

# Climate Impact Advisory Committee



FINAL Meeting Minutes

Date: June 2, 2022

Location: Zoom

QUORUM	Y
<b>Members Present</b>	
Charles Bailey	
William Bethel	x
Sue Gunn	x
Steve Harrel	x
Ray Kamada	x
David Kershner	x
Katherine Kissinger	x
Ellyn Murphy	x
Imran Sheikh	x
Phil Thompson	x
Eddy Ury	x
STAFF Chris Elder	x

## 1) Call to Order/Roll Call

## 2) Review and approval of minutes from May Meeting

Minutes approved with slight edits from **Ellyn, Dave, and Phil**.

Discussion was had around the minutes and shortening them from a transcript version to a version covering what was discussed, actions, and votes the committee takes.

## 3) Public Comment

**Carryn Vande Griend:** PSE is looking for new community solar project sites. They're looking for 3 new sites.

## 4) Existing & Potential Future Green Energy Projects for Whatcom County – **Don Goldberg, Director of Economic Development**

Cherry Point has 6,000 acres of heavy industrial land – most privately owned. The only exception is that DNR owns 150 acres. Don is working on opening the aluminum smelter - \$150 million to reopen – plant would be considered one of two green aluminum smelters in the US. This plant could offset all the Al imported currently from Russia.

There is a lot to modernize at Cherry Pt – for example PUD-1 owned transmission. PUD-1 (and transmission upgrades) is a key, along with BP, P66, and Al smelter business needs. Updating the transmission infrastructure is very hard since the most of Cherry Pt is privately owned. Most of the inquiries from industries that are interested in setting up at Cherry Pt need enormous amounts of energy – from 50 to 500 MW. Steve Jilk (former PUD-1 General Manager) told Don that a modernization study would cost around \$650K.

The goal is to build an Energy cluster in Whatcom County. New companies in Whatcom County:

- Vicinity Motors from Canada manufactures electric buses and is constructing a new assembly plant in Ferndale. Don has introduced Vicinity Motors and the Whatcom Transit Authority.
- Corvus Energy (Norwegian company) – largest manufacturer of maritime electric batteries – over 50% of market. Opening new manufacturing facility at the Port of Bellingham (signed lease today)
- Lost Silfab expansion to Burlington. Whatcom did not have 200,000 sq ft of additional space available. Still have original Silfab factory at the Port of Bellingham. Silfab is the second largest manufacturer of solar panels in North America.
- Hydrogen production major interest in US with \$8B funding by federal government for four different facilities. Houston, TX trying to become the H2 hub for the U.S. Lots of competition and it is likely that Tacoma could edge Whatcom if WA were to open a major H2 production facility. Whatcom lacks infrastructure at Cherry Pt and the number of wetlands means there is a lack of buildable land. Don is talking with a small H2 producer called H Cycle (<https://hcycle.com/>) who is interested in providing the refineries with H2. Hydrogen is used in petroleum refining in the hydrocracking and hydrotreating processes. It is also used as rocket fuel and for hydrogen fuel cells. H Cycle wants to make H2 from garbage and has stated that his process could reduce 85%

of the waste currently going to landfills. Don believes they would need about 10 MW for their process.

- Bp and **Don** have been working on a solar field for over 3 years. The project has to go through several layers of approval at bp corporate – so far, they have sign off from two layers. Don is hopeful that he will have a decision from bp by the end of the year. This solar field would be 75 MW covering 700 acres at Cherry Pt.
- EnerSys acquired Alpha Technologies. This company is working on lithium technology.

**Don's** goal for Whatcom County is to build an energy cluster. Green industry is going to happen whether people believe this or not. Some examples:

- Working on first large electrical passenger ferry as a joint innovation project associated with Washington's Maritime Blue Strategy. Corvus, working with All-American ship building, will provide the battery. All-American already built the first hydrogen fuel cell powered small passenger ferry in Bellingham. The shell for the ferry will be built by Janeke in Skagit and will be brought up to Whatcom for all-American to build the electrical systems and assemble. The route for this electric will likely be Tacoma to Kitsap. The Bellingham to Friday Harbor route came in second place because it would need full charging facilities at both locations due to the length of this route. The Tacoma to Kitsap is a shorter route and only needs charging at one dock location.
- Blue Wolf is the company trying to restart the Al smelter. Al smelter restart needs a guaranteed 400 MW of electricity from BPA at a guaranteed price of around 6.6 cents per kWh (I think previous Alcoa owners and Phillips 66 both paid around 3 cents per kWh, but BPA costs have gone up.) BPA to date has not been responsive to setting up an agreement with Blue Wolf. Don has not seen the analysis by Blue Wolf on the emissions reduction; however, they are quoting numbers of up to 65% reduction of emissions like particulate matter.

