



Governor's Action Team on Energy and Climate Change

State of Florida

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DRAFT TELECONFERENCE MEETING SUMMARY

Transportation and Land Use

Technical Working Group Call #12

September 2, 2008

Members Attending:

Members	Affiliation
Janet Bowman	The Nature Conservancy
Peter Calvert	EarthFirst Americas
Greg Chelius	Trust for Public Land
Suzanne Cook	Florida Green Building Coalition
Howard Glassman	Florida Metropolitan Planning Organization Advisory Council
Buzz Hoover	Gate Petroleum Company
Dr. Lonnie Ingram	University of Florida
Charles Pattison	1000 Friends of Florida
David Peebles	ETH Bioenergy-Odebrecht Construction, Inc.

Governor's Office of Energy and Climate Change: Kelley Smith

Center for Climate Strategies (CCS): Lewison Lem, David Shelton, Jessica Wade

Members of the Public: Chris Barry (Florida Trucking Association), David Brewderly (Wise Gas, Inc.), Amy Datz, Sarah Doar (Hopping Green & Sams), Mary Gutierrez (Bay Area Resource Council), Kathy Neill (Florida Department of Transportation), Melanie Simmons, Diane Quigley (Florida Department of Transportation)

Agenda Item#1 and 2: Introductions, Meeting Purpose and Goals

Lewison Lem welcomed the group. Jessica Wade took attendance.

Kelley Smith reviewed the schedule. The previous Action Team Meeting was rescheduled due to Hurricane Fay; as a result the whole schedule has been extended by 15 days. All of the new Action Team Meetings will take place in Tallahassee on the following dates:

- Sept 17-18, 2008
- October 1-2, 2008
- October 13 (teleconference if necessary)



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There has been an additional TWG call scheduled for the week of September 22nd.

Lewison Lem stated that most of the meeting today will be spent on the Policy Options Document (POD).

Agenda Item #3: Approval of Call #10 & #11 Summary

David Peebles expressed concern over getting comments from Dave Mica incorporated into the POD. Buzz Hoover pointed out that the Florida Petroleum Council represents the large petroleum producers and the smaller producers are represented by an independent marketing association. Lewison Lem stated that he did not receive an e-mail from David Mica. David Peebles wanted to encourage Dave Mica to submit proposals for review.

There were no other comments on the meeting summaries. The meeting summaries were approved without objection.

Agenda Item #4: Discussion of Policy Options

There was a discussion of the Policy Options, during which Lewison Lem was incorporating changes into the POD based on suggestions from the group.

TLU 1A and 1B

David Shelton introduced the sections. He reviewed that he had worked with David Peebles on making some proposed changes. Section 1A was mostly text changes consisting of clarifications on what would be included in the policy in terms of requirements versus guidance. There were more substantive changes made to section 1B. David Shelton said that the scenario was changed to focus more on something reflective of federal and state mandates. He pointed out that there is a typo in the document; on page 11 the sentence that states that the levels in fuel use will result in a 20% reduction, should read 6% by 2020 and approximately 8% reduction in 2025. David Shelton mentioned that in section 1B sugar cane was added to the mix in response to comments from the group.

David Peebles pointed out that page 6 of the POD in the quantification section states that "all ethanol would come from corn feed stocks", but page 11 shows sugar cane. David Shelton responded that it does show two scenarios, and it is intentional. David Brewderly stated that there has been a major oversight with respect to there is no GHG emissions reduction shown from the use of compressed/liquefied natural gas. David Peebles stated that he agrees with



