



## Governor's Action Team on Energy and Climate Change Phase II Process

*Meeting #2, March 17, 2008*

## Welcome and Introductions

- Action Team
- Florida Department of Environmental Protection
- Florida Governor's Office
- TWG Members in Attendance
- Center for Climate Strategies

# Agenda

- Introductions and Agenda Review
- Approval of Action Team Meeting #1 Summary
- Update: Action Team Phase II Process
- Update: Florida Emissions Inventory & Forecast, Including Recent Federal Actions
- Review and Approval of Technical Work Groups (TWG) Additions to the Catalog of State Actions for Florida
- Progress Reports on Cap and Trade, Adaptation
- Next Steps for Florida Climate Action Team and TWGs
- Agenda, Time, and Date for Next Meeting
- Public Input and Announcements

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3

## Review and Approve Action Team Meeting #1 Summary

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4

# News, Events



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5

## Recent Federal Actions

- Omnibus Budget Reconciliation Act (Dec.)
  - Requires EPA to enact rules requiring economy-wide GHG reporting
- Energy Independence and Security Act
  - See summary included in meeting folders

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6

## Stepwise Planning Process

1. Develop inventory and forecast of emissions
2. Identify a full range of possible actions
3. Identify initial priorities for analysis
4. Develop straw proposals
5. Quantify GHG reductions and costs/savings
6. Evaluate externalities, feasibility issues
7. Develop alternatives to address barriers
8. Aggregate results
9. Iterate to final agreements
10. Finalize and report recommendations

## Since the Last Action Team Meeting. . .

- Six TWGs have met by teleconference
- Received orientation on Florida Open Government Sunshine Law
- Received orientation on Phase II Process
- Reviewed and proposed additions to the catalog of state actions
- Reviewed and discussed policy design issues for cap and trade and market based systems
- Reviewed and discussed adaptation framework options

## Between Now and the Next Action Team Meeting. . .

- Six TWGs will review Action Team decisions on catalog, cap and trade design, adaptation framework
- Identify suggested priorities for analysis for mitigation options:
  - Rank policy options for notional GHG reduction potential
  - Rank policy options for notional cost
  - Ballot for draft priorities for analysis
- Identify priority design issues and needs for cap and trade
- Identify a preferred adaptation framework and baseline information development for risks, responses
- Review TWG-specific Inventory and Forecast data, methods, assumptions, with suggested revisions

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9

## Mitigation *Priorities for* *Analysis*: Balloting Summary

- Call #3: TWG will consolidate list of catalog options if/as needed.
- Updated catalog of options will be distributed to TWGs by email.
- Balloting by e-mail will occur between Call #3 and Call #4.
- Each TWG member may cast 10 votes, with no more than one vote per catalog option.
- CCS will document and compile the initial list of priority options based on ranked balloting outcomes (1st and 2nd tier).
- On Call #4, TWGs will review and finalize priority options to be recommended to the Action Team.
- Final priority options may include bundled options that combine several individual options from the catalog.

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10

## Inventory and Forecast

- I&F sectors are nearing completion
- Sector I&F and appendixes reviewed by DEP
- Sector I&F and appendixes will be provided to TWGs for review and comment
- Full I&F presented to Action Team in your May 29, 2008 meeting
- Effects of recent state and or federal actions will be included during the process as needed

## Catalog of States Actions

- Refer to handouts of Catalogs of Potential State Actions
  - Agriculture, Forestry, and Waste Management (AFW)
  - Transportation and Land Use (TLU)
  - Government Policy Coordination (GP)
  - Energy Supply and Demand (ESD)
  - Adaptation (ADP)\*
  - Cap and Trade (C&T)\*\*
- Action Team to add new potential actions
- \* Adaptation will focus on framework and priority areas for focus
- \*\* Cap and Trade will focus on design of program

# Agriculture, Forestry, and Waste

- AFW-1 Agriculture—Production of Energy and Materials
- AFW-2 Agriculture—Livestock
- AFW-3 Agriculture—Crop Production
- AFW-4 Agriculture—Land Use Change
- AFW-5 Agriculture—Farming Practices
- AFW-6 Forestry—Production of Energy and Materials
- AFW-7 Forestry—Biomass Protection and Management
- AFW-8 Forestry—Wood Products and Waste
- AFW-9 Waste Management—Waste Management Strategies
- AFW-10 Waste Management—Landfill Gas Strategies
- AFW-11 Waste Management—Wastewater Activities

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13

# Transportation and Land Use

- TLU-1 Passenger Vehicles
  - TLU-1.1 Passenger Vehicle Technology
  - TLU-1.2 Passenger Vehicle Operation
  - TLU-1.3 Passenger Vehicle Incentives and Disincentives
  - TLU-1.4 Fuel-Related Measures
- TLU-2 Land Use Efficiency and Modal Options
  - TLU-2.1 General Location Efficiency
  - TLU-2.2 Increasing Low-GHG Travel Options
  - TLU-2.3 Incentives and Disincentives
- TLU-3 Heavy-Duty Vehicles
  - TLU-3.1 Heavy-Duty Vehicle Technologies
  - TLU-3.2 Heavy-Duty Vehicle Operations
  - TLU-3.3 Increasing Low-GHG Heavy-Duty Travel Options
  - TLU-3.4 Heavy-Duty Vehicle Incentives and Disincentives
- TLU-4 Intercity Passenger Travel: Aviation, Rail, Bus
- TLU-5 Off-Road Vehicles (Construction Equipment, Outboard Motors, ATVs, etc.)

