

Washington State Department of Ecology

Stakeholder Involvement Meeting Notes

Nippon Paper USA Co.
Friday, October 26, 2007
6:30-9:30 pm

- I. Welcome and Introductions
 - 1) Ecology
 - 2) Earth Economics
 - 3) Nippon Paper USA

- II. Overview of agenda

- III. Current mill activities
 - 1) Nippon Paper USA presentation by Harold Norlund
 - i) Owned by Japan
 - ii) Product
 - iii) History
 - iv) Sales, labor, salary and benefits
 - v) Nippon's papermaking process
 - vi) Environmental leadership
 - (a) Greenhouse gas reductions
 - (b) Steam reductions
 - (c) Oil consumption reductions
 - (d) SO2 reductions
 - (e) Particulate reductions
 - (f) Upcoming ISO 14001 certification audit
 - (g) Elwha Dam removal participation
 - (h) Use of recycled fiber
 - (i) No boreal, old growth, or rain forest fiber
 - (j) No water or air permit violations
 - (k) No outstanding environmental issues

- IV. Introduction of the project
 - 1) What is it?
 - i) A comprehensive analysis of an industrial facility's impact on the community, along the lines of a version of a 360 degree management review
 - ii) An analysis in the form of a scoring system for the Pulp and Paper industry
 - iii) In line with other "beyond compliance" work Ecology is doing to bring Washington state toward sustainability.
 - 2) An analysis of another sector is planned

- i) We have been contacted by and discussed the opportunity with Glacier NW, a concrete/asphalt/aggregate company
 - 3) Energy Challenge
 - i) Initially was just going to look at electricity usage, but is now going to be a carbon footprint analysis
 - 4) Final Report
 - i) Will include recommendations for future efforts utilizing the information that we learn and the analysis we create
 - 5) Budget
 - i) Total budget is \$254,265 with \$182,105 of that amount funded by an EPA grant and \$72,160 funded by Ecology. Of the total amount, the consultant team contract is \$100,000.
 - 6) Milestones
 - 7) Web page
 - i) Contains background information, information on other participating mills, most recent quarterly reports to EPA and the full milestone chart
 - ii) Easiest way to get to the page is to go to the Ecology homepage. We are highlighted under the “Spotlight” section.
 - iii) Survey will be online October 31, 2007 at 5:00 p.m.
- V. General question and answer session
- i) Question: What is a 360 degree review?
 - (a) It is a full review from all angles of a job, and it can grow to be too cumbersome if not done correctly. We are mimicking this process, as it will get input from social, economic, and environmental interests expressed by the stakeholders. We are attracting public stakeholders using news releases, ads, and the web page.
 - ii) Question: What is the “tool”? What will it do?
 - (a) The tool will take data and put it into a spreadsheet to give us a number with which to give a measurement of sustainability. The footprint may not shrink uniformly, it may shift. Ecology will be doing both individual facility footprint measurements, but also a sector analysis. We want to show a reduction by our efforts or need to know where we can best put our resources, while putting industry beyond compliance, toward sustainability. The mills want to be sustainable because it is not only good for business, but also good for the environment.
 - iii) Question: How does economics and social goodness mesh with Ecology’s regulatory mission? This project looks beyond just law?
 - (a) We want to keep businesses in WA, for the economy and the community, while protecting the environment. Looking/working beyond the law allows Ecology and industry to make future investments that are beyond compliance and are sustainable practices.
 - iv) Question: So Ecology’s role is to assist industry in being sustainable? Sustainable for what? I want my State agency (Ecology) to be ensuring that

regulatory compliance is being met, not on how well industry is taking care of the community.

- (a) Ecology wants to do better work, for the environment and communities. That means meeting two needs. We are looking at the whole picture. We want to measure success and sustainability holistically. A balanced definition of what would measure that includes both the environment and the community.

