



South Carolina Climate, Energy & Commerce Advisory Committee

Meeting #5

February 22, 2008

Office of the Governor

The Center for Climate Strategies

Welcome and Introductions

- Governor's Office
- Chairman, Rep. Ben Hagood
- State Agencies
- Climate, Energy & Commerce Advisory Committee (CECAC)
- Members of the Public
- Center for Climate Strategies

Agenda

- Introductions and review of day's agenda
- Approval of draft summary of CECAC Meeting #4
 - November 30, 2007 meeting
 - January 11, 2008 teleconference
- Dates and Times for Next Meetings
- Review of CECAC process status and next steps
- Review and consideration of draft policy options
- Review and discussion of South Carolina's Draft GHG Inventory and Forecast
- Next Steps for CECAC and Technical Work Groups (TWGs)
- Agenda for CECAC Meeting #6
- Public Input and Announcements

Proposed Dates for Remaining CECAC Meetings

- Meeting #6 (Proposed date for extra meeting):
 - Friday, April 4, 2008
 - Time – 9:00 am – 6:00 pm
- Meeting #7 (Final Meeting)
 - Propose to change date to Friday, May 16, 2008 (to replace May 9 meeting)
 - Time – 9:00 am – 6:00 pm

Stepwise Planning Process

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

Review and Approval of Draft Policy Options

- 250+ possible actions developed by TWGs and CECAC
- 52 initial draft priorities for analysis recommended by TWGs
- Development and analysis of draft policy options for consideration as final recommendations
- CECAC reviews and approves with modifications, if/as needed
- Further development and analysis by TWGs as needed

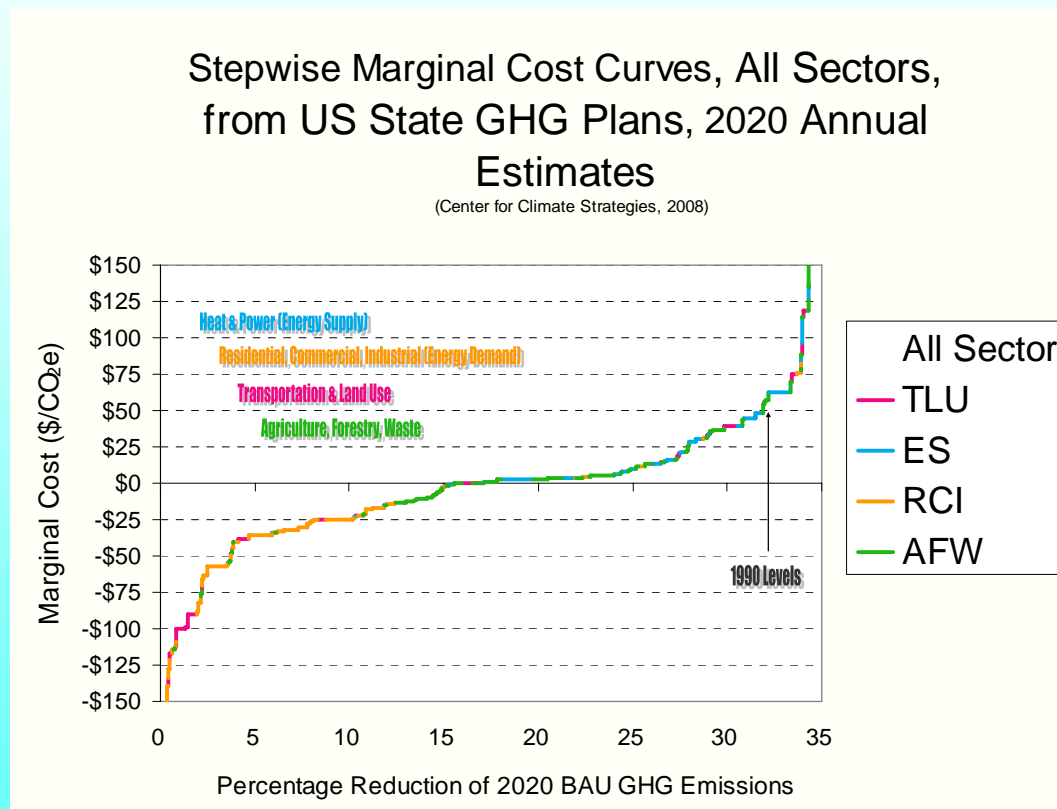
Policy Option Template

- Policy Description
- Policy Design (Goals, Timing, Coverage)
- Types(s) of GHG Reductions
- **Estimated GHG Reductions and Net Costs or Cost Savings**
- Key Uncertainties
- Implementation Mechanisms
- Related Policies/Programs in Place (BAU)
- 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

Key Policy Options Design Issues

- Straw Design Proposals
 - *Goals, level, timing*
- Estimated GHG reductions, costs/cost savings
 - *Data sources, methods, assumptions*
- Co-benefits, feasibility issues
- Implementation mechanisms
- Related policies and programs (BAU)

State GHG Emissions Reduction Supply Curves (CCS, 2008)



Transportation & Land Use

- TLU-1: Adopt California Clean Car Standards
- TLU-2: Transportation System Management
- TLU-3: Tax Credits for Efficient Vehicles
- TLU-4: Improve Development Patterns
- TLU-5: Transit & Bike-Pedestrian
- TLU-6: Alternative Fuel Infrastructure
- TLU-7: Diesel Engine Emission Reductions and Fuel Efficiency Improvements
- TLU-8: Stricter Enforcement of Speed Limits
- TLU-9: Make Full Use of CMAQ Funds