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David Brewerly. He said that one of the concerns he had when this started was the use of the term renewable instead of alternative; he said this is recognized in the definition, but not in the quantification. Dr. Lonnie Ingram stated that he also agrees. Peter Calvert stated that there is not infrastructure in place for the delivery of compressed natural gas. He also said he was not sure if you could analyze it to the same extent as biodiesel and ethanol. Buzz Hoover stated that this issue has been discussed previously at an Action Team meeting and that he doesn't want to give incentives in this area because the fuels would be coming from out of state. Dr. Lonnie Ingram stated that he agrees with keeping it as an option, but not to give it incentives. Peter Calvert mentioned that it is used in places where natural gas is dirt cheap, for example Argentina. David Brewerly said that natural gas is cheap in Florida; the price is less than \$2 a gallon for the gasoline equivalent. He also mentioned that in California you can buy a Honda and a home fueling device to decouple you from having to go to the gas station. Peter Calvert stated that there is a factual disagreement with the cost. He reiterated that there is not an infrastructure now for delivering compressed gas, there is not a matrix of legislation on the federal or other states, and it is difficult to put a number on it. David Brewerly responded that the analysis for plug in hybrids is the same analysis. Peter Calvert stated that there would be a hard time arriving at a consensus on how much is practical to expect. David Brewerly said that the baseline for ethanol in Florida right now is very small, but there are ambitious steps being taken with that. He stated that it is irresponsible not to include this and he will fight on this issue. Peter Calvert mentioned that he had previously worked at a company that had compressed natural gas technology and he thinks that there are problems with it, but whether or not he agrees with ethanol he can see the numbers materializing. David Peebles stated that natural gas could be included and wanted to see if there is a way to quantify it, he is not very supportive of incentives anyways. Lewison Lem pointed out that the scenario for the low carbon fuel is not intended to be a predictive scenario, but a feasibility study. He said that there may be a number of pathways to get to that goal. Buzz Hoover stated that he doesn't disagree with that, but the text for 1B specifically talks about compressed natural gas. David Brewerly stated that he passionately believes that the gaseous fuel pathway should be included in quantification.

David Shelton stated that the GREET model provides a way for it to be included in the table, the group would need to agree on whether or not to add it to the quantification, then they would need to agree on a reasonable usage assumption. Dr. Lonnie Ingram suggested that Table X-1b.2 does not need to have grams as a unit in the reduction column because it is a unitless measure. Buzz Hoover suggested changing the title to Alternative Fuels. Lewison Lem reinforced the concept that the policy is intended to be a fuel neutral policy, that sets a goal, but does not tell people how to get to that goal. Dr. Lonnie Ingram suggested adding a footnote that the corn ethanol uses fossil fueled boilers. He stated that the poor performance of corn is due to natural gas fired



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boilers, this might be changed to renewable fuels, then it would be about as good as the sugar cane.

David Peebles pointed out a typo on page 2; line 6 where the word "alternative" is written twice.

David Peebles suggested that on page 4 there be a rewrite instead of being generic on federal legislation. Buzz Hoover said that to his knowledge the 2008 legislation didn't make any modifications to the credits and they will expire if it is not renewed. The 2008 legislation isn't relevant to this area and that's why it isn't mentioned.

David Peebles suggested not using the term "massive investments", just "investment". He also suggested using the term "manage" instead of "mitigate".

David Peebles pointed out that page 3 contains the word "requiring". Buzz Hoover stated that he had the same point that the language didn't get cleaned up. Dr. Lonnie Ingram suggested the language "by providing appropriate policies that ensure a market for all advanced biofuels".

David Peebles commented on #2 on the implementation mechanisms. Dr. Lonnie Ingram stated that he had looked at other states that Florida was competing with; he doesn't want to incentivize the production of ethanol from out of state. Buzz Hoover stated that he agrees with Dr. Lonnie Ingram, so does Peter Calvert. Dr. Lonnie Ingram suggested the language "Provide production incentives".

Charles Pattison asked if there has been enough discussion and agreement that corn is not a valid source. David Peebles said that he thinks that if a lifecycle analysis is done it will show what is best. He added that corn has gotten bad propaganda, but it still might not be appropriate for Florida. Dr. Lonnie Ingram stated that he agrees and that the bad press on corn is largely due to the fossil fuel burners.