VI. Participation in indicator development

1) Description on indicator concept and examples

i) The indicators are groups or sets of impacts that the mill has, socially, environmentally and economically. We are going to come up with big picture concepts that are indicators, but we need to break those down into measurable pieces.

ii) Examples from the group:

- (a) Local children seeing the mill as a positive place of employment for them in the future (survey) – Social
- (b) The mill seen as an example of sustainable to local business and other industry (survey) – Social
- (c) How much down time does the mill have (affect on jobs and economy of the community)? – Economic
- (d) Level of education of mill employees.
- (e) Are the mill workers local or hired from outside the community?

iii) Examples of moving from ideas (qualitative) to *measurable* (quantitative) indicators:

- (a) Social – for assessment of how well mill performance meets needs of employees/community, a potential indicator would be percentage of stakeholders “satisfied” with performance;
- (b) Environmental – for evaluating the extent to which mill performance contributes to global climate change, a potential indicator would be total carbon emissions/footprint.
- (c) Economic – for determining the extent to which the mill helps to build the local economy, a potential indicator would be the number of local jobs provided.
- (d) For each of these three categories there are many other possible areas of assessment or analysis, each standing as a *set* of several potential indicators (e.g. for example C above another indicator in the set might be % of supply chain from local sources).

2) Task clarification and discussion

i) Question: Would you define an indicator? What role are participants supposed to play – operator of the mill?

- (a) We want to know what is important to you personally, as yourself. We want for you to answer this question: What is important to you in order to have the mill and your community become more sustainable?

- ii) Question: How are we defining sustainability? Is the baseline of defining success and sustainability? A non-industrial lifestyle? The town without a mill?
 - (a) Answer: We are creating this tool in present day, with the presence of the mill in the Port Angeles community. The indicators will define the footprint of the mill.
- iii) Question: Are you looking for suggestions on how to improve the mill?
 - (a) Yes, and we want to define what improvement means to you through the indicators you suggest. In providing the benefit of paper, we want the benefit to be as good as it can be for both the environment and the community the paper is made in.
- iv) Question: How do people who are out in the community and are not attending this meeting able to give comments?
 - (a) News releases, the online survey, and a second meeting in Spring 2008.

- 3) Small group brainstorming (see Appendix A below for brainstorm results).
 - i) Social Indicators
 - ii) Environmental Indicators
 - iii) Economic Indicators
- 4) Report back to large group

VII. Presentation of the Industrial Footprint Project's draft indicator list created by collaboration between Ecology and Earth Economics.

VIII. Break

IX. Collaborative preference ranking of indicators

- 1) This portion of the event provided an opportunity to review the combined list of indicators including both the indicators brainstormed by stakeholders earlier in the agenda and the draft indicator list prepared by the Department of Ecology in discussion with mill representatives and the Earth Economics consultants. Participants were each provided with six (6) dot stickers, two (2) for each indicator category (social, environmental, economic) that were then applied to those indicators that each stakeholder felt was most important for reporting (see Appendix A below for combined list of indicators with rankings noted). Stakeholder participants were asked not to place more than one dot per indicator.
 - i) Comment: It would be valuable to have the dots tell which category of stakeholder is placing it (for example: mill employee or community citizen). There are a lot of people present at this meeting who are mill employees, and that makes the dot ranking biased toward the interests of the mill, economics.
 - ii) Comment: Don't do the dot ranking. Just by coming and making suggestions, the preferences of those present have been stated.
 - (a) From Ecology to the group: We want all voices to be heard, and we all have a bias about the mill. Just because an indicator doesn't receive a dot sticker, doesn't mean it won't be included in the tool as

an indicator. Of all of the indicators presented tonight, we would like to know which are of the most importance to this community, which includes those who work at the mill. Realizing that the other groups at their stakeholder meetings have done this dot ranking process, if we as a group decide not to do it, will this project be transparent?

(a) Answer from the group: No, the project will not be as transparent as it would be if all of the stakeholder groups had done the dot ranking process.

iii) Comment: There are currently 18 potential participants for the dot ranking in the room. 9 of these represent the mill in some way and 9 do not.

iv) Comment: The stakeholders have come here tonight and bought into this effort. Let those who would like to do the dot ranking process do it and those who don't opt out.

(a) That will also bias the process.

2) Dot ranking took place

X. Summary and conclusion

1) Reviewed progress of the evening.

i) Suggestion: Don't have the next meeting on a Friday night. Any other night of the week is alright except for Friday, Saturday, or Sunday.

