

December 15, 2020

Ms. Fran Sant
Department of Ecology
Shorelands and Environmental Assistance
PO Box 47600
Olympia, WA 98504
gap-rule@ecy.wa.gov

Re: Northwest Pulp & Paper Association preliminary comments on Greenhouse Gas Assessment for Projects (GAP) rulemaking – Ch. 173-445 WAC

## Dear Ms. Sant:

On behalf of the Northwest Pulp & Paper Association (NWPPA), we write today in response to the Dept. of Ecology's above-referenced rulemaking. NWPPA is a 64 year-old regional trade association representing 9 pulp and paper mills in Washington state. NWPPA member mills are located mainly in rural communities and are most often the single largest employer in the county providing a 3-4:1 essential job multiplier. NWPPA member mills provide predominantly union-backed, family wage jobs averaging \$75,000/year, plus benefits.

As essential businesses producing essential products and providing essential jobs, NWPPA and its members share in the State of Washington's ongoing commitment to reduce greenhouse gas emissions. In fact, since 2012, Washington's pulp and paper mills have reduced direct, anthropogenic greenhouse gas emissions by 261,000 mt CO<sub>2</sub>e annually.

NWPPA and its members have participated in Ecology's ongoing rulemaking webinars since June and offer these preliminary comments as requested by the agency. We understand that the proposed rule will be released under CR-102 next spring.

<u>Comment 1</u>. As the Dept. of Ecology has done with significant rules of this magnitude in the past, we request that a preliminary draft of the rule be shared with stakeholders as soon as possible, and well before the formal release of the draft CR-102 in April of 2021.

<u>Comment 2</u>. The Dept. of Ecology has, during its webinars and via e-mail list-serve following each webinar, asked for substantive feedback from stakeholders following each webinar. While

we appreciate this ongoing request for feedback, we find it difficult to provide substantive, meaningful comment without being able to see the overarching framework of the rule – particularly without seeing any specific language proposals. To-date, we've only seen policy concepts included in Ecology's on-line presentations during each webinar, and listened to staff's verbal description of those concepts on the webinars. Hence the request in Comment 1 above.

<u>Comment 3</u>. With respect to the treatment of biomass and emissions from biogenic fuel sources, we are unclear of Ecology's intent with the rule regarding this fuel source. During Ecology's October 29<sup>th</sup> webinar on mitigation, and during other webinars, biogenic emissions have been discussed. Based on 2018 GHG reporting data, approximately 85% of all emissions from pulp and paper mills in Washington are from biogenic fuel sources. As a result, Washington's pulp and paper sector contributes only 1% of all annual anthropogenic emissions in the state.

As a preferred fuel source by the State of Washington, the GAP rule should not require mitigation or curtailment of biomass as a fuel source.

<u>Comment 4</u>. Pulp and paper mills also use electricity, natural gas, propane and fuel oil to create essential products. Again, with our sector's predominant use of biomass as a primary fuel source, our sector contributes only 1% of anthropogenic GHG emissions in the state.

As the GAP rule addresses environmental review and possible mitigation of these minimal anthropogenic emissions, it must do so through the lens of a sector that is highly energy-intensive and trade-exposed (EITE). Operating in a global, commodity-based marketplace, Washington's pulp and paper mills compete with other facilities in the U.S., China, Indonesia, South America, and elsewhere. that do not have similar environmental review and mitigation polices. Accordingly, the GAP rulemaking process must include review and potential impacts upon EITE facilities like pulp and paper mills, and analyze and consider possible production shifts to other jurisdictions that will cause the leakage of both greenhouse gasses and jobs, which could have the perverse effect of increasing global GHG emission.

We appreciate your time and consideration of these preliminary comments and look forward to more complete comment during the form CR-102 comment period this coming April.

Sincerely,

Christian McCabe Executive Director

Northwest Pulp & Paper Association