



Cap-and-Invest EITE Industries Advisory Group Charter

Background

The Climate Commitment Act (CCA) requires that the Department of Ecology (Ecology) submit a report to the Legislature that recommends an approach for allocating no-cost allowances to emission-intensive trade-exposed industries (EITEs) from 2035 to 2050. This report will include consideration of:

- best practices for avoiding ‘leakage’ of emissions and maintaining competitiveness of businesses in subnational carbon pricing programs
- alternative methods for measuring the emissions generated by EITEs per unit of production – which informs how many no-cost allowances they receive each year – including the use of best available technology assessments
- opportunities and barriers for the decarbonization of EITEs in Washington and associated policies and strategies
- implications for the achievement of statewide emissions limits and environmental justice outcomes, including potential impacts on local air quality
- potential impacts on the amount of revenue generated by the Cap-and-Invest Program.

The CCA requires that Ecology establish an advisory group comprising representatives of EITEs in developing this report. Ecology must also observe the requirements of the Healthy Environment for All Act (HEAL Act). This includes assessing environmental justice implications and providing opportunities for Tribes, overburdened communities, and vulnerable populations to provide input. To meet these obligations, Ecology will be establishing multiple engagement platforms to ensure EITEs, Tribes, and other interested parties can provide input into the development of Ecology’s report. This includes establishing an EITE Industries Advisory Group, as well as an EITE Policy Advisory Group and other forums for Tribes and interested parties to provide input.

In recognition of the importance of providing clarity on the allowance allocation for EITEs under the Cap-and-Invest Program through to 2050, Ecology plans to submit its report to the Legislature by November 2025, a year earlier than required. This will allow for a robust legislative process to consider this important policy ahead of the statutory deadline of December 1, 2027, to pass a new allowance allocation schedule.

Membership

The EITE Industries Advisory Group will be comprised of representatives of the manufacturers designated by statute as EITEs who can provide input on the policy and technical considerations related to the allocation of allowances to EITEs under the Cap-and-Invest Program. Ecology will seek to ensure representation from a range of EITEs on the advisory group and that members can collectively provide a broad array of applicable knowledge, information, and expertise related to topics being considered in Ecology’s report.

Ecology will determine the membership of the EITE Industries Advisory Group based upon responses to its solicitation for advisory group members and the ability of EITE Industry representatives to meet the requirements set out above. Members may be added, should Ecology and/or the Advisory Group identify gaps in the interests and knowledge represented in the group. Members of the Advisory Group may also be invited to participate in other advisory groups convened by Ecology.

Desired Outcomes

The purpose of the EITE Industries Advisory Group is to enable EITEs to provide feedback, advice, and data to inform the information, analysis, findings and recommendations in Ecology's report to the legislature. This group is expected to provide an industry- and facility-level perspective on EITE allocation policies under the Cap-and-Invest Program and implications for EITE Industries.

Advisory Group members will provide input on specific topics related to the allocation of allowances to EITEs. Ecology will use this input to inform its report to the legislature, in tandem with input from other advisory groups, public comment, Tribal consultation, input the Environmental Justice Council and internal review. The EITE Industries Advisory Group will not be asked to provide consensus recommendations, rather member perspectives will be solicited via facilitated group discussion. Advisory Group members can also provide comments via email to CCAIEITEIndustries@ecy.wa.gov.

Ecology commits to genuine and meaningful consideration of the insights, recommendations, and advice provided by the Advisory Group. Ecology commits to facilitating a fair process and maintaining an accurate record of members' insights, advice, and/or deliberations.

Ecology is also required to maintain the confidentiality of market sensitive information that can influence allowance prices or that may impact participants in the program. Further information of market sensitive information can be found on Ecology's website at: [Confidentiality and Market Sensitive Information \(wa.gov\)](#).

EITE Industries Advisory Group Meeting Administration and Member Expectations

1. The EITE Industries Advisory Group will meet approximately 3-4 times from August 2024 to December 2024, 3-4 times from March 2025 to August 2025, with additional meetings scheduled if determined by Ecology as needed.
2. Advisory Group meetings will be virtual, via Zoom. If an in-person meeting is held, it will be hybrid with remote participation options available.
3. Advisory Group meetings will generally be three to four hours in duration.
4. There is no quorum requirement—members present and active at each meeting have the authority to continue to work in the absence of others.
5. Advisory Group agendas and pre-meeting materials will be posted to Ecology's [EITE Industries Advisory Group website](#) and generally distributed to members at least one week in advance of meetings. Summaries will generally be posted within two weeks after meetings.
6. Advisory Group members are expected to prepare for meetings by reviewing any meeting materials provided in advance of the meeting. Following each meeting, members are expected to review the summary notes to ensure summary notes adequately capture their perspective.

