Alaska Climate Mitigation Advisory Group
of the Governor’s Climate Change Sub-Cabinet

Meeting #1
May 15, 2008
Anchorage, Alaska

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Who is the Center for Climate Strategies?

• Non-profit focused on helping states develop comprehensive, stakeholder-driven climate action policies and plans.
• Typically work with senior state officials
  – Governors’ offices, Commissioners, Cabinets
• Multiple areas of technical and policy expertise:
  – Process design, formation, management & facilitation, decision support, conflict resolution & consensus building, technical analysis, and capacity building.
  – Multiple skills and tools for identifying & evaluating policy options
• Virtual organization with ~50 expert partners
• Unparalleled expertise with work in more than 25 states
Where Has CCS Been Active?

- Comprehensive Plans
- Partial Plans
- Initial Contact
- Other Plans
Who is Information Insights?

• One of Alaska’s leading economic and public policy consulting firms

• Clients span Alaska public and private sectors
  – State & municipal governments
  – Wide array of businesses (e.g., transportation, oil and gas)
  – Alaska Native non-profit and for-profit organizations
  – State and local non-profits
  – Educational institutions

• Specialize in:
  – Strategic planning and public process facilitation
  – Research, analysis and planning studies
  – System change
  – Program administration and evaluation

• Apply creativity and vision to tailor solutions for clients
State Climate Planning Process: Overview

- Comprehensive
- Stepwise
- Fact-based
- Self-determined
- Consensus-driven
- Informal
- Nonbinding
- Transparent
- Inclusive
- Flexible
Process Design & Development

• Prepare
  – Develop reference case *GHG Inventory & Forecast*
  – Identify “catalogs” of potential policy options by sector
  – Start identifying policies & programs already in place in Alaska
  – Secure cost-share funding

• Design
  – Select team & partners; structure responsibilities & coordination
  – Help ADEC identify stakeholder participants
  – Help ADEC identify sector-based Technical Work Groups (acting as subcommittees)

• Launch Stakeholder Process
  – Climate Change Mitigation Advisory Group process
Stepwise Planning Process

1. Develop/revise inventory and forecast of GHG emissions
2. Identify a full range of possible actions ("catalogs") and programs already in place
3. Identify initial priorities for analysis
4. Develop straw proposals
5. Evaluate and quantify to the extent possible costs and benefits (e.g., GHG reductions, costs or savings, etc.)
6. Evaluate feasibility issues; associated issues
7. Develop alternatives if needed to enhance consensus
8. Aggregate results
9. Iterate to final agreement
10. Finalize and report recommendations
Process Design & Development

• Conduct
  – Stepwise process; iterate to consensus
  – All transparent, with public involvement at each stage

• Conclude
  – Determine consensus levels of priority policy options
  – Draft final reports and recommendations for the Sub-Cabinet
Overarching Outcomes of the CCS/II Stakeholder-Based Planning Process

- Policy recommendations to the CCSC that are tailored for Alaska by Alaskans
- Comprehensive, multi-sector results
- Quantified results – to the extent possible
- Groundwork for implementation
- No surprises
- Broad consensus
- Relationships built
Overview of Roles and Responsibilities

- Climate Change Sub-Cabinet (CCSC) convened by Governor Palin
- DEC oversees and coordinates process on behalf of the CCSC
- CCMAG makes recommendations to CCSC
- Technical Work Groups (TWGs) assist in developing CCMAG recommendations
- Public input and review for stakeholders
- CCS & II provide facilitation, technical assistance, and prepare final report to CCSC
Technical Work Groups for **Mitigation** Advisory Group

Governor Palin

(Governor’s Sub-Cabinet on Climate Change)

- **Immediate Action Work Group**
- **Adaptation Advisory Group**
- **Research Needs Work Group**

**Climate Change Mitigation Advisory Group**

- **Oil & Gas Technical Work Group**
  - Appointed Members
  - Interested Parties
  - Technical Experts
  - Public

- **Energy Supply & Demand Technical Work Group**
  - Appointed Members
  - Interested Parties
  - Technical Experts
  - Public

- **Transportation & Land Use Technical Work Group**
  - Appointed Members
  - Interested Parties
  - Technical Experts
  - Public

- **Forestry, Agriculture, & Waste Technical Work Group**
  - Appointed Members
  - Interested Parties
  - Technical Experts
  - Public

- **Cross-Cutting Issues Technical Work Group**
  - Appointed Members
  - Interested Parties
  - Technical Experts
  - Public

(Adaptation TWG framework is similar)
Technical Work Groups

• Oil and Gas
  – Exploration, production and refining / processing

• Energy Supply and Demand
  – Clean and renewable energy, combined heat & power, etc.
  – Energy efficiency and conservation, industrial processes, water supply and treatment, etc.

