

Greenhouse Gas Reporting Rule Advisory Committee
Meeting Notes for August 25, 2008
(First Meeting)

Location: London Room, SeaTac Airport

Time: 9:00 AM – 11:45 PM

Meeting Objectives:

- Meet each other & understand the statutory charge and roles of the advisory committee and Ecology staff.
- Set the stage for how we will communicate and work together.
- Review and comment on draft work plan and meeting schedule.
- Identify initial interests/concerns of advisory committee members.

Advisory Committee Members Present:

Dave Moore (Boeing), Rebecca K. Cate (Climate Solutions), Janet Benish (Costco Wholesale), Shane Skinner (Enterprise Rental Car), Pamela Barrow (NW Food Processors Association), Allan Jones (Office of Superintendent of Public Instruction), Russ Simonson (Port of Seattle); Danielle Stuart (TransAlta), Rick Jordan (United Parcel Service), Debbie Gaetz (WA Construction Industry Council), Brian Bazard (WA Department of General Administration), Greg Hansen (WA Department of Transportation), Brad Lovaas (WA Refuse & Recycling Association), Peter Thein (WA State Transit Association), Ken Johnson (Weyerhaeuser), Matt Cohen (WSPA, ALCOA, Nucor Steel).

Staff Members Present:

Nancy Pritchett (Ecology), Sarah Rees (Ecology), Alan Newman (Ecology), Neil Caudill (Ecology), Kay Shirley (Assistant Attorney General).

Observers Present:

Jack Anderson (Clark Public Utilities), Dean Sutherland (Clark Public Utilities), Jack Stamper (Clark Public Utilities), Dave Richards (Community Transit), Dan Coyne (Coyne, Jesernig, LLC), Brad Hawkins (Douglas County PUD), Linda VanMoory (Kane Environmental), Matt Kuharic (King County), Lynn Billington (Northwest Clean Air Agency), Nancy Atwood (PSE), Keith Faretra (PSE), Corinne Grande (Seattle City Light), Allen Mitchell (Snohomish County), Tom Payant (Snohomish PUD), Vicki Austin (WA Refuse & Recycling Association and WPUDA & Hampton, etc.) Kent Lopez (WRECA), Frank E. Homes (Western States Petroleum Association)

Facilitator: Bonnie Snedeker

Getting Started

(9:00)

The meeting started with a welcome and overview of the advisory committee purpose by Sarah Rees and brief self-introductions by committee members, staff and facilitator – as well as identification of others attending the meeting.

Advisory Committee Charge

(9:20)

Sarah Rees presented a short PowerPoint overview of the project. Basic information on HB 2815, emissions, procedure, thresholds, additional requirements, verification and compatibility with other protocols was given. *The PowerPoint presentation has been included in the advisory committee member binders and is available on the website.*

Key Questions & Answers:

Q: *What is the desired role of the advisory committee?*

A: Ecology is looking for advice and input for drafting the reporting rule – especially on what is easy or hard for reporting entities to accomplish (e.g. fuel use as a method of calculating fleet emissions) Ecology understands there will be disagreements and does not expect consensus on all issues. Ecology will be responsible for drafting and submitting the rule.

Q: *What is the timing and schedule for the rule development/adoption process? How does that fit with the requirements for reporting?*

A: The law requires 2009 emissions to be reported, starting in 2010. The advisory Committee will work until February 2009 to provide input and recommendations. Ecology's goal is to have a draft rule by Spring 2009, when CR-102 will be published in the State Register, with public hearings and opportunity for public comment. The final rule adoption will be Summer 2009.

Q: *How many facilities in Washington meet the 10,000 mtCO₂e threshold?*

A: We are still in the early process of estimating. Preliminary estimate is that 250-500 facilities will be required to report at the 10,000 threshold. Approximately 150-250 reporters are estimated to be over 25,000 mtCO₂e.

Q: *What will be the method of calculating emissions for fleets?*

A: Ecology is still early in the process of determining that, but it is likely that gallons of fuel with a conversion factor will be a permitted calculation method.

Q: *What will be the report frequency? Annual or Quarterly?*

A: Annual

Q: *How will boundaries be determined? Operational control vs. ownership? Entity vs. facility?*

A: The statute states source or combination of sources which means reporting at the *entity* level. Boundaries will likely be determined by *ownership*.

Q: *What are the reporting boundaries – state lines or national/international?*

A: This rule is for emissions in Washington State – out of state emissions will not count towards the threshold.

Q: *Is current participation in voluntary reporting protocols factored in?*

A: This rule is about mandatory reporting and everyone who meets the threshold will be required to be in compliance. Entities would be able to continue extra voluntary reporting if they wished.

Q: *What state agencies will be required to report? How are they represented on the Advisory Committee?*

A: It looks like Ecology will be required to report as well as several other state agencies. The advisory committee had to be limited to make it functional, not everyone could be invited.