Buzz Hoover stated that page 4 should say "in 2008" after the word "gasoline"

Buzz Hoover suggested that on the beginning of page 5, the 2nd paragraph, 2nd sentence, should say "virtually all" instead of "mostly".

David Peebles suggested a fact check on the last sentence that has 13.4 billion gallons. He suggested taking the sentence out. He thinks that the 6.5 is too low and that the whole paragraph needs a fact check. Lewison Lem said that he thinks that the numbers came from the



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congressional research service. He suggested using the word "estimated". David Peebles said that he will send in some data from the ethanol producers magazine.

David Peebles pointed out that on page 6 the quantification states that all ethanol would come from corn feedstocks. David Shelton confirmed that this is correct. It was brought up that in the next paragraph it mentions there is a subsidy for the blenders that is being downgraded from 51 cents to 46 cents. Buzz Hoover said he thinks that there is a trigger mechanism that when the production in the country reaches a certain level it will go down to 46 cents. Lewison Lem stated that he will make a change to the text that says the current subsidy is 51 cents. David Shelton mentioned that the quantification reflects 51 cents. Buzz Hoover pointed out that whatever the subsidy is it will not last until 2025 without being renewed. Peter Calvert will send some information on to Lewison Lem to be forwarded on to David Shelton.

David Brewderly suggested that on page 3 on implementation mechanisms, biogas should not be excluded; he would like it to be fuel neutral.

Buzz Hoover, reference to page 9, said that part of the 2008 legislation created the Florida Energy & Climate Commission and that should be listed first.

Lewison Lem pointed out that there is a blank on page 10. Buzz Hoover asked if that is referring to the 10% ethanol. Lewison Lem responded that it is. Buzz Hoover said that the blank should be "2010".

David Brewderly suggested that on top of page 9 before policy design where there is a requirement for fuel providers, there be a sentence for fuel retailers to disclose to the consumers. He suggested the language "Fuel retailers should be encouraged to provide this information to consumers at the point of sale." Buzz Hoover stated that he doesn't object as long as it shows for what is feasible; he suggested adding the clause "to the extent that the information is available".

Buzz Hoover suggested adding the FECC on page 9 and other places. Lewison Lem said he will add it to page 10 under other parties involved.

Buzz Hoover questioned why if the goal is to displace 25% by 2020 why doesn't the table on page 11 reflect this. David Shelton responded that was for TLU 1A. TLU 1B is reducing carbon fuel intensity by 20% to 2025. 1B now reflects a revised scenario. They are not supposed to be related. Lewison Lem said that the larger impact of either option will probably be added to the total. He said that both options can be included in the appendix, but just one will



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be carried forward to the summary table. Buzz Hoover said that it would be clearer that they are complementary if they didn't have the same title. Lewison Lem said that the titles will be changed to alternative and the other to low GHG fuels. David Brewderly said that he sensed that the committee is talking about 1A as "renewable" fuels. Lewison Lem said that in 1A there will be text that says develop and expand renewable and alternative fuels.

TLU 8

Chris Barry said that he went through the language with Jeff Day and the DOT. Chris Barry and Diane Quigley noticed that some of the old language was still in that section. Chris Barry suggested removing text from the top of page 47, from "there has been" to the "state of Florida". Diane Quigley agreed. Chris Barry said that "Currently in the United States" should be the beginning. He said that the text was alright until the bottom of page 50. He said that there are three bullets under operational strategies, then goals – remove text from goals down through page 51 where it says "parties involved". He said that "FDOT will continue" should be the next thing to be included. He then pointed out that "FDOT will continue" and "FDOT and its partners" should be bulleted. Chris Barry also added that on page 49 under data sources – "the American Trucking Associations' *Sustainability Task Force: Strategies for Further Reduction of the Trucking Industries Carbon Footprint, October 2007*) should be listed.

Charles Pattison suggested that on page 49, the 1st bullet under technical strategies, should include "increased and appropriately sited inland ports". Chris Barry and Dianne Quigley agreed.