Transportation & Land Use

- TLU-10: Commuter Choice
- TLU-11: Explore Available Resources for Funding Road Maintenance and Mass Transportation
- TLU-12: Low-GHG Fuel Standard
- TLU-13: Freight Vehicle Technology Improvements
- TLU-14: Rail

Residential, Commercial, Industrial

- RCI-1: Demand-Side Management/Energy Efficiency Programs, Funds, or Goals for Electricity (including expansion of same) (Residential, Commercial, and Industrial)
- RCI-2: Demand-Side Management Energy Efficiency Programs, Funds, or Goals for Natural Gas, Propane, and Fuel Oil
- RCI-3: Incentives and Regulatory Reform To Promote Implementation of Renewable Energy Systems, Including Solar Hot Water (Residential, Commercial, and Industrial)
- RCI-4: Energy Management Training/Training of Building Operators
- RCI-5: Incentives, Resources, and Regulatory Reform To Promote Energy Recycling, Including Combined Heat and Power
- RCI-6: Incentives and Policies for Improving Building and Appliance Efficiency, Including Building Energy Codes

Residential, Commercial, Industrial

- RCI-7: Improved Design and Construction in New and Existing State and Local Government Buildings, “Government Lead by Example”
- RCI-8: Participation in Voluntary Industry-Government Partnerships (Including Incentives)
- RCI-9: Incentives and Policies for Improving Appliance Efficiency, Including Appliance Standards

Break



Cross Cutting Issues

- CC-1: Inventories and Forecasting
- CC-2: GHG Reporting and Registry
- CC-3: Statewide GHG Reduction Goals and Targets
- CC-4: State Government GHG Emissions (Lead-by-Example)
- CC-5: Comprehensive Local Government Climate Action Plans (Counties, Cities, etc.)
- CC-6: Public Education and Outreach
- CC-8: Adaptation & Vulnerability

Energy Supply

- ES-1: A thorough study of energy options for portfolio standards, including renewables, energy efficiency, nuclear power, waste to energy, landfill gas, offshore wind, and hydro
- ES-2: Technology Research and Development, including state funding
- ES-3: Renewable Energy (full range) financing, tax incentives, loans
- ES-4: Regulatory model to equalize utility earnings on energy efficiency with earnings on traditional power supply to allow investment in energy efficiency and renewable technologies to be considered in part with investment in new conventional capacity
- ES-5: New Nuclear Power, including reprocessing
- ES-6: Green power purchases and marketing, 1% participation by 2012

Energy Supply

- ES-7: Attract renewable energy technology businesses to South Carolina
- ES-8: Distributed renewable energy incentives and/or barrier removal (Including Interconnection Rules)

Agriculture, Forestry & Waste Management

- AFW-1: On-Farm Energy Efficiency
- AFW-2: Farm By-products Energy Recovery
- AFW-3: Expanded Use of Local Agricultural Products
- AFW-4: In-State Liquid Biofuels Production
- AFW-5: Expanded Production of In-State Biomass for Electricity, Heat, or Steam Production
- AFW-6: Terrestrial Carbon Sequestration
- AFW-7: Conservation and Restoration of Forest and Agriculture Lands for Enhanced Carbon Sequestration
- AFW-8: Advanced Recycling and Composting
- AFW-9: Organics Management for Energy Recovery
- AFW-10: Water and Wastewater Energy Efficiency Improvements

SC Inventory & Forecast Update

- Revisions incorporating 2003 baseline data, sales forecast, fuel mix, and line losses underway
- Revisions incorporating VMT forecast using SC DOT data completed
- Industrial Processes
 - Revisions incorporating revised EPA forecast for ODS substitutes

Next Steps

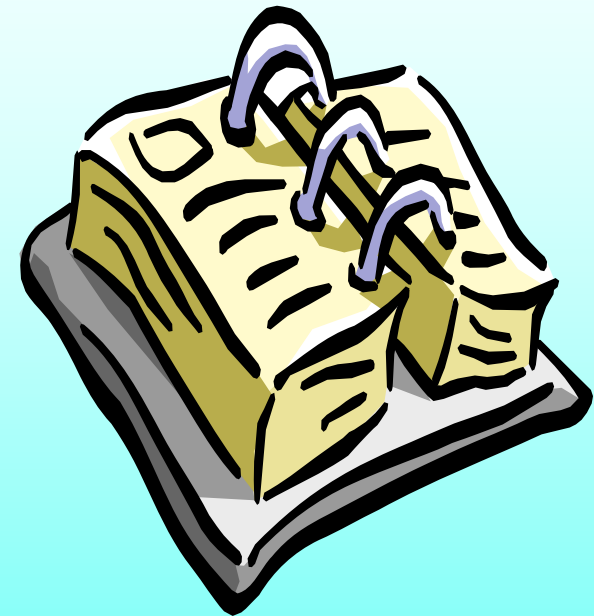
- TWGs
 - Revise and or complete quantification and other elements of the policy template
 - Review and approve updates to the draft inventory and forecast
- CECAC
 - Review and approve draft pending policy options
 - Review and approve proposed revisions to the inventory and forecast

Final Report Process

- Completion of policy templates, inventory and forecast report, based on CECAC meeting results
- Production of first draft of full report and appendices by CCS for CECAC review and comment
- Final draft completed by CCS for final review and comment
- Report transmitted by CCS to the Governor on behalf of CECAC

CECAC Meeting #6

- Date: April 4, 2008
- Agenda:
 - Review and approval of remaining draft pending CECAC policy options
 - Identify alternatives for further consideration of remaining options
 - Review and approval of updates to the inventory and forecast



Public Input, Announcements