XI. Thanks and closing

For more information, the latest project updates and links to our online survey or to contact project representatives, please visit the Industrial Footprint project page on the Washington State Department of Ecology web site:

<http://www.ecy.wa.gov/programs/swfa/industrial/IndFootprint.html>

Appendix A – Combined Indicator List (Draft List and Stakeholder Brainstorm)

The following indicator data represents indicators from (a) the Industrial Footprint Project draft indicator list, and (b) stakeholder brainstorming at the Gray’s Harbor LP Paper Mill event. Indicators have been sorted first by these two sources, then by indicatory category, noted “SOC” for social, “ENV” for environmental and “ECO” for economic. Indicator sets were not noted by stakeholders in every case, as is the case for indicators from the draft indicator list. Further stages of data analysis and integration will include development of an indicator set typology.

The rank column values denote the number of participants who place a high level of importance on a particular indicator through the dot ranking process described in stakeholder involvement meeting minutes; as such, higher numbers indicate a greater level of importance from the a general stakeholder perspective. In total, environmental indicators were most commonly noted for importance with 36 instances of stakeholder ranking, social following with 32 instances and economic with 31 instances of stakeholders noting importance of specific indicators.

Source	Rank	Category	Set	Indicator
stakeholders		SOC		mill employees participating in community events (e.g. Dream Playground)
stakeholders	4	SOC		contributions for betterment of community
stakeholders	1	SOC		use of local Port Angeles businesses
stakeholders		SOC		safety - programs that make employees safer outside mill
stakeholders	1	SOC		health and wellness programs (stress reduction, YMCA participation)
stakeholders	2	SOC		sense of security from employment
stakeholders		SOC		involvement of mill employees in community government
stakeholders		SOC		community involvement
stakeholders		SOC		community awareness of mill
stakeholders	2	SOC		mill involvement with schools/youth activities
stakeholders		SOC		field trips - learn about process/work opportunities
stakeholders	1	SOC		social stigma/perception
stakeholders		SOC		location - use of property (shoreline management)
stakeholders	1	SOC		charitable contributions
stakeholders		SOC		visual aesthetics
stakeholders		SOC		noise/odor nuisances
stakeholders	1	SOC		perception of "green" operations
stakeholders		SOC		example/leadership to other businesses
stakeholders	1	SOC		diversity of skill sets employed (professionals, trades)
stakeholders		SOC		demographics (women, minorities, seniors,)
stakeholders		SOC		family-friendly workplace policies
stakeholders		SOC		health and wellness
stakeholders	1	SOC		impacts on traffic/infrastructure
stakeholders		SOC		living wage
stakeholders	1	SOC		job satisfaction
stakeholders		SOC		accessibility of discovery trail
stakeholders	1	SOC		recycling
stakeholders		SOC		employee assistance program
stakeholders		SOC		zero tolerance drug use
stakeholders	1	SOC		environmental justice
stakeholders		SOC		scholarships
stakeholders	1	SOC		volunteer index
stakeholders		SOC		community leader index

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stakeholders		SOC		community health (physical)
stakeholders		SOC		quality of life
stakeholders	3	SOC		school support and educational enhancement
stakeholders	1	SOC		% of mill jobs that can be met with local education
stakeholders		SOC		foster/support diversity (better or worse than average?)
stakeholders	3	SOC		% of jobs that are at a living age (considering family, maternity/paternity leave, family leave)
stakeholders		SOC		flourishing art community (festival sponsorship)
stakeholders		SOC		drug abuse/rehabilitation programs
stakeholders		SOC		non-smoking programs
stakeholders	1	SOC		physical environment of the mill not a deterrent (trees, trails, cleanliness, painted)
stakeholders		SOC		mill built in the 20's still operating successfully
stakeholders		SOC		good jobs may lead to better jobs for the kids
stakeholders	1	SOC		mill fosters an environmental of family stability
stakeholders		SOC		visible entity as an industry partly defines the community
stakeholders		SOC		good union/management relations
stakeholders		SOC		no major labor strife
stakeholders		SOC		how the mill hires/treats employees
stakeholders		SOC		mill employees get involved in community in leadership roles
stakeholders		ENV	Local residential area	odors
stakeholders		ENV	Local residential area	noise
stakeholders		ENV	Local residential area	lighting (beneficial)
stakeholders		ENV		regulatory compliance
stakeholders		ENV		water consumption
stakeholders		ENV		harbor impacts (past)
stakeholders		ENV		effluent impacts
stakeholders		ENV		recycling
stakeholders		ENV		truck traffic (in/out)
stakeholders		ENV		air emissions (steam/particles)
stakeholders		ENV		amount of community education (relative to the above)
stakeholders	2	ENV		resources consumed
stakeholders		ENV		Elwha dam removal - impacts on mill and resources
stakeholders		ENV		air pollution
stakeholders		ENV		water pollution
stakeholders		ENV		shoreline armoring
stakeholders		ENV		marine life impediment
stakeholders		ENV		habitat
stakeholders		ENV		green products (bamboo, citrus soap)
stakeholders	4	ENV		embodied energy per product
stakeholders	1	ENV		% of recycling (goal 100%)
stakeholders	1	ENV		waste (goal 0)
stakeholders		ENV		light pollution/visual impacts
stakeholders		ENV		aesthetics
stakeholders		ENV		noise pollution (time of day, volume, duration)
stakeholders	1	ENV		landfill operations/contributions
stakeholders		ENV		car/vehicle use (encourage carpooling)
stakeholders		ENV		distance raw product travels
stakeholders	1	ENV		recycled content of products
stakeholders	3	ENV		sustainability of source material

