



Governor's Action Team on Energy and Climate Change

State of Florida

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

*Energy Supply and Demand
Technical Work Group (TWG)*

Meeting #18

September 23, 2008

Welcome and Introductions

- Action Team TWG Members
- Florida Department of Environmental Protection
- Members of the Public
- Center for Climate Strategies

Agenda

- Introductions
- Meeting Purpose and Goals
- Approval of Prior Call Summary
- Review Action Team Decisions
 - ESD Policy Options
 - Electricity Supply Forecast
- Provide Final TWG Input on Policy Options
 - Including uncertainties, co-benefits/costs and feasibility factors
- Provide Final TWG Input on Forecast
- Next Steps
- Public Comments
- Announcements

Approval of Call Summary

- Review and approval of draft meeting summary for ESD TWG Call #17

Climate Action Team Decisions from 9/17-18 Meeting

- Input/Decisions on ESD Options
 - Revise cost calculations to use retail electricity rates (rather than utility avoided costs) for options that would be funded primarily by end-users: ESD-8, 13a, 14
 - Combine ESD-3 and ESD-5, use 20% by 2020 as goal (but report other goals for information), use avoided cost of peak power for calculating benefit of solar PV, use DOE estimates for current (2005) and future costs of solar PV

Climate Action Team Decisions from 9/17-18 Meeting

- Input/Decisions on Revision of Electricity Supply Forecast
 - Use updates as recommended by TWG
- Other Results from CAT Meeting

Summary List of Priority Policy Options for Analysis – Tier 1

Policy No.	Policy Option	GHG Reductions (MMtCO ₂ e)			Net Present Value 2009–2025 (Million \$)	Cost-Effectiveness (\$/tCO ₂ e)	Status of Option	
		2017	2025	Total 2009–2025				
Tier 1								
ESD-3	Renewable Energy Incentives and Barrier Removal [30% by 2025]	21	64	481	\$54,497	\$113	Pending	
ESD-5	Renewable Portfolio Standard (RPS)						Pending	
	Option 1: 20% by 2020	19	58	437	\$43,156	\$99		
	Option 2: 20% by 2025	16	43	336	\$29,925	\$89		
ESD-6	Nuclear Power	0.0	11.2	69.2	\$1,782	\$26	Pending	
ESD-7	Integrated Resource Planning (IRP)	Not to be quantified						Pending
ESD-8	Combined Heat and Power (CHP) Systems	1.8	2.9	28.3	\$217	\$8	Pending	
ESD-9	Power Plant Efficiency Improvements	9.9	13.6	143.5	–\$1,528	–\$11	Pending	
ESD-11	Waste-To-Energy (WTE)	3.7	8.8	65.4	\$79	\$1	Pending	
ESD-12	Demand-Side Management (DSM)/Energy Efficiency Programs, Funds, or Goals for Electricity	16.0	35.4	277.4	–\$8,767	–\$32	Pending	
ESD-13a	Energy Efficiency in Existing Residential Buildings	3.9	8.0	64.5	\$572	\$9	Pending	
ESD-14	Improved Building Codes for Energy Efficiency	0.0	7.3	14.5	\$33	\$2	Pending	
ESD-15	Training and Education for Building Operators and Community Association Managers	<i>Not to be quantified</i>						Pending
ESD-17	Consumer Education Programs	<i>Not to be quantified</i>						Pending
ESD-23	Decoupling	<i>Not to be quantified</i>						Pending
Recent Actions								
	Building Codes for Energy Efficiency (HB 697 and Executive Order 127)	9.2	23.1	174.9	\$162	\$1	Pending	

Summary List of Priority Policy Options for Analysis – Tier 2

Policy No.	Policy Option	GHG Reductions (MMtCO ₂ e)			Cumulative Net Costs (present value) 2009–2025 (Million \$)	Cost-Effectiveness (\$/tCO ₂ e)	Status of Option
		2017	2025	Total 2009–2025			
Tier 2							
ESD-1	Technology Research and Development (R&D) with Commercial Opportunities						Pending
ESD-4	Electricity Transmission and Distribution Improvements						Pending
ESD-13b	Incentives for New Residential Buildings and Master Planned Communities Achieving High Energy Performance Standards						Pending
ESD-16	More Stringent Appliance/Equipment Efficiency Standards						Pending
ESD-18	Incentives to Promote Implementation of Customer-Sited Renewable Energy Systems						Pending
ESD-21	Rate Structures and Technologies to Promote Reduced Greenhouse Gas (GHG) Emissions						Pending
ESD-22	Demand-Side Management (DSM)/Energy Efficiency Programs, Funds, or Goals for Natural Gas						Pending

Stepwise Planning Process

1. Get organized
2. Review and refine inventory & forecast of emissions
3. Identify a full range of possible actions
4. Identify initial priorities for analysis
5. Develop straw policy design proposals
6. Quantify initial GHG reductions and costs/savings
7. *Fully develop policy option templates, including externalities, feasibility issues*
8. Develop alternatives to address barriers as needed
9. Aggregate and integrate results
10. Finalize and report recommendations

Additional TWG Input on ESD Options

- Final Clarifications on Tier 1 Options
- Input on additional elements of Option template
 - Key Uncertainties
 - Additional Benefits and Costs
 - Feasibility Issues

Development of Policy Options

- Design Template / Matrix
 - Policy description
 - Policy design (goals, timing, parties involved)
 - Potential implementation mechanisms
 - Related policies/programs in place
 - Type(s) of GHG reductions
 - Estimated GHG reductions and costs or cost savings
 - *Key uncertainties*
 - *Types of additional (non-GHG) benefits and or costs*
 - *Feasibility issues, if needed*

Inventory & Forecast

See Forecast Revisions PowerPoint posted on the website (Slides as prepared for CAT review, with updates as available)

Agenda for Action Team #7

- Review and Approval of Transportation and Land Use (TLU) and Energy Supply & Demand (ESD) Policy Options
- Review and Approval of Inventory and Forecast
- Review and Approval of Final Cap-and-Trade (C&T) Policy Options

Timing – Action Team Meetings

Date	Location	Action
February 1, 2008	Tallahassee	1 st Action Team meeting
March 17, 2008	Tallahassee	2 nd Action Team meeting
May 29-30, 2008	Tallahassee	3 rd Action Team meeting
July 9-10, 2008	Tallahassee	4 th Action Team meeting
August 6-7, 2008	Orlando	5 th Action Team meeting
August 22, 2008	St. Petersburg	Canceled due to Faye
September 17-18, 2008	Tallahassee	6th Action Team Meeting
October 1-2, 2008	Tallahassee	7th Action Team Meeting
October 15, 2008		Phase II Final Report due
Between Action Team Meetings		TWG conference calls and meetings

Public Input, Announcements