**Sue** asked **Don** for a definition of a green Al Smelter and if he knew what processes are actually being modernized to reduce the emissions. Don is not that technically involved and could not answer this question. He has just heard that there will be a 65% reduction of emissions and particulate matter.

**Eddy** – thinks their definition of green Al smelting is fairly arbitrary and rests mainly on the use of electricity from hydropower. Eddy said that Blue Wolf is not talking about advanced anodes that can remove GHG emissions; although these technologies are available. He said that the modernization they are talking about is the same that Alcoa was legally required to make. Eddy said Blue Wolf is asking for more electricity than is used in the entire by residential and commercial properties in Whatcom County, about 4% of the entire state's electricity consumption. Very energy intensive. Eddy doesn't see any environmental or climate benefit to reopening the Al smelter. Definitely has economic benefit to the County and 700 jobs. Don feels that importing all of our Al from overseas also has a negative carbon impact. If you compare with more modern Al smelters in the Middle East, then yes, Blue Wolf will not achieve this level of modernization. It will however be much greener than the previous Alcoa smelter.

**Eddy** wanted to know more about the potential for a H2 hub at Cherry Point. Don doesn't believe that Cherry Pt is prepared for a H2 hub at this point. Leader in WA state is Tacoma. Whatcom is trying to stay in the running. Don's organization worked with the PUD for almost 4 years on a 300-400MW H2 facility with a \$1.5 B capital expenditure. Again, it is the lack of infrastructure and buildable lands at Cherry

Point. Some of the other H2 companies are at a more doable scale, e.g., 50 to 100 acres for about 15 MW H2 facility.

**Steve** Asked about the Intalco reopening and power asking about how the negotiations are going

**Don** said the company looking to reopen Alcoa is called Blue Wolf, based in New York looking to modernize it and sell in a few years. BPA is the last piece of the puzzle, and they are taking a while to get to an agreement. Intalco is looking for a guaranteed price.

**Steve** asked about a GHG assessment for any of these projects.

**Don** said that he hasn't seen an analysis, but he believes there has been a GHG analysis.

## 5) Implementation of CAP First-Year Priorities – Ellyn Murphy

a) **Ray Kamada & William Bethel** will present their interests

**Ray** is focusing on Liquid Air Energy Storage.

**William** is focusing on bikes, and alternate modes of transportation. He plans to reach out to the bicycle pedestrian committee. He also is interested in helping Sue with priority 7.

b) Discussion of next steps for Priorities - CIAC

Priorities with multiple people in them to meet in the next month and come up with a plan of action for what steps need to be taken for the proposed action.

## 6) Building Decarbonization: State Building Codes and Local Policy Option - **Joelle Robinson** (Field Director) and **Brian Emanuels** (Local Advocacy Fellow) Climate Solutions

State Building Code Council passed an update to the energy code that drastically reduces fossil fuels in new commercial and large multifamily buildings. These buildings must have high efficiency electric heat pumps for space and water heating. Policy goes into effect July 2023.

Retrofitting existing buildings is the next big thing to focus on. Evaluating building efficiency standards can help develop efficiency targets.

Local Municipal Incentives could be an option to encourage homeowners to update their homes to more efficient technologies. A model could be like what Denver and Portland have been doing.

For more info reach out to **Joelle & Brian** at Climate Solutions

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## 7) Update on Pending County Climate Issues/Projects – Kaylee Galloway, Ellyn Murphy, Chris Elder

The previous WTA plan to buy 8 new diesel buses turned out to be a placeholder and not a binding agreement.

Climate Action Manager position is delayed until Public Works Staff is expanded, and a new Natural Resources Manager is authorized and filled.

Strategic initiative manager position, **Steve** sat in in the Interviews for the position. 4 candidates were interviewed. 2 finalists were chosen, and **Exec. Sidhu** will interview the finalists. Then he will decide.

## 8) CIAC Advisory Role to Executive and Council – Wind Energy Code Subcommittee – Eddie Ury

**Eddy** decided to postpone his update until next month due to time constraints.

## 9) Old/New Business

**Ellyn** said that since meetings will be moving to a hybrid in-person/virtual meeting, the first Thursday of the month is taken at the meeting space. So, we should think about selecting a new meeting time.

## 10) Adjourn

Next meeting scheduled for **July 7, 2022**

Recorded by **Katherine Kissinger**

Staff contact, **Chris Elder**