



DEPARTMENT OF
ECOLOGY
State of Washington

Residential Heating Stakeholder Meeting November 10, 2022

Climate Commitment Act – Section 47

The meeting will start at 1 p.m. We will check sound 10 and 5 minutes before the start.

Welcome to the Zoom meeting

Please connect your audio and join.

No sound? We will do a sound check at 12:50 pm.

Join

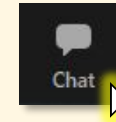
Connect Audio & Join



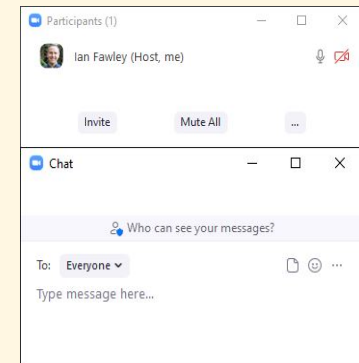
Tip Try your computer audio *first*.

If you'd like, you can test your speaker and microphone *before* joining.

Participate



Question?
Need help?
Chat with us!



Turn on the Chat box and Participant list from your toolbar.

Audio

A Best Option: Use computer for audio

B If selecting "Phone Call" ...

- Dial: **253-215-8782 (Tacoma)**
- Enter Zoom Meeting ID **825 6312 6703**, followed by "#"
- Enter your unique Zoom Participant ID, followed by "#"
- (If you do not enter the Participant ID, you will be prompted to enter the Passcode.)





Residential Heating Stakeholder Meeting November 10, 2022

Climate Commitment Act- Section 47

The meeting will start at 1 p.m. We will check sound 10 and 5 minutes before the start.

Welcome to the Zoom meeting

Please connect your audio and join.

No sound? We will do a sound check at 12:55 pm.

Join

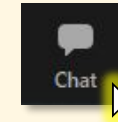
Connect Audio & Join



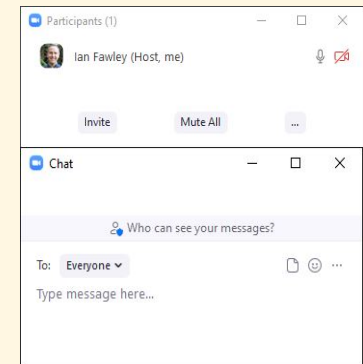
Tip Try your computer audio *first*.

If you'd like, you can test your speaker and microphone *before* joining.

Participate



Question?
Need help?
Chat with us!



Turn on the Chat box and Participant list from your toolbar.

Audio

A Best Option: Use computer for audio

B If selecting "Phone Call" ...

- Dial: **253-215-8782 (Tacoma)**
- Enter Zoom Meeting ID **825 6312 6703**, followed by "#"
- Enter your unique Zoom Participant ID, followed by "#"
- (If you do not enter the Participant ID, you will be prompted to enter the Passcode.)





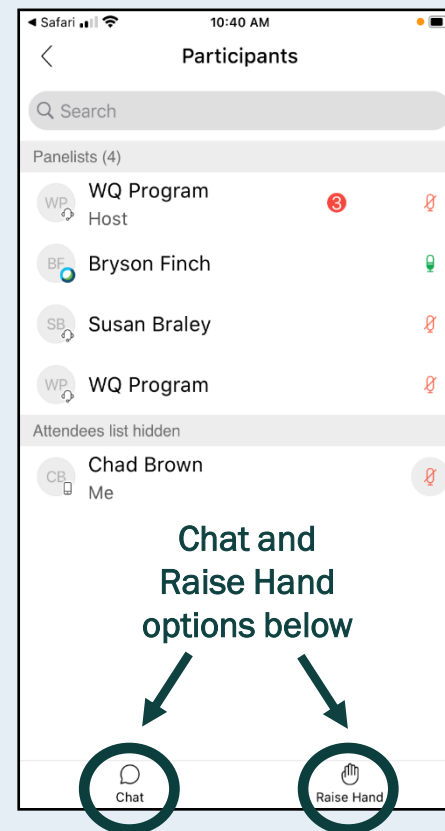
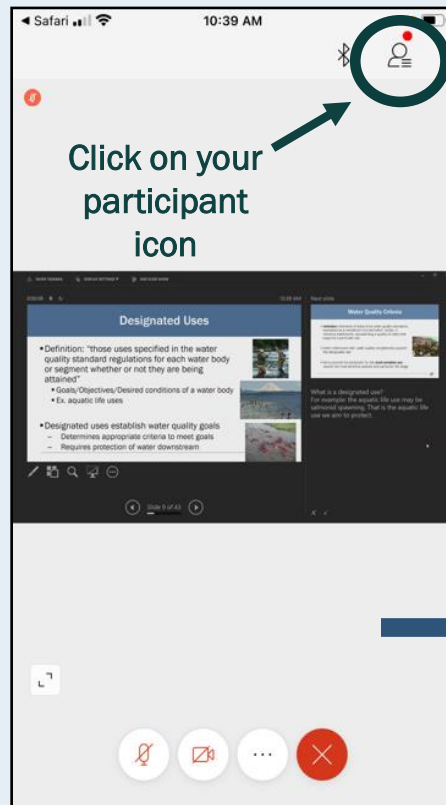
DEPARTMENT OF
ECOLOGY
State of Washington

Residential Heating Stakeholder Meeting November 10, 2022

Climate Commitment Act – Section 47

The meeting will start at 1 p.m. We will check sound 10 and 5 minutes before the start.

