

# INTERAGENCY POLICY TEAM

**Purpose:** Low Carbon Energy Project Siting Improvement Study  
**Date:** February 24, 2022  
**Attendees:** Joenne McGerr (ECY), Brenden McFarland (ECY), Diane Butorac (ECY), Robert Duff (COM), Brian Young (COM), Scott Kuhta (COM), Glenn Blackmon (COM), Stephanie Celt (COM), Caitlyn Jekel (GOV), Allyson Brooks (DAHP), Dever Haffner-Ratliffe (DNR), Kathleen Drew (EFSEC), Shanelle Pierce (ORIA), Kelly Craig (ORIA), Michael Garrity (WDFW), Gary Bahr (WSDA), Greg Gachowsky (WSDOT), Susan Hayman (Ross Strategic), Heather Christopher (Ross Strategic)

ACTION ITEMS			
Responsible	Action	Start Date	Due Date
All IPT members	Come prepared to May 26 <sup>th</sup> IPT meeting to discuss agency staffing/budget needs to address clean energy process improvements	3/10/22	5/26/22

## MEETING SUMMARY

### **Governor's Office Update** (*Caitlyn Jekel, GOV*)

- Update on House Bill (HB) 1812 regarding the Washington Energy Facility Site Evaluation Council (EFSEC). The Governor's Office is working with Tribes and environmental stakeholder groups to refine language in the bill. Stronger language around Tribal consultation has been written into the bill with support of the Department of Archaeology and Historic Preservation (DAHP) to help coordinate between Tribes and EFSEC.
- Update on draft bill to expand labor standard tax incentives created in the Clean Energy Transformation Act (CETA). It would make energy storage projects eligible and generally incentivize the growth of the manufacturing supply chain necessary to realize clean energy growth in Washington. The Governor's Office is hearing a number of different bills around this issue and working to sure the process aligns with CETA.

### **Presentations**

All presentations are available on the [interagency policy team webpage](#).

- **2021 Washington State Energy Strategy**, *Glenn Blackman, Commerce*. The [Washington 2021 State Energy Strategy](#) was designed to provide a roadmap for meeting Washington's greenhouse gas emission limits to achieve net-zero emissions by 2050. The 2021 strategy focuses on aligning with the State's clean electricity laws, including the Energy Independence Act and CETA, which sets the target of 100% renewable or non-emitting sources of energy by 2045. The 2021 strategy also addresses low-income households and vulnerable populations. A modeling team developed five strategies that underpin in all decarbonization analyses and pathways: Energy Efficiency, Clean Electricity, Electrification, Clean Fuels, and Carbon Sequestration.
  - In terms of electricity, the modeling highlighted the need for more electricity across all sectors. Because electricity will come from renewable resources, the state needs more flexibility in the power system, including flexibility on the demand side.

- The implications for siting work include the need to substantially increase clean energy sources, expand and update transmission lines across the state, the ability to substitute between generation and transmission, and the ability to substitute between different sources of clean energy.
- **DNR Trust-Land Clean Energy Planning**, *Dever Haffner-Ratliffe, DNR*. The Washington Department of Natural Resources (DNR) manages more than 5.6 million acres of state land, including 3 million acres of forest, range, and agricultural trust land. Under a constitutional requirement to maximize revenue for trust beneficiaries, DNR manages property for highest and best use. An [assessment](#) completed in January 2021 highlighted the need for DNR to diversify its business portfolio to maximize revenue.
  - Clean energy development presents opportunities for revenue generation through leases. DNR currently holds over 20 leases for wind projects and 3 for solar.
  - DNR is not a permitting authority but does require Tribal consultation and demonstration of SEPA compliance before entering into a lease.
  - DNR's mapping project is intended to identify high-value sites for renewable energy development, similar to what is done now for grazing lands. They plan to have work completed by December 2022.
- **Siting clean energy facilities in Washington State**, *Rob Duff, Commerce*. Rob gave an overview of how the state attracts business to Washington, noting that the siting process in Washington requires more effort and longer timelines than some states. This has been attributed to site readiness requirements, Tribal engagement, and the permitting process, among other reasons.
  - Washington has several programs to attract business, including Statutory Tax incentives (some targeted at clean tech), Governor's Strategic Reserve Fund (typical range: \$100,000-\$300,000), Projects of Statewide Significance, Clean Energy Fund, and Workforce Development Programs.
  - Commerce plays a role in connecting developers to proposal generation and marketing support. Associate Development Organizations (ADOs) provide customer support and there is a [database](#) where businesses can search based on industrial locations.
  - To attract businesses moving forward, Commerce is working to:
    - Make permitting a more streamlined and transparent process
    - Consider how to conduct environmental analyzes and consultant work during the pre-siting process to reduce additional investments and delays
    - Market premier properties using marketing and investment tools that can help Washington compete with other states (e.g., shovel readiness program)

### **Strategic and integrated approach for low-carbon energy projects** (*Group Discussion*)

Participants discussed ideas on how to integrate efforts and strategically improve processes. Advance planning – prior to an application being submitted or a project being sited – is an important phase to consider as work done early, and also strategically, is likely to reduce the overall time to permit a project. The environmental review and permitting time frames are also critical for coordination. Different actions could be taken for each phase and still provide a cohesive approach for permitting clean energy projects.

