(\$'s/day/ton?) closure of plant till implemented or ?				
In the event that a source misses the annual sequestration requirement, should we require a commensurate number of additional tons of sequestration the next year.				
Do we require a financial penalty for missing required sequestration - do we have the authority to require a penalty?				
<b>(e) Provisions for an owner to purchase emissions reductions in the event of the failure of a sequestration plan under subsection (13) of this section; and</b>				
Is this needed in our rule? Or is it designed for PMEC to opt out in case of failure to be able to implement sequestration.				
Who would be a suitable entity to purchase from? Do we need to categorize the sources we trust				

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(f) Provisions for public notice and comment on the carbon sequestration plan.				
What is needed beyond what already exists in ECY and EFSECC rules? Would a simple reference to existing requirements be needed? Why would more involved or elaborate public involvement be required?				
Make the plan available for public inspection				
Newspaper publication of availability of plan for inspection?				
Public meeting or hearing required?				
Comments collected and responses published?				
Any more?				
(12)(a) Except as provided in (b) of this subsection as part of its role enforcing the greenhouse gases emissions performance standard the department shall determine whether sequestration or a plan for sequestration will provide safe reliable and permanent protection against the greenhouse gases entering the atmosphere from the power plant and all ancillary facilities.				
Requirement for submission of plan?				

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When should the plan be submitted?	<ul style="list-style-type: none"> <li>- Full technical description for CO2 sequestration should not be required at permitting process.</li> <li>- What if plant is sold? Do you begin 5 years again?</li> </ul>			
If it meets the requirements in <b>Sec 5.</b> (11)(b) and (c), is that sufficient?				