



## EITE Policy and Industries Advisory Group Listening Session

Agenda for Thursday, March 13, 2025 | 10:00 a.m. – 12:00 p.m.

Location: Zoom, [recording of the meeting](#)

### 1. Welcome and introductions

- 8 EITE Policy Advisory Group members attended
- 16 EITE Industries Advisory Group members attended

### 2. Background and context:

Ecology briefly shared what Phase 2 will look like. Member asked the following clarifications:

- Who might be guest speakers during Phase 2?
  - Ecology shared they have received suggestions from some advisory members and will reach out to see who is available.
- Reminder on what is RMI's role with the report?
  - Ecology shared RMI does not have a formal role in the process and are doing an independent analysis of decarbonization opportunities in Washington. Ecology does not have a contract with them.
- Noted that Phase 3 did not mention advisory members having a chance to look at the final report before it goes to the Legislature. Asked for clarification if this was correct.
  - Ecology noted members will not have a chance to see the final report in Phase 3 however, advisory members will have a chance to review and provide feedback on the core content of the report during Phase 2.

### 3. Member presentations and information sharing

#### Tom Wolf and Jim Verburg with bP

- After coal plant shuts down, bP Cherry Point will be the largest stationary source greenhouse gas emissions emitter in Washington. bP does not know how they will meet the CCA goals and still stay competitive in the current global market. However, they are actively finding ways to figure this out. Some big-picture realities they wanted to share included:
  - Technological advances may make this easier for some and lack of technology may make it harder for other EITEs. Need to plan for differences between EITEs.
  - The Legislature recognized EITEs in the CCA to prevent emissions leakage and this should be core to the design principles of future policy.
  - Need for solutions that are effective, flexible, adaptable given the future is unknown, and discerning to figure out what can or cannot be done by EITE to reduce emissions as no-cost allowances decrease.
  - Does not think one approach will work for all EITEs – approach will have the flexibility to reflect the challenges of each EITE.
- Expressed gratitude for the opportunity to weigh in on Ecology's report.

Ecology asked if there were questions from any members about bP's presentation.

- Member from Cowlitz PUD planned to make similar comments reiterating the CCA is intending to reduce greenhouse gas emissions. The PUD prides itself on providing low-carbon energy to serve EITEs. Expressed concern about leakage of jobs and emissions and maintaining the viability of the local industries. Hopes report discusses the broader concept

of leakage of emissions and provides the flexibility that the industries need to operate in Washington. Thinks changing federal requirements may make it easier for industries to locate in different places outside of Washington and make it harder for Washington to meet emission reduction limits.

**Brent Downey with Kaiser Aluminum**

- Kaiser produces secondary aluminum products for aerospace market and general engineering. Has been in Spokane Valley since 1946 and employs 1,000+ employees. The facility has scope 1, 2, and 3 emissions and looks for opportunities to reduce emissions across all three, such as the use of recycling feedstocks. Leakage of greenhouse gases is the biggest concern. Continually works on reducing the greenhouse gas intensity at the facility. Currently, looking at compliance pathways for 2035 and beyond. The pathways differ between each scope of emission, including limitations of technology advancements. Reiterated each facility is unique.

**Jackie White, NWPPA**

- Reiterated leakage of emissions and jobs are the greatest concern. This includes jobs created in communities from people spending money and paying taxes. Hoping to see a comprehensive picture of the benefits of reductions in greenhouse gas emissions and potential risks if no-cost allocation is not carried out strategically. Noted that for technologies that currently exist, or are in development, the rate of deployment is different for every sector since the market demand is different for each section. Need to be clear on the realistic timeline for technologies and emissions reduction opportunities including funding, permitting, and technology availability (regionally to globally). Noted that some low emission technologies used in Europe are yet to be certified for use in the US.

**Daniel Wilson with United Steelworkers Union - Local 338**

- Appreciated the comment made by others, especially on leakage. Can see manufacturing facilities leaving the state if not careful. Appreciated Kaiser Aluminum's comment on Scope 3 emissions and use of recycled materials.

**Tarah Erickson with Nucor**

- Nucor had provided a memo to RMI and Ecology that echoes much of what others have said. Need to recognize there are differences between industries, including where they are at along their decarbonization timeline, and availability of technology.

**Russ Simonson with Ash Grove Cement**

- Recommended looking at collaboration efforts as Ecology moves forward.

## 4. Open discussion – member comments or question

Opportunity for members to provide additional comments or ask questions of other members.

**David Heller and Steve Smith – Cardinal Glass in Winlock**

- Concerned about the uncertainty of the date 2035. Furnaces have to rebuilt and they are looking at a rebuild in 2030 and the newest carbon reduction technology would need to be considered during that timeframe. Currently this technology does not exist, so they have to figure out how to proceed. The options available to glass industry are very limited. They are already using recycled materials and looking at fuel alternatives. Glass industry has always

used a carbon-based fuel. The biggest competitor is in China which has high levels of Scope 3 emissions.

- Member asked about the normal investment timeline for updating technologies. Cardinal Glass said it is about every 15-20 years to update the furnaces. During the update of furnaces is when they'd want to make adjustments to the design.
- Member asked if the furnaces are a continuous operation or if they turn them off? Cardinal Glass shared they operate 24/7 creating flat glass. About 70% of emissions are from combustion and 30% from the reactions of materials.

#### **Jessica Spiegel with WSPA**

- WSPA hired an outside contractor to develop materials in response to RMI's findings. They hope to present the materials as soon as they are completed in a few weeks. A few pieces of RMI's information were concerning including the proposal that gas units should be turned off and sell byproducts on chemical market to decarbonize – something that would not work in Washington. Believes some part of RMI's report will need to be modified for the West Coast.
  - Ecology shared they are contracting someone to gather more data on economic and environmental justice impacts as well as the market structure of these industries like WSPA mentioned. The contractor may reach out to members of the group to gather more information.

#### **Isaac Kastama with Clean and Prosperous**

- Wanted to share the relatively high levels of no-cost allowances in the CCA up until 2035 were intended to facilitate investment by having a program that gives space and time for EITEs to look at technologies and give an economic tool to leverage emission reduction projects. In addition to preventing leakage, there are promising clean energy projects happening in the state, and the allocation schedule facilitates positive actions. Acknowledges net zero may not be the perfect goal for every industry. Different for new facilities entering the state with ambitions to be low-carbon producers versus current facilities. In the period of pre-2035, we should be creating the space to have conversations and figure out the issues that need to be overcome.
  - bP responded they agree with this comment. However, industries are actively looking to find cost-effective, technically feasible ways to reduce carbon emissions, particularly Scope 1 emissions.

## **6. Next steps**

- First joint meeting of advisory groups on Thursday, May 1 from 9:30 - 11:00 a.m. ([Register](#))

## **Resource and assistance**

- Contact Adrian Young at [CCAITEIndustries@ecy.wa.gov](mailto:CCAITEIndustries@ecy.wa.gov)
- [EITE Industries Advisory Group webpage](#)
- [EITE Policy Advisory Group webpage](#)
- [Cap-and-Invest EITE webpage](#)