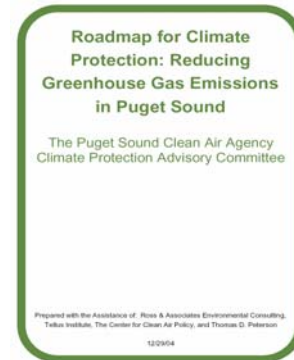


Climate Protection



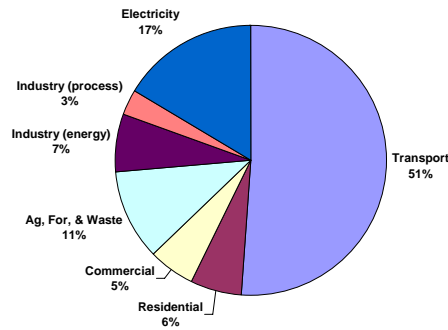
We are committed to acting locally on global warming, or climate change. We are fortunate to be one of many organizations in the Pacific Northwest region of the United States that is investing in a climate change program. Currently, we are identifying how we can best partner with other organizations and use our air quality expertise to reduce greenhouse gases.

Global warming occurs when certain gases, referred to as greenhouse gases (GHGs), accumulate in our atmosphere. Some global warming, or the greenhouse effect, is good for our planet because it keeps heat in our atmosphere. However, excessive amounts of GHGs, such as carbon dioxide or CO₂, create a thick CO₂ blanket around our planet and heat our atmosphere too much. This excessive heat not only warms our atmosphere but also changes our climate.

In the Pacific Northwest, we are likely to experience warmer, wetter winters, and longer, hotter summers. This warmer weather may significantly reduce snow pack in our mountains, causing water shortages in summer and more winter flooding.

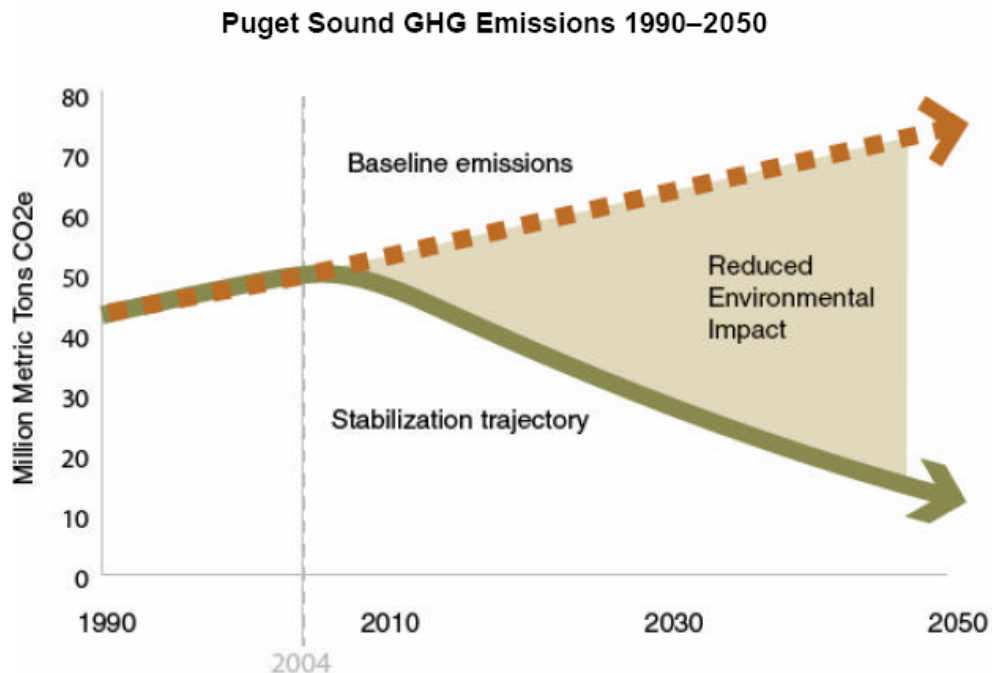
Currently the Puget Sound region emits approximately 48 million metric tons of GHGs each year. If unabated, the region's emission will increase by approximately 27% over the next 20 years, and we will emit over 60 million metric tons per year by 2020. The pie chart below shows the region's largest GHG emitters:

2002 Greenhouse Gas Emissions for the Puget Sound Region



The Agency’s first task in developing our Climate Protection Program was to convene a group of stakeholders including businesses, local governments and non-profit organizations. Our stakeholders, called the Climate Protection Advisory Committee (CPAC), identified overarching principles for the region and over 70 strategies to reduce GHG emissions.

The CPAC strongly encourages the Agency and the region to develop a climate change policy framework including explicit goals and timelines for reduction, and market-based trading systems (e.g., cap and trade). The CPAC recommended a trajectory aimed at climate stabilization over the next 50 years, as shown in the conceptual graph below:



The CPAC recognized both the importance of local government and need to develop partnerships and initiatives beyond our geographic borders to implement these strategies. The CPAC also recommended policies to:

- Maximize energy efficiency and increase renewable energy in the region's power mix,
- Reduce motor vehicle miles traveled,
- Protect natural landscapes and forest biomass, and increase recycling/composting rates.

The Agency has already begun to implement some of these strategies and successfully worked with many partners on several key pieces of legislation in 2005, including:

- Clean Car Standards,
- Appliance efficiency standards for 13 appliances,
- Tax incentives for solar energy,
- Tax incentives for biodiesel production.

Currently, we are developing strategies that analyze and promote renewable energy such as biodiesel and ethanol. For example, a number of Puget Sound fleets currently using biodiesel have reported a range of problems stemming from this relatively new fuel. We are working with a group of fleet operators, scientists and experts to identify the causes and develop solutions to these issues. This kind of information can be used to improve fuel quality, distribution and use through better standards and work practices.

We are also working with federal and local governments to promote cleaner options for vehicle fleets, moving freight and Energy Star buildings. This includes a collaborative project with USEPA's Smart Way program to promote energy efficiency among freight movement operators. This project will provide low-interest loans to purchase energy-saving devices for independent truckers and railroads. We expect recipients to be able to repay these loans within 2 to 4 years. On the local level, we are exploring ways to assist local government make their vehicle fleets "greener" and to bring their buildings up to Energy Star standards.