• Transportation & Land Use
  – Vehicle efficiency, alternative fuels and demand-reduction programs

• Forestry, Agriculture, and Waste Management
  – Forest management, forest restoration, land protection, bioenergy, wood products, waste reduction, recycling

• Cross-Cutting Issues
  – Reporting, registries, public education, goals
Technical Work Group Roles

• Assist CCMAG:
  – Review and improve the state GHG inventory and forecast
  – Identify potential state actions for catalog
  – Identify potential priorities for analysis
  – Suggest straw policy designs
  – Assist with analysis and review of options
  – Assist with development of alternatives
  – Assist with input to and review of CCMAG report
Coverage of Issues

- All GHGs
- All sectors
- State and multi-state actions
- Short- and long-term actions
- Co-benefits
Multiple Implementation Methods

- Voluntary Agreements
- Technical Assistance
- Financial Incentives
- Targeted Spending
- Codes and Standards
- Market-Based Approaches
- Pilots and Demos
- Information and Education
- Research and Development
- Reporting and Disclosure
Sectors x Mechanisms =
A “Portfolio” of Policy Options (Mitigation)

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<td>Residential, Commercial, &amp; Industrial</td>
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<td>Forestry, Ag &amp; Waste Management</td>
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<tr>
<td>Cross-Cutting Issues (Education, Registries, etc.)</td>
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Catalog of States’ Actions

- Over 300 actions taken by U.S. states
- Existing, planned, and proposed state-level actions
- Wide variety of U.S. states
- All sectors & GHGs
- Wide variety of implementation mechanisms
- Will include key Alaska actions
- CCMAG will add new potential actions
- Starting place for identification of CCMAG priorities
Policy Design Proposals

- CCMAG identifies about 50 draft potential options for further development
- TWGs screen, prioritize, and propose initial policy option design ("straw proposals")
  - Goals
  - Timing
  - Coverage / Parties
  - Implementation Mechanism
- CCS team quantifies and presents for review and modification, if necessary
- CCMAG revisits list of potential priorities, as needed
Decision Criteria

- GHG Reduction Potential (MMTCO$_2$e)
- Cost or Cost Saved per Ton of GHG Removed
- Energy, Commerce, Other Co-benefits
- Feasibility Issues
Policy Option Template

- Policy Description (Concept)
- Policy Design (Goals, Timing, Coverage)
- Implementation Methods
- Related Programs and Policies (BAU)
- Estimated GHG Savings and Costs Per MMTCO$_2$e
  - Data sources, methods, and assumptions
  - Key uncertainties
- Additional (non-GHG) Benefits and Costs, as Needed
- Feasibility Issues, if Needed
- Status of Group Approval
- Level of Group Support
- Barriers to Consensus, if Any
Transparency

• “Show Your Work”
  – Policy Design
    • Timing
    • Levels
    • Parties Involved
    • Implementation Methods
  – Evaluation Approach
    • Data sources
    • Methods
    • Assumptions
Categories of Action

- Energy efficiency and conservation
- Clean and renewable energy
- Transportation and land-use efficiency
- Forest and agriculture conservation
- Waste management
- Industrial process improvements
Examples of Possible Mitigation Policy Recommendations

- Energy-Efficient Building Codes
- Enhanced Appliance Standards
- Demand-Side Management; Rate Design
- Renewable Energy Incentives
- Remove Barriers to Combined Heat and Power (CHP)
- Reduce Venting/Flaring in Oil & Gas Operations (CH₄)
- Clean Car Standards; Low Rolling-Resistance Tires
- Biomass and Biofuels Incentives
- Enhanced Solid Waste Recovery & Recycling
- Green Technology Incubator / Clearinghouse
- Climate Courses in Professional Licensing Programs
Final Report

- Executive Summary
- Background, Purpose, & Goals
- Alaska GHG Emissions Inventory & Forecast
- CCMAG Recommendations and Results
  - Oil & Gas
  - Energy Supply & Demand
  - Transportation and Land Use
  - Agriculture, Forestry, and Waste Management
  - Cross-Cutting Issues
- Appendices
Overarching Outcomes of the CCS/II Stakeholder-Based Planning Process

- Policy recommendations tailored for Alaska by Alaskans
- Comprehensive, multi-sector results
- Broad consensus
- Quantified results – to the extent possible
- Groundwork for implementation
- No surprises
- Recommendations to CCSC
- Relationships built
### Sampling of State Mitigation Plan Results