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stakeholders		ENV	carbon credits
stakeholders	1	ENV	output greenhouse gases
stakeholders		ENV	particulate emissions
stakeholders		ENV	water use/consumption
stakeholders		ENV	source of water
stakeholders		ENV	evaluation of infrastructure
stakeholders		ENV	compact fluorescent lights
stakeholders		ENV	timers for light
stakeholders		ENV	effects of fluoridated water on product
stakeholders	1	ENV	land area needed to produce product
stakeholders		ENV	mechanical pulping vs. chemical
stakeholders		ENV	amount of chemicals used/released
stakeholders	1	ENV	amount of new virgin fiber
stakeholders		ENV	amount of recycled fiber
stakeholders		ENV	source of clay
stakeholders		ENV	sources of chips and raw materials
stakeholders		ENV	transportation footprint (trucks in/out, rail/barge fuel burn)
stakeholders		ENV	#/types of permits
stakeholders		ENV	commuter miles
stakeholders		ENV	total emissions
stakeholders	1	ENV	% below emissions targets
stakeholders		ENV	sources of fuel (hog,oil)
stakeholders		ENV	impact on animals, habitat, marine
stakeholders		ENV	safe storage
stakeholders		ENV	% of materials used that are dangerous
stakeholders		ENV	spill response/preparedness
stakeholders		ENV	traffic effects
stakeholders		ENV	cost of enforcement
stakeholders		ENV	history of compliance
stakeholders		ECO	jobs (238)
stakeholders	3	ECO	family wage jobs
stakeholders		ECO	multiplier effect on jobs
stakeholders	4	ECO	taxes (city utility, property, state, sales taxes)
stakeholders		ECO	having mill helps to bring in kids for the schools
stakeholders		ECO	bring in professional employees (e.g. engineers)
stakeholders	1	ECO	supplies to the mill
stakeholders		ECO	3-5 retirements => new hires
stakeholders	1	ECO	donations
stakeholders		ECO	good benefits (Doctors, dentists, etc.)
stakeholders		ECO	retiree benefits
stakeholders	1	ECO	potential skill based training at Peninsula College
stakeholders		ECO	education in schools, young people aware of professions and salaries
stakeholders		ECO	spouses of employees often work
stakeholders		ECO	retirees may become good public servants (know the bottom line)
stakeholders		ECO	high wages at mill - more development, more spending
stakeholders		ECO	may result in higher wages in other businesses - competition for people
stakeholders		ECO	profitable
stakeholders		ECO	local payroll - amount back into local economy
stakeholders		ECO	subsidies
stakeholders	3	ECO	# of family wage jobs