Chris Barry asked with an option like #8, what are the next steps in going in front of the full Action Team. Lewison Lem stated that the numbers are intended to be policy estimates; the language becomes the recommendation of the working group then the action team will take it up for recommendation and approval, possibly with changes.

Dave Brewderly pointed out that under technical strategies there is no mention of alternative fuels, he suggested looking at natural gas as a cost effective alternative. He suggested that under technology strategies, under hybrid truck technology to include the words "alternative fuels" on the sub bullets. Chris Barry pointed out that one of the bullets is about anti idling. It was decided to include the language "Invest in hybrid truck and alternative fuels ". Chris Barry said that "invest in hybrid technology" should be a sub bullet.

Lewison Lem confirmed that TLU 8, with the changes incorporated from this meetings discussion, is the recommendation of the group to the full Climate Action Team.



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TLU 6

Howard Glassman said that on page 36, the last paragraph, something happened to the two paragraphs. He said that the first sentence should include "states goals". He stated that he doesn't agree with the second sentence. Dianne Quigley said that it is from the DOT. Howard Glassman suggested removing the citation for s. 339.19, he thinks it is inaccurate.

Someone pointed out that on page 36 there is a reference to the energy bill that should be 7135, not 7035.

Howard Glassman suggesting that section 6.6 be deleted. He expressed concern over what are considered priorities for the MPOs. Janet Bowman said that she is looking for a paradigm shift. Charles Pattison said that he wants the word "prioritization", the state can be an example; don't need to wait for federal legislation.

Kathy Neill suggested looking at how the language is currently worded because right now there aren't the modeling tools to make that type of assessment. Janet Bowman stated that the group needs to look beyond incremental changes to meet the 2025 goals. Charles Pattison said that if you don't put in requirements how are you supposed to reach the goals in 6.8. David Peebles suggested focusing on policy, that mandates will follow after a deliberative process. He stated that he prefers policy statements that are the foundation for developing mandates. Howard Glassman suggested that GHG emissions reduction be an added consideration in the decision process. Suzanne Cook agreed that the group needs to focus more on policy and that the current language is too prescriptive. Kathy Neill said that the language looks at capacity improvements, but when you use the term "projects" you are getting in to all types of improvements. She said that she thinks that the group is trying to shift capacity improvement money from new roads to transit. Janet Bowman agreed with that suggestion. Howard Glassman suggested beginning the statements with "encourage" and "promote." Charles Pattison suggested including a statement that the MPOs should look at GHG impacts as part of the project process. Kathy Neill reiterated that there aren't the modeling capabilities to support this. Janet Bowman suggested adding a statement to develop the modeling and a statement that includes the moving of capacity money to transit and the MPO goal. Lewison Lem stated that because of the schedule his recommendation is to look through the suggestions one by one and come to an agreement. Janet Bowman suggested working with Kathy Neill before the next call on Monday. Suzanne Cook stated that changing the wording is important; she wouldn't approve it as is. Kathy Neill said that she is willing to work with members of the group; Dianne Quigley also offered to help. Lewison Lem cautioned against the development of a sub group. Janet Bowman will work with Kathy Neill.



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TLU 3

Suzanne Cook pointed out that the legislature approved three certification programs this year and that it is inappropriate to reference just one. She suggested that any reference to LEED should be changed to include all three programs; they are in the first bullet on page 19. Same change on page 20 and page 21.

Agenda Item #5: Review of Next Steps

Lewison Lem said the POD with changes will be posted as soon as possible for the group to review before the meeting on September 8th.

Agenda Item #6: Agenda, Date and Time for Next Meetings

The next TLU TWG meeting is Monday, September 8, 2008 from 1:00 to 4:00 pm.

Agenda Item #7: Public Comments and Announcements

Dave Brewderly has asked if under TLU 2 it could encourage the conversion of vehicles to burn compressed natural gas. There were no objections to adding that sentence.

There were no additional public comments.

David Peebles asked Lewison Lem to personally remind David Mica to contribute comments to this draft. Lewison Lem said he is sending him an e-mail.