

Energy-Intensive and Trade-Exposed Industries
Advisory Panel Meeting 5
December 9, 2020

Attendees

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| 1. Eric Gertler, Chair | Empire State Development |
| 2. Keith Hayes, Co-Chair | New York Power Authority |
| 3. Heather Briccetti | The Business Council of New York State, Inc. |
| 4. Tristan Brown | SUNY College of Environmental Science and Forestry |
| 5. Jason Curtis | Nucor Steel Auburn, Inc. |
| 6. Carlos García | New York City Environmental Justice Alliance |
| 7. Leah George VanScott | Greater Rochester Enterprise |
| 8. Doug Grose | NY CREATES |
| 9. Melanie Littlejohn | National Grid |
| 10. Elisa Miller-Out | Chloe Capital |
| 11. Stephen Tucker | Workforce Training Center at Northland |
| 12. David Wasiura | United Steelworkers District 4 |
| 13. Lourdes Zapata | South Bronx Overall Economic Development Corp. (SoBRO) |

Not in Attendance

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| 1. Michael LeMonds* | LafargeHolcim |
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* Jason Griffin of LafargeHolcim attended on behalf of Michael LeMonds.

Agenda Item I – Welcome, Meeting Objective, Agenda and Updates

- Chair Gertler welcomed the Panel, reviewed meeting logistics and took the role.
- Chair Gertler stated that, as reflected in the agenda, the meeting objective was to provide comments on preliminary industrial decarbonization strategies so that the preliminary strategies can be presented to:
 - the Climate Action Council on December 15
 - the Climate Justice Working Group on December 16, and
 - the general public at the Public Input session on January 13.
- Chair Gertler noted that the potential policy ideas discussed at the Advisory Panel's prior meeting had been synthesized into the high-level preliminary strategies being considered at the current meeting, which was the format in which the Climate Action Council requested that the Panel's ideas be presented.
- Chair Gertler also indicated that at the meeting the Panel would hear a presentation from John Lochner, NYSERDA's Vice President for Innovation, summarizing the prior day's Deep Decarbonization Workshop sponsored by NYSERDA and DEC.

Agenda Item II – Update (EITE Industries Definition)

- Before proceeding to consideration of the preliminary industrial decarbonization strategies, Chair Gertler introduced Kevin Hansen, ESD's Senior Vice President and Head of Public Policy, to

review the EITE definition being developed by the Just Transition Working Group's Business Impacts subgroup. Specifically, Mr. Hansen reviewed:

- the concept of an EITE Industry
- the implications of being designated as an EITE Industry, and
- the steps involved in defining EITE Industries, including the establishment of working thresholds of:
 - energy intensity
 - emissions intensity, and
 - trade exposureto be used in qualifying industries as EITE.

Agenda Item III – Preliminary Industrial Emission Reduction Strategies

- Chair Gertler began the discussion of the preliminary emission reduction strategies by reviewing:
 - considerations to be kept in mind when developing industrial emission reduction strategies, and
 - specific approaches to reducing or mitigating industrial emissions that had been identified at the Advisory Panel's prior meeting. These included:
 - Financial Assistance
 - Technical Assistance
 - Low-carbon procurement & supply chain policies
 - Research, development and demonstration/innovation
 - Workforce development, and
 - Emissions reporting.Economic incentives to grow green business opportunities were also highlighted.
- The six preliminary strategies were then presented by staff and Panel members were encouraged to ask questions or comment on the individual strategies as each was presented:
- Strategy 1 Scope Topic: Provide Financial incentives and technical assistance for the decarbonization of EITE sectors. See slide 18 for additional details.

Comments:

 - *Support expressed for this strategy.*
 - *The size of a company needs to be taken into consideration when providing technical assistance and proposing solutions. There are significant differences in the needs of large and small companies.*
 - *Funding is expected to come from the State's Clean Energy Fund.*
- Strategy 2 Scope Topic: Create incentives for business to capitalize on low-carbon economy opportunities. See slide 19 for additional details.

Comments:

 - *Support expressed for this strategy because the market is quick to respond to incentives.*
 - *Consideration should be given to adopting already existing project certification standards and life-cycle analyses. There is no need to reinvent the wheel.*

- Strategy 3 Scope Topic: Identify and support technological innovation to enable deep industrial decarbonization. See slide 20 for full details.

Comments:

- *Support expressed for this strategy.*
 - *With respect to Carbon Capture Storage and Utilization, there is a trend in waste to value companies.*
 - *Concern expressed with regard to the geologic storage of carbon dioxide, citing incidents of increased acidity and metals exceeding safe drinking water standards.*
 - *There is a need for pilot funding.*
 - *A techno-economic analysis should be performed before providing pilot funding.*
 - *Equity and Environmental Justice stakeholders should be brought into the development of the proposed innovation roadmap.*
 - *Some type of adder or other assistance should be used to encourage these innovation companies to locate in disadvantaged communities.*
 - *The CLCPA references carbon neutrality, not decarbonization. Carbon neutrality should be the focus so as to prevent the loss of industry and jobs.*
- Strategy 4 Scope Topic: Workforce development training to support Energy-Intensive and Trade Exposed (EITE) Industries. See slide 21 for additional details.

Comments:

- *Support expressed for this strategy in manufacturing settings. Caution, however, over a one size fits all approach. The approach must be carefully tailored to the workforce.*
- Strategy 5 Scope Topic: Increase the available data on industrial GHG emissions to help prioritize efforts and monitor progress. See slide 22 for additional details.

Comments:

- *None*
- Strategy 6 Scope Topic: Provide economic incentives to grow the green economy. See slide 23 for additional details.

Comments:

- *Strong support expressed for this strategy.*
 - *Emphasis on pursuing prevailing wage, project/labor agreements and community benefit agreements before government funding is committed.*
 - *The potential of this strategy to benefit disadvantaged communities was noted.*
- Chair Gertler then presented a summary slide of the preliminary strategies described above and asked the Panel for any additional feedback or questions on those preliminary strategies, or for suggestions on any other preliminary strategies that should be considered.

Agenda Item IV – Deep Decarbonization Innovations in the Industrial Sector

- Chair Gertler then introduced John Lochner, NYSERDA’s Vice President for Innovation, who presented on Deep Decarbonization in the Industrial Sector. Mr. Lochner began by presenting a brief overview of innovation and noted that innovation is strong job multiplier. He then focused on the potential roles in industrial decarbonization of:
 - Hydrogen, and
 - Carbon Capture.
- Mr. Lochner concluded with a discussion of the economic development opportunities for New York in this area.

Agenda Item V – Next Steps

- Chair Gertler then addressed Next Steps:
 - On December 15th, Chair Gertler will be presenting the Advisory Panel’s preliminary strategies to the Climate Action Council for feedback and input from the Council.
 - On December 16th, the preliminary strategies will be presented to the Climate Justice Working Group for additional feedback and input.
 - The next meeting of the EITE Advisory Panel will take place on January 13, 2021, and a substantial portion of that meeting will be devoted to a Public Input session during which members of the general public will have an opportunity to present oral comments directly to the Advisory Panel.
 - Members of the general public as well as members of the Advisory Panel are welcome to submit written comments and materials at any time at climate@esd.ny.gov.
- Chair Gertler then asked for any final questions or comments from the Panel before concluding the meeting.