



EITE Industries Advisory Group meeting

May 8, 2025

Introductions

Facilitation team - Ross Strategic

- Susan Hayman Joint Meetings & Industries Advisory Group Facilitator
- Farnaz Seddighzadeh-Industries Advisory Group Support

Ecology staff

- Adrian Young Cap-and-Invest Industrial Policy Lead
- Andrew Hayes Cap-and-Invest Policy Section Manager
- Isabel Hanify Cap-and-Invest EITE Policy Planner
- Jihan Grettenberger Cap-and-Invest Outreach Specialist

EITE Industries Advisory Group members

- Adam Diamond Nutrien
- Brandon Houskeeper Alliance of Western Energy Consumers
- Brent Downey Kaiser Aluminum
- Brian Wood Nippon Dynawave Packaging
- Bryan Vickers Glass Packaging Institute
- Christopher Collins HF Sinclair
- Chris Matuszak Collins Aerospace
- Dallas Scholes Par Pacific and U.S. Oil & Refining
- David Heller Cardinal FG Company
- Jackie White Northwest Pulp & Paper Association
- Jarod Cook Lamb Weston
- Jessica Spiegel Western States Petroleum Association

- Jim Verburg bP America
- Joshua Estes Association of Western Pulp and Paper Workers
- KC Klosterman Ash Grove Cement
- Kristin Marshall Boeing
- Pamela Barrow Food Northwest
- Tarah Erickson Nucor Steel Seattle
- Paul Butkus Packaging Corporation of America
- Perry Hanson J.R Simplot Company
- Sally Hurst TSMC Washington
- Sourabh Pansare Phillips 66 Company
- Tad Koscielak Matheson Tri Gas

Agenda

PurposeDiscuss draft
materials shared on
May 1

- 1 Welcome and introductions
- 2 Joint meeting #1 recap
- Discuss draft materials:
 - Document 1: Best practice policies for avoiding leakage
 - Document 2: Methods for developing greenhouse gas benchmarks
- 4 Next steps
- 5 Public comment opportunity



Joint Meeting #1 Recap

Joint meeting #1 recap

- Draft materials released May 1
 - <u>Document 1: Best practice policies for avoiding leakage</u>
 - Document 2: Methods for developing greenhouse gas benchmarks
- Ecology presented on draft materials
- Deadlines for feedback (interim and final)



Before we jump into document discussions...









Discussion part 1

Document 1: Best practices for avoiding leakage

Reminder....

Document 1: Best practice policies for avoiding leakage

provides a review of 'best practice' policies for avoiding leakage and economic harm to businesses in carbon pricing programs. The document discusses the primary policies that have been used to address leakage under carbon pricing programs, e.g., the allocation of free or 'no cost' allowances to EITE industries, and compares Washington's approach with other jurisdictions.

Leakage discussion – Mural Board

- 1. Which draft findings in the report do you find most compelling and why?
- 2. What are other important policy design aspects related to leakage or benchmarking were not covered in the two documents?
- 3. What are other examples of global best practice policies that should be considered by Ecology?
- 4. Are there any specific characteristics of Washington EITEs or the Cap-and-Invest Program that need to be considered when reviewing best practice policies?





Discussion part 2

Document 2: Methods for developing greenhouse gas benchmarks, including use of best available technology

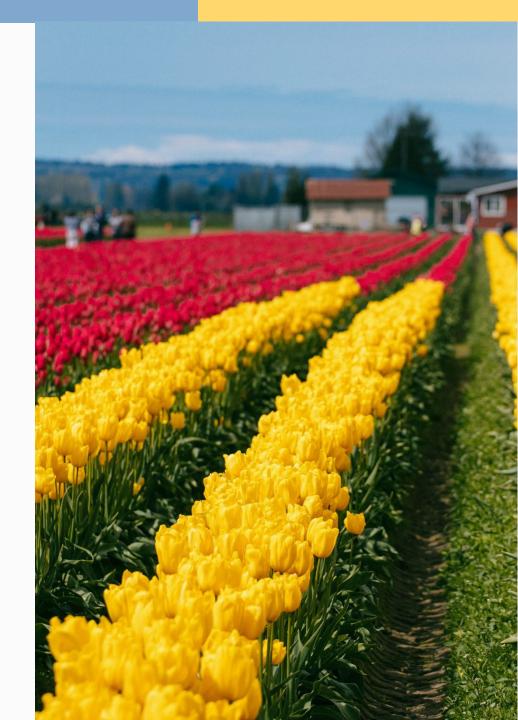


Reminder....

Document 2: Methods for developing greenhouse gas benchmarks provides a review of methods for developing greenhouse benchmarks for EITE facilities within carbon pricing programs. The document discusses key design considerations for establishing benchmarks for EITEs and the methods used in other jurisdictions, such as product-based benchmarking, including the potential role of best available technology assessments.

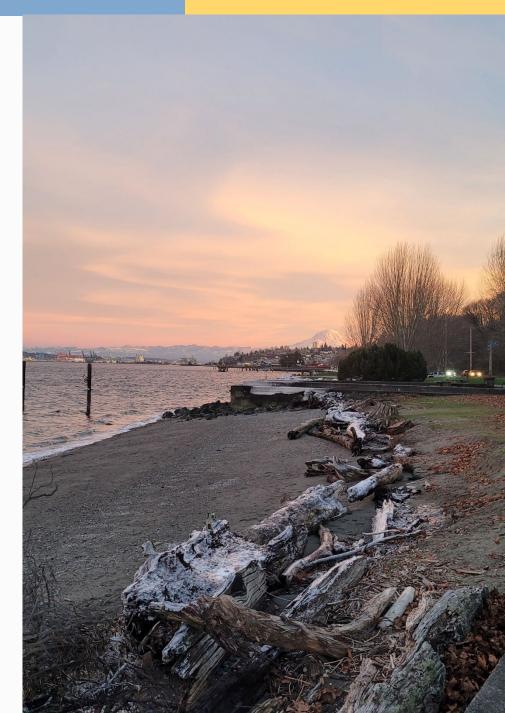
Benchmarking discussion – Mural board

- 1. Which draft findings in the report do you find most compelling and why?
- 2. What other important policy design aspects related to benchmarking were not covered in the two documents?
- 3. What are other examples of global best practice policies that should be considered by Ecology?
- 4. Are there any specific characteristics of Washington EITEs or the Cap-and-Invest Program that need to be considered when reviewing best practice policies?



Next steps

- Interim feedback
 - Email to CCAEITEIndustries@ecy.wa.gov by May 12
- Joint Advisory Group meeting
 - May 29 from 10:00 a.m. to 12:00 p.m.
- Final feedback/comment
 - Submit via the <u>electronic comment platform</u> by Sept. 3
- Meeting materials and recordings available on the <u>EITE webpage</u>







Thank you!

Adrian Young
Cap-and-Invest Industrial Policy Lead
CCAEITEIndustries@ecy.wa.gov

Resources

- Notifications on EITEs and the report
- EITE Industries webpage

Public comment opportunity

Guidelines for providing public comment

- Please use "raise hand" button to indicate that you wish to provide a comment or share in the chat.
- Up to two minutes per person
- Please keep the comments related to EITEs and the report to the Legislature
- Ecology will not respond to comments in this meeting
- To submit written comments, use our <u>comment</u> <u>platform</u>







Thank you!

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