



National Climate Change Initiatives

Climate Energy and Environment
Policy Committee (CEEPC)

July 22, 2009



Overview of Recent Developments

- Congress
 - Waxman-Markey
 - Cash for Clunkers
- US EPA
 - Endangerment Finding
 - Renewable Fuel Standard
 - CAL LEV II Waiver
- White House/EPA/DOT
 - GHG Emission Standards and CAFE



Waxman-Markey

- American Clean Energy and Security Act of 2009 passed House in June 2009
 - Cap and Trade
 - Clean Transportation
 - Clean Energy
 - Smart Grid
 - Energy Efficiency
 - Green Jobs
 - Adaptation



Waxman-Markey: Cap and Trade

- Economy Wide Reduction Goals
- Federal Greenhouse Gas Registry (>25,000 tons)
- Reduction Targets for Specified Sources
- Emission Allowances and Trading
- Offsets Program