#### Interagency coordination:

- There is an expectation that agencies with a role in the permitting process should be able to provide permitting assistance to applicants as it relates to their regulatory responsibilities and direct an applicant to other agencies as needed in the process.

- The Interagency Policy Team has the right players in terms of representation to focus on clean energy developments and could meet the needs for the one-stop coordination across agencies for clean energy developments.
- Agencies could use additional funding and staffing to be able to improve customer service, permitting assistance and coordination for new clean energy projects. Agencies need to look in-house to see if they have what they need to provide that assistance. Our recommendations need to be comprehensive and involve all the affected agencies.
- Could consider using an approach similar to Washington State Department of Transportation's (WSDOT) liaison program where WSDOT funds liaison positions at state agencies that have permitting or approval action that contributes to expediting and improving the environmental review process for transportation projects.
- The State Environmental Policy Act (SEPA) is an important coordination tool for agencies and helps to provide consistent understanding of proposals.
- Cross-coordination across agencies is important. We could have one agency in charge of this coordination for environmental review and permitting. A coordination point could help applicants, so they don't have to interact with multiple agencies.
  - Use of the term "concierge" may imply to some that processes can be bypassed if the applicant has enough money and is also an equity concern. Look at using another term.
  - Upfront customer service needs to be streamlined, but that may not necessarily mean the permitting process.
- We could use the Joint Aquatic Resources Permit Application (JARPA) approach to coordinate across federal, state, and local government for specific projects or types of permits.
- Clean energy developments may need new or upgraded transmission lines. We could consider integrating the SEPA and National Environmental Policy Act (NEPA) process for transmission lines because they cross multiple jurisdictions (including interstate).

#### Prioritizing clean energy projects or types of projects:

- There is a place for prioritizing some projects over others, such as clean energy projects that will help Washington meet its greenhouse gas limits.
- There are clean energy projects with technologies we know (wind and solar). Then there will be new technologies that we don't know. These will be more complicated and Tribes, stakeholders, communities will have different/new concerns. Might need to have different processes for wind/solar and emerging technologies.
- Could implement strategy focused on wind and solar, then revisit later for how about how to integrate newer technologies.

#### Tribal consultation and engagement:

- The Centennial Accord is between Tribes and the state. Some Tribes have said they prefer to interact directly with agencies rather than developers.
  - Local government are not signatories to the Centennial Accord. They are often the first government agency contacted and are often lead agencies for environmental reviews.
  - It may be that agencies should be first to engage with Tribes, and then applicant interaction follows.
  - Tribes determine how they want to be engaged and it does vary.
  - We have to manage expectations of developers about tribal engagement.
- Tribes have commented on the number of projects coming to them. Tribes may not have the staff to support this workload.
  - Funding Tribes may help with workload issues.

- Tribes may have concerns about sharing information, especially as concern cultural resources.
- Tribes say they need to know about projects one year to four months in advance.
- Some see SEPA falling short on protection for cultural resources; however, the SEPA checklist does include historic and cultural preservation.
- Cultural resources are not adequately addressed in the Growth Management Act.

Advance planning (pre-application):

- There is work that can be done in the pre-application phase to reduce the overall timeline.
- Analysis on sites can be done early, before permit applications are submitted.
- Using planned and programmatic approaches (e.g., Programmatic Environmental Impact Statements, programmatic cultural resource agreements, siting studies, implementation strategy, etc.) could streamline the SEPA review through a “tiered” approach that would be helpful to developers siting projects. Laying that foundation could address issues such as impact analysis, habitat protection, developing mitigation, Tribal consultation, and community engagement.
- Providing applicant education would help make the process easier to understand and navigate— it wouldn’t necessarily simplify the process, however.
- There is a need to engage rural communities early in the permitting process.
- Provide early education on Washington State requirements for Tribal consultation, environmental review, and permitting.

**Updates on Committees, Work Groups, and Other Related Work**

- Interagency Policy Team: The next IPT meeting on March 24<sup>th</sup> will be focused on environmental impacts and mitigation
  - Once the legislative session ends, Ecology requests that IPT group members look internally at agency staff and budget and identify where more staff might be needed to support clean energy process improvements. Please come prepared to the May 26<sup>th</sup> IAP meeting with a sense of how much additional staff/funding your agency needs.
- Advisory Board: The next Advisory Board meeting is on meeting is March 16<sup>th</sup> and will be focus on local government and GMA issues.
- ORIA: Updated the following webpage:  
[https://www.oria.wa.gov/site/alias\\_\\_oria/409/Permitting--Recommended-Best-Practices-for-Permitting.aspx](https://www.oria.wa.gov/site/alias__oria/409/Permitting--Recommended-Best-Practices-for-Permitting.aspx)
  - Provides best practices that applicants could consider as part of their planning and pre-application phase.