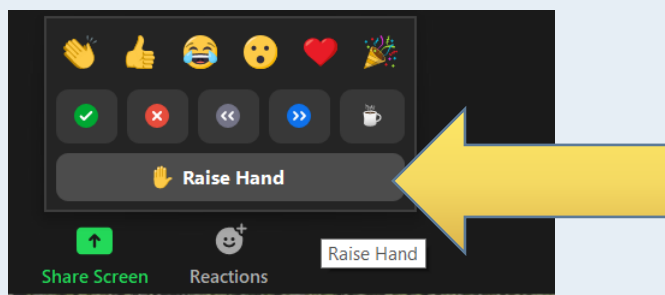
For Those Joining via Phone or Tablet



How To Participate

During today's question-and-answer period:

- Participants using computer or mobile app: Use the “Raise Your Hand” button. This button is located in the lower right hand corner of the participant list window.



- Participants listening in on the phone: Press *9 on your phone. The system will show you have your hand raised. The host will unmute you at your turn and the system will announce that you are unmuted.

Start Recording

We will begin recording at this time.



Your Ecology Staff for Today

- Eman Jabali – Host
- Nick Bourgault- Discussion Facilitator, Back-up Host
- Joshua Grice- Supervisor, Climate Rule Unit
- Harrison Ashby- Project Lead
- Stephanie Gee- Environmental Engineer

Gathering Input

Stakeholder Meetings

Stakeholder Meeting 1

- October 20 at 1:00pm

Stakeholder Meeting 2

- November 10 at 1:00pm

Separate Process with Tribes

Tribal Meeting

- November 1 at 3:30pm

Ecology encourages ongoing engagement as we develop our proposal.

Agenda

- Section 47 Background and Bill Text
- Follow-up from first meeting
 - Review of Existing Programs
 - Cap and Invest Coverage of Propane and Fuel Oil Suppliers
 - Possible Effects of Cap and Invest on Propane and Fuel Oil Prices
- Q&A
- Facilitated Discussion

Bill Text

Climate Commitment Act: ESSB 5126, Section 47

RESIDENTIAL HEATING ASSISTANCE PROGRAM.

- (1) The legislature intends by this section to establish policies to mitigate the cost burden of the program established by this act on consumers who use home heating fuels that are not electricity or natural gas.
- (2) The department, in collaboration with interested stakeholders, shall develop a proposal for assisting households that, for residential home heating, use fuels that are not electricity or natural gas. The proposal must give priority to assisting low-income households through weatherization, conservation and efficiency services, and bill assistance.

Our Goal for this Process

Proposal Document

- Information about Existing Programs
- Opportunities to Expand or Target Existing Programs
- Suggestions for New Programs

Estimated completion in Spring 2023

Existing Programs–Department of Commerce

- Low Income Home Energy Assistance Program (LIHEAP)
- Weatherization
- Pilots and Programs
 - Ductless Heat Pump Pilot
 - Fuel Switching

Existing Programs–Pollution Liability Insurance Agency (PLIA)

- Heating Oil Insurance Program
- Heating Oil Loan and Grant Program
- Technical Assistance Program

Applicability Thresholds

- Reporting Threshold: Any supplier that produces, imports, or delivers 10,000 MT CO₂e or more per calendar year in total GHG emissions from all applicable source categories
- Third Party Verification and Cap-and-Invest Threshold: 25,000 MT CO₂e or more per calendar year in total covered GHG emissions
- Reported emissions may differ from covered emissions
- Supplier is based on highest level US parent company, not fuel tax license. Multiple licenses should be aggregated into a single report/threshold.
- All supplier activities (natural gas, CO₂, and other fuels) share threshold and reported as single supplier.
- Not limited to transportation fuels – must report any use of listed fuel products in Table MM-1.

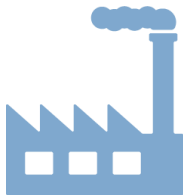
Other Fuel Suppliers

- **Position holders** delivering fuel across the terminal racks
- **Refiners** delivering fuel across racks at refineries and downstream pipeline terminals as the position holder
- **Enterers (importers)** importing fuel outside the bulk transfer/terminal system
 - For example: An importer delivering finished E85 blended in Idaho directly to Washington service stations

Point of Regulation

Example

Refiner A sells propane directly through **Refinery Rack**



Fuel Supplier B removes propane from the **Refinery Rack** and supplies it



Refiner A is responsible for reporting all emissions from fuel delivered through **Refinery Rack**.

Fuel Supplier B is responsible for maintaining documentation and is not required to report unless they have other fuel operations that exceed the reporting threshold.

Price Impacts for Fuel Oil and Other Fuels

Impacts in 2023

- “Most Likely” Scenario: price impact of about 1% in 2023
- Highest Potential Price Impact: price impact of about 3.3% in 2023

Impacts in Future Years

- “Most Likely” Scenario: price impact of about 1% through 2034, then declining
- Highest Potential Price Impact: price impact of about 3% through 2035, then declining

Q&A

Facilitated Discussion

1. Besides the programs we have highlighted which are offered through the Department of Commerce and the Pollution Liability Insurance Agency, do you know of **additional existing programs** that could provide assistance to people who heat their homes with fuels like propane and fuel oil?
2. What **challenges or barriers** prevent customers from accessing the currently available programs?
3. What **additional resources** could remove or reduce the barriers customers face?
4. Are there any needs related to the topic of this process that are not currently being met by any programs, and that may **require the creation of a new program to address**?
5. How would you suggest we **reach out to users of fuel oil, propane, and other fuels** to expand the current scope of engagement in this process?

Ecology Contacts

Project Lead

Harrison Ashby

harrison.ashby@ecy.wa.gov

We invite feedback or requests for meetings through November 30, 2022.

Project Webpage:

https://www.ezview.wa.gov/site/alias_1962/37844/residential_heating_assistance_program.aspx



Thank you