Meeting Protocols, Communication & Decision-making Process (10:00)

Bonnie Snedeker presented her facilitator guidelines for successful group process and asked for help in achieving the following:

- **Full Participation:** Creating time and space for everyone to provide input. Each person shares their own ideas, as well as staying alert – listening and thinking.
- **Shared Knowledge/Understanding:** It takes time to create a common knowledge base and shared language. Dig deeper, ask questions be prepared to explain.
- **Expanding and Narrowing:** This is not a linear process. We'll use tools to generate ideas and options – then to sort, assess and prioritize.
- **Convergence/Agreement:** We will always be looking for common themes and things we can agree upon and support.
- **Divergence/Disagreement:** This will also be important to identify and explore. Some issues may be resolved; others may not.
- **Stay on Track:** A major role for the facilitator. We have an ambitious schedule. Can't afford to get mired down. Hopefully the whole group will help with this.
- **Create a Base for Action:** Keep the end goal and product in mind. Use this process to create useful recommendations/input for an effective reporting rule.

There will be a variety of information tools to help advisory committee members stay informed and communicate, including: expert presentations at meetings, background information – posted electronically on the website and (in some cases) hard copies for the binders; meeting agendas and meeting notes, etc. It can be useful to send an alternate if you are going to miss a meeting. You can communicate directly with project staff via phone or email; Nancy Pritchett is the key contact at Ecology. Contact information for advisory committee members, Ecology staff and the facilitator is provided in the binder. There may be opportunities to work on some issues outside the meeting – electronically or through ad hoc groups.

One concern voiced by committee members was how to communicate with organizations that will be affected by the reporting rule but are not on the advisory committee. Ecology

staff emphasized that all meetings will be public – so anyone is welcome to attend and stay informed. Observers will get some opportunities to provide input during the meetings, and they are welcome to review materials on the website.

Developing the Work Plan & Schedule

(10:45)

Nancy Pritchett went over the draft work plan and gave a brief overview for each of the main topics identified by staff. (*The Draft Work Plan is included in the binder.*) Advisory committee members were invited to share their ideas about possible additional topics and meeting schedule.

The primary concern expressed was the issues of adopting a rule that will not be out until mid 2009, when provisions/systems for tracking 2009 emissions data will need to be developed and in place by January 2009 – for reporting in 2010. Ecology staff made it clear that they hear and share the groups' concerns, but are limited in their ability to respond by the statute and the rule adoption process under the Administrative Procedure Act. They pledged to do the best they can to reach out, communicate and develop draft materials in a timely way. Ecology does not plan to ask the legislature to delay the reporting schedule.

Given those circumstances, committee members stressed the need for early focus and guidance on key issues regarding who must report, what must be reported and how reporting and verification will be structured.

Process and scheduling suggestions included the following:

- Focus advisory committee meetings first on those issues that most need discussion and input, including de minimus and verification.
- As much as possible (without precluding meaningful input), provide the advisory committee with concrete examples, options and specific draft language in order to focus discussion and speed the development of draft rule provisions.
- Keep the number of meetings to a minimum. Longer sessions are better than additional meetings.
- Set the full meeting schedule well in advance – so people can plan ahead and make calendar adjustments where possible.
- Use the meeting time well. Get information out in advance (staff) and review it ahead of the meetings (members). Keep yourself informed and stay up to date.

The idea of splitting into two subcommittees – one for fleets and one for stationary sources – was proposed but not accepted. An alternative idea was to use public fleet meetings (that are already being held every few months) as a forum for discussing and publicizing the rule.

Identifying Primary Interests/Driving Considerations (11:00)

Members were asked to disclose what matters most to them in terms of issues and desired outcomes of the rule making advisory process. Following individual input by each of the committee members, observers were invited to state their interests or concerns. Initial interests and concerns fit into the following major categories:

- Timeline for implementation
- Clarity – as early as possible on reporting entities, thresholds, and data needs.
- Simplicity and Feasibility – for various reporting entities, especially fleets.
- Consistency – with other existing and evolving reporting systems.
- Verification – “real” but not overwhelming.
- Implementation Support & Guidance.
- Use Experience – and allow for learning curve and adjustments over time.
- Fairness and Accuracy

(A more complete summary of Initial Interests and Concerns is available as a separate document.)

Next Steps (11:25)

- Meeting #2 is scheduled for Monday, September 15, 9:00 AM to 4:00 PM in the London Room, SeaTac Airport.
- Agenda topics for Meeting 2 are listed in the draft work plan. A Meeting 2 Agenda will be available in advance – along with informational materials, as identified by email and posted on the web-site.
- Ecology is working on scheduling the other meetings, and will communicate with advisory committee members as soon as this information is available. The goal is to have all meetings scheduled before the next meeting.

Meeting Conclusion (11:45)