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14

## Break



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15

## Government Policy and Coordination

- GP-1 Inventories, Reporting, and Registries
- GP -2 Energy/Climate Government Policy Coordination
- GP -3 Government Leadership By Example
- GP -4 Greening Florida's Economy
- GP -5 Education and Outreach

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16

# Energy Supply and Demand

- ESD-1 Emissions Policies and Overarching Items
- ESD-2 Renewable Energy and Energy Efficiency
- ESD-3 Fossil Fuel and Nuclear Electricity
- ESD-4 Fuel Production, Processing, and Delivery
- ESD-5 Carbon Capture and Storage or Reuse
- ESD-6 Other Energy Supply Options
- ESD-7 Energy Efficiency Programs, Funds, and Goals
- ESD-8 Buildings
- ESD-9 Appliance Standards
- ESD-10 Education and Outreach
- ESD-11 Pricing and Purchasing
- ESD-12 Customer-Sited Distributed Energy and Combined Heat and Power
- ESD-13 GHG Emissions-Specific Goals and Policies, Including Process Emissions
- ESD-14 Technology-Specific Policies
- ESD-15 Non-Energy Emissions (HFCs, PFCs, SF<sub>6</sub>, CO<sub>2</sub> Process Emissions)
- ESD-16 Other

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17

# Adaptation

- “By October 1, 2008, the Action Team shall issue recommendations including any necessary legislative initiatives to address . . . Adaptation strategies to combat adverse impacts to society, public health, the economy, and natural communities in Florida.” [Executive Order 07-128]
- Progress Report

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18

## Cap and Trade

- C&T-1 Market Mechanisms and Related Items
- C&T Issues Assigned by Phase I Recommendations:
  - An allowance allocation process
  - Economic and emergency safety valves
  - The creation and use of emission offset credits
  - A “leakage” strategy regarding the migration of emissions into surrounding states
  - Trial periods
  - Timeframes for full implementation
  - Linking Florida allowance trading to other programs
  - Early reduction incentives
- Other C&T Issues the TWG May Want to Address:
  - Geographic scope of C&T program
  - Economic sectors included in the C&T program (other than electricity)
  - The level of the cap or how it is calculated
  - Gases that are included
  - Point(s) of regulation

## Next Steps for Action Team and TWGs

- 2 TWG meetings/calls in April – May
- Identify Initial Priorities for Analysis from the Catalogs
- Begin cap and trade design work
- Continue adaptation framing, priority development
- Review GHG Inventory and Forecast for Florida

## Timing – Action Team Meetings

Date	Action
February 1, 2008	1 <sup>st</sup> Action Team meeting
March 17, 2008	2 <sup>nd</sup> Action Team meeting
May 29, 2008	3 <sup>rd</sup> Action Team meeting
July 9, 2008	4 <sup>th</sup> Action Team meeting
August 6, 2008	5 <sup>th</sup> Action Team meeting
September 5, 2008	6 <sup>th</sup> Action Team meeting
October 1, 2008	Phase II Final Report due
Between Action Team Meetings	TWG conference calls and meetings

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21

## Timing – TWG Meetings

TWG (all times Eastern)	Energy Supply and Demand	Agriculture, Forestry, and Waste	Transportation and Land Use	Cap-and-Trade	Government Policy	Adaptation
Call#1	FEB 27, Wed 1:30pm-3:30pm	MAR 5, Wed 1:00pm-3:00pm	FEB 27, Wed 1:00pm-3:00pm	FEB 29, Friday, 2:00pm-4:00pm	FEB 28, Thurs, 9:00am-11:00am	FEB 29, Friday 10:00am-12:00pm
Call#2	MAR 5, Wed 1:30pm-3:30pm	MAR 10, Mon 1:00pm-3:00pm	MAR 5, Wed 1:00pm-3:00pm	MAR 7, Friday, 2:00pm-4:00pm	MAR 6, Thurs, 9:00am-11:00am	MAR 6, Thurs, 10:00am-12:00pm
Call#3	APR 2, Wed 1:30pm-3:30pm	MAR 26, Wed 1:00pm-3:00pm	APR 3, Thurs 1:00pm-3:00pm	MAR 28, Friday, 2:00pm-4:00pm	MAR 27, Thurs, 9:00am-11:00am	APR 4, Fri 10:00am-12:00pm
Call#4	APR 23, Wed 1:30pm-3:30pm	APR 30, Wed 1:00pm-3:00pm	APR 23, Wed, 1:00pm-3:00pm	APR 25, Friday, 2:00pm-4:00pm	MAY 1, Thurs, 9:00am-11:00am	APR 21, Mon 10:00am-12:00pm

March 17, 2008

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22

## Next Action Team Meeting

- Agenda:
  - Review and approve initial priorities for policy development and analysis
  - Review and approve TWG suggested updates to the FL emissions inventory and forecast
  - Review progress on cap-and-trade design issues
  - Review progress on adaptation issues
- May 29, 2008, Tallahassee



## Public Input, Announcements