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7. Summaries of each meeting will include key points and outcomes of discussions. Individual perspectives and differences of opinion will not generally be attributed to individuals or organizations, unless specifically identified for such purpose or otherwise unavoidable.
8. Participation does not imply or presume agreement with, or support for, any action taken by Ecology in response to input from the Advisory Group members.
9. Recognizing that public characterizations of meeting deliberations could affect the Advisory Group relationships, members are specifically requested to refrain from characterizing the views of other panel members in any public statements they may make.
10. Media inquiries about the process will be directed to Ecology's Climate Pollution Reduction Program Communications Manager, Caroline Halter (caroline.halter@ecy.wa.gov).
11. At Ecology's discretion, Advisory Group meetings will sometimes include presentations and panel discussions with subject matter experts, such as staff, technical consultants, or other organizations, who are not members of the Advisory Group.
12. Members of the Advisory Group unable to attend a meeting may submit a request to Ecology to send a delegate to attend a meeting on their behalf. Requests must be received by Ecology at least 2 business days prior to the scheduled meeting date and time.
13. Members who change employment/affiliation must notify Ecology as soon as possible. Ecology will make a determination whether it is appropriate for the member to continue to serve on the Advisory Group or if another person from the same organization may be appointed.
14. At Ecology's discretion, the format and composition of the Advisory Group may be modified in early 2025 in advance of any further meetings taking place.
15. In some cases, materials intended for discussion at Advisory Group meetings may be published and distributed in advance of meetings to ensure all potentially market influencing information is made available to all market participants at the same time.
16. This project charter may be amended by Ecology with notice based on feedback from advisory group members or to address any unforeseen issues that impact the effectiveness of the advisory group in achieving its purpose and desired outcomes.

Public Participation

meetings will be open to the public and recorded. Meeting recordings will be available upon request.

To ensure transparency and public awareness, Ecology will provide information on the agency's website and distribute through the self-subscribing [Cap-and-Invest: EITE Industries email list](#). Meeting materials will be posted on the [Advisory Group's webpage](#). Posted information will include:

- Meeting dates
- Agendas and presentations
- Meeting summaries

Each meeting will include a public comment period for members of the public to provide feedback and input. Neither Ecology nor Advisory Group members will respond to public comments made during a meeting. Public comments will be limited to two minutes for each speaker.

Ecology will also accept written public comment relevant to the technical working group's discussion at any time via CCAITEIndustries@ecy.wa.gov or through the EITE Industries Report [eComments site](#).

Member Commitment

Advisory Group Members agree to:

- Active and good faith participation in the group
- Demonstrate attentiveness when others are speaking
- Behave constructively and respectfully towards all participants
- Respect the role of the facilitator to guide the group process
- Silence electronic devices during in-person meetings (if applicable)

Disagreement and differences of opinion are acknowledged, explored, understood, and appreciated. Should conflict arise, it will be addressed with the guidance of the meeting facilitator(s). Recurring unproductive individual behavior may result in Ecology respectfully excusing that individual from the advisory group.

Anti-Trust Statement

- Advisory Group members are reminded that meeting participants may be competitors and may be subject to antitrust laws.
- The parties participating in the Advisory Group are committed to compliance with all applicable antitrust laws and other applicable laws and regulations.
- Discussions which might be misconstrued as price fixing, customer or market allocation, attempts to alter the competitive open bidding season, or boycott of suppliers and customers are not allowed.
- Discussions of other competitively sensitive subjects such as marketing strategies, supply and demand forecasts, open season bids, specific suppliers, and customer information are not allowed.
- If any meeting participant has any questions/concerns regarding these antitrust considerations with respect to their participation in the Advisory Group, then that person should consult their legal counsel.

Contact

Adrian Young

Cap and Invest: Industrial Policy Lead

Adrian.Young@ecy.wa.gov