



11 January 2011

**Optimizing Industry Water Use
A Water Footprinting Study
Great Lakes Protection Fund Project # 926.01
Phase II**

Water Footprinting Project Expert Panel Up-date

A lot has happened since we completed the work on Phase I of this project last fall. Briefly, following the preparation of list of findings from the Phase I workshop we have:

- Submitted a proposal to the Great Lakes Protection Fund (GLPF) to continue the work of defining how water footprinting practices relate to Great Lakes water management and policy development.
- Reacted to comments from the GLPF and submitted a revised proposal that expanded the project to include the pilot application of footprint protocols at operating Great Lakes industrial facilities.
- Secured four volunteer industrial facilities who have agreed to serve as pilot sites.
- Selected contractors to complete the footprint protocol evaluation and pilot application work.
- Received approval of Phase II of the project from the GLPF
- Have begun the start-up activities for the Phase II work.

This is an exciting opportunity and we are most appreciative of GLPF support to do this important work. Central to the effort will be the utilization of the project Expert Panel to provide contributions, reactions, and feedback for this work. We are sending this up-date to panel members who participated in the Phase I work as well as those who indicated interest in the project but were unable to join us at our July workshop and/or provided follow-up contributions. We hope you will continue to work with us on Phase II. We are also recruiting additional Panel members to the to ensure broad coverage of Great Lakes interests.

The workplan for Phase II of the project includes three workshops which will enable the Panel to come together to review project work, provide comments, and otherwise make contribution to the project effort. Other Expert Panel activities or interaction opportunities include conference calls or special working sessions.

Our first interactive event will be a kick-off conference call to be held on January 31, 2011 at 2:00 PM Eastern time. Call-in details are:

Phone No: 218 632-0212

Pass Code: 48 23 81#

To get everyone back up to speed, the following project summary is provided. Please see the project proposal for more details.

Background: Water footprinting is an emerging concept being advanced world-wide with a goal of using these techniques to inform or influence public policy decisions regarding water use. The Council of Great Lakes Industries (CGLI) has been working with the Great Lakes Protection Fund to evaluate water footprinting techniques and understand what this emerging characterization process means to industries and individual companies operating within the Great Lakes Region. The first phase of this project developed water use profiles for selected Great Lakes industry sectors, conducted cursory reviews of water footprinting and accounting processes or protocols in use or being developed, and identified a list of questions or concerns regarding Great Lakes water policy and how these protocols might apply or relate to the Region and its industries. Details regarding this work are available on the project website at: <http://cgli.org/waterfootprint/waterfootprint.html>.

The second phase of this project will test the use of water footprinting protocols at three or four existing Great Lakes industrial facilities and seek answers to a number of important questions. There has been great interest in this project from both Great Lakes water policy practitioners and multi-national companies who are aware of the international interest developing in this arena. A primary concern is how evaluations based on these methodologies would relate to water use decisions made by jurisdictions in the Great Lakes Region under Great Lakes – St. Lawrence River Basin Sustainable Water Resources Compact/Agreement provisions.

Project objectives:

- Complete the analysis of the many water use accounting or water footprinting protocols that are currently being developed or are in use.
- By using one or two of the most relevant or authoritative protocols, determine how these characterization techniques would relate to water use in the Great Lakes Region by a wide range of industrial facilities.

Questions to be addressed in this project:

- How do the various water accounting/footprinting protocols compare? What results do they produce? How are they relevant in directing Great Lakes and industrial water use policy?
- Most, if not all, of these protocols have been developed or used within the context of water scarce regions. What is the relevance of the application of these protocols in water rich regions such as the Great Lakes?
- What factors other than withdrawal quantity do the protocols evaluate?
- Industrial water use practices vary between industry sectors and between facilities within the same sector. How do water footprinting protocols impact or account for these differences?
- Industries utilize many water reuse, recycling, and conservation measures within the course of their everyday business practices. How are these measures accounted for with the water footprinting protocols?

- What benefits can be gained from water footprinting exercises for individual industrial facilities, companies, and the Great Lakes Region?
- What issues or liabilities may result from water footprint exercises for individual industrial facilities, companies, and/or the Great Lakes Region?
- What impacts can changes in government policies or regulations have on facility water footprints?
- What role could use of these protocols play in economic development pursuits within the Great Lakes Region?

Project personnel:

Project managers: Council of Great Lakes Industries

George Kuper, Project Director

Dale Phenicie, Project Manager

Evelyn Strader, Communications Director

Primary project consultants: LimnoTech

Wendy Larson, Principal Investigator

Paul Freidman

Greg Peterson

Joe DePinto

Additional project consultants: National Council for Air and Stream Improvement (NCASI) – performing analysis relating to the paper industry footprinting work.

Paul Weigand, Principal Investigator

Barry Malmberg

Pilot facilities: The following facilities have volunteered to serve as pilot sites for this work.

NewPage Corporation paper mill – Escanaba, Michigan

Shell Canada refinery – Sarnia, Ontario

LaFarge North America cement plant – Bath, Ontario

Consumers Energy fossil fuel electric plant – Grand Haven, Michigan

Project funding: The Great Lakes Protection Fund (GLPF) has provided funding for both Phase I Phase II of this project. Funding levels for the Phase II effort are sufficient to conduct pilot water footprinting studies at three of the above listed industrial facilities. Additional funding is needed to support the fourth case study. CGLI is seeking potential sources for these additional funds (\$20,000). If not secured, a selection process will be utilized to determine which three of the four facilities will be included in this work.