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stakeholders	2	ECO		secondary jobs - job spin-off from primary mill jobs, local product suppliers
stakeholders		ECO		funding infrastructure of the town - look at quality of funding/projects
stakeholders	1	ECO		mill as indicator for local growth/decline in the community - influential but not sole dependence of Port Angeles
stakeholders		ECO		%of living wage jobs supported by the mill in community as a whole
stakeholders		ECO		longevity/stability of local businesses and diversity
stakeholders	1	ECO		does the mil foster longevity and diversity of the small local businesses
stakeholders		ECO		use of local services
stakeholders	3	ECO		% of revenue spent locally
stakeholders		ECO		generation of disposable income
stakeholders	1	ECO		positive image for tourism
stakeholders		ECO		"synergy" - mill supports the community and in turn community supports mill longevity
stakeholders		ECO		ease of doing business
stakeholders		ECO		bureaucratic red tape
stakeholders		ECO		transportation
stakeholders		ECO		tax base
stakeholders		ECO		profitability
stakeholders	5	ECO		living wage and benefits and retirement
stakeholders		ECO		# of jobs
stakeholders		ECO		goods and services to community
stakeholders		ECO		growth/impediment to property values (assessment comparisons)
stakeholders	1	ECO		\$ and time invested in community
stakeholders		ECO		spin-off businesses, growth potential
stakeholders		ECO		hidden subsidies (tax relief, LID, construction loans)
stakeholders		ECO		infrastructure costs/effects
stakeholders		ECO		potential to attract a similar type
stakeholders		ECO		business/complimentary
stakeholders	1	ECO		participation/support of higher education
stakeholders		ECO		potential for growth
draft list	1	SOC	Environmental justice	environmental justice
draft list		SOC	Environmental nuisance	traffic
draft list		SOC	Environmental nuisance	noise
draft list		SOC	Environmental nuisance	odor
draft list		SOC	Environmental nuisance	dust
draft list		SOC	Environmental nuisance	lights
draft list		SOC	Environmental nuisance	vibrations
draft list	2	SOC	Human rights	general
draft list		SOC	Human rights	good and fair treatment of employees
draft list		SOC	Human rights	ethical behavior
draft list		SOC	Human rights	equal opportunity employment
draft list		SOC	Labor practices	general
draft list		SOC	Labor practices	jobs provided to community
draft list		SOC	Labor practices	wage and employee benefits
draft list		SOC	Labor practices	turn over rate

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draft list		SOC	Labor practices	diversity
draft list		SOC	Labor practices	internal advancement versus external hire
draft list		SOC	Labor practices	employee input on changes implemented
draft list	1	SOC	Safety	general
draft list		SOC	Safety	number of accidents
draft list		SOC	Safety	lost time due to injury
draft list		SOC	Safety	history of OSHA compliance
draft list		SOC	Safety	exercise room on site
				received for social, ethical and environmental
draft list		SOC	Social awards	performance
draft list	3	ENV	Air	general
draft list		ENV	Air	greenhouse gases
draft list		ENV	Air	SOX
draft list		ENV	Air	NOX
draft list	1	ENV	Biodiversity	general
draft list		ENV	Biodiversity	natural habitat protection
draft list		ENV	Biodiversity	conservation
draft list		ENV	Biodiversity	restoration
draft list	4	ENV	Energy	general
draft list		ENV	Energy	electricity usage
draft list		ENV	Energy	renewable sources
draft list		ENV	Energy	efficiency
draft list		ENV	Energy	conservation
draft list		ENV	Energy	cogeneration
			Environmental	
draft list		ENV	justice	environmental justice
draft list	3	ENV	Materials	general
draft list	1	ENV	Materials	local origin
draft list		ENV	Materials	certified forest products
draft list		ENV	Materials	recycled/reused materials
draft list	4	ENV	Regulatory	compliance
draft list		ENV	Remediation	projects
draft list		ENV	Waste	amount produced
draft list		ENV	Waste	proportion recycled/composted
draft list		ENV	Waste	hazardous waste
draft list	3	ENV	Water	general
draft list		ENV	Water	water usage
draft list		ENV	Water	impact on ecosystems
draft list		ENV	Water	TSS
draft list		ENV	Water	AOX
draft list		ENV	Water	BOD
			Community	
draft list	3	ECO	Involvement	general
			Community	
draft list		ECO	Involvement	donations
			Community	
draft list		ECO	Involvement	contributions to non-profits
			Community	
draft list		ECO	Involvement	education to local community
			Community	
draft list		ECO	Involvement	internships
			Community	
draft list		ECO	Involvement	membership in local committees
			Community	
draft list		ECO	Involvement	support of mill families
			Cost of	
draft list		ECO	goods/services	total cost of goods/services
			Cost of	
draft list		ECO	goods/services	% goods/services procured locally
draft list		ECO	Cost of	payroll

draft list	ECO	goods/services Cost of	benefits
draft list	ECO	goods/services Cost of	taxes
draft list	ECO	goods/services Cost of	financing