<table>
<thead>
<tr>
<th>State</th>
<th>End Date</th>
<th>Policy Options</th>
<th>Degree of Unanimity</th>
<th>Amount of GHG Reductions</th>
<th>Overall NPV Cost or Savings</th>
<th>Jobs Impact</th>
</tr>
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<tbody>
<tr>
<td>AZ</td>
<td>2006</td>
<td>49</td>
<td>92%</td>
<td>• 2000 level by 2020</td>
<td>$5.5 billion savings 2007-2020</td>
<td>285,000</td>
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<td>• Half 2000 level by 2040</td>
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<td>CA</td>
<td>2008</td>
<td>n/a</td>
<td>n/a</td>
<td>• AB-32: 1990 level by 2020</td>
<td>AB-32 $4 billion savings</td>
<td>AB-32 83,000</td>
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<tr>
<td>CO</td>
<td>2007</td>
<td>70</td>
<td>87%</td>
<td>• 37% below projected emissions by 2020</td>
<td>~$3 billion savings 2007-2020</td>
<td>Not assessed</td>
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<td>CT</td>
<td>2005</td>
<td>55</td>
<td>High</td>
<td>• 1990 level by 2010</td>
<td>Net Savings</td>
<td>Not assessed</td>
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<td>• 10% below 1990 level by 2020</td>
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<tr>
<td>ME</td>
<td>2004</td>
<td>54</td>
<td>High</td>
<td>• 1990 level by 2010</td>
<td>Net Savings</td>
<td>Not assessed</td>
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<td>• 10% below 1990 level by 2020</td>
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<tr>
<td>MT</td>
<td>2007</td>
<td>54</td>
<td>98%</td>
<td>• 1990 level by 2020</td>
<td>$78 million savings 2007-2020</td>
<td>Not assessed</td>
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<tr>
<td>NC</td>
<td>2007</td>
<td>56</td>
<td>85%</td>
<td>• 47% below projected emissions by 2020</td>
<td>$7.5 billion savings 2007-2020</td>
<td>44,500</td>
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<td>• 2000 level by 2012</td>
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<td></td>
<td>• 10% below 2000 level by 2020</td>
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<tr>
<td>NM</td>
<td>2006</td>
<td>69</td>
<td>97%</td>
<td>• 2000 level by 2012</td>
<td>$2.2 billion savings 2007-2020</td>
<td>Not assessed</td>
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<td>• 10% below 2000 level by 2020</td>
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<tr>
<td>VT</td>
<td>2007</td>
<td>37</td>
<td>86%</td>
<td>• 25% below 1990 level by 2012</td>
<td>$1.3 billion savings 2007-2028</td>
<td>Not assessed</td>
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<td>• 50% below 1990 level by 2028</td>
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Break
Ground Rules

- Support the process
- Meeting attendance is important
- All on equal footing
- Make objective and timely contributions
- Stay current with information
- No backsliding
- No member represents the CCSC
**Prospective Timetable: Climate Change Mitigation Advisory Group**

<table>
<thead>
<tr>
<th>Date</th>
<th>Action</th>
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<tbody>
<tr>
<td>May 15, 2008</td>
<td>1st Meeting: Launch Process; Review Inventory</td>
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<tr>
<td>July 15, 2008</td>
<td>2nd Meeting: Catalog of Potential Policy Options</td>
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<tr>
<td>September 22, 2008</td>
<td>3rd Meeting: Select Priority Policy Options</td>
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<td>November 6, 2008</td>
<td>4th Meeting: Approve Straw Proposals</td>
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<td>February 5, 2009</td>
<td>5th Meeting: Initial Quantification of Options</td>
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<tr>
<td>March 4, 2009 (tent.)</td>
<td>6th Meeting: Approve Recommended Options</td>
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<tr>
<td>April 29, 2009 (tent.)</td>
<td>7th Meeting (if needed)</td>
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<tr>
<td>Following Conclusion</td>
<td>Final Report to Sub-Cabinet</td>
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<tr>
<td>Between Meetings</td>
<td>Regular TWG teleconference meetings and possible face-to-face meetings</td>
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Next Steps for CCMAG and Technical Work Groups

• Refine GHG inventory and forecast for Alaska
• Develop catalogs of potential state actions, by sector
• 2 TWG teleconference meetings between now and July meeting
• In July, CCMAG signs off on catalogs
• Begin discussion about priority policy options for further analysis
Next CCMAG Meeting

• Agenda
  – Review catalog of potential state actions
  – Review Alaska GHG Emissions Inventory and Forecast
  – Begin discussion of initial priority policy options for analysis

• Date and Location
  – Tuesday, July 15, 2008
  – Fairbanks, Alaska
Public Input
Announcements
Thank you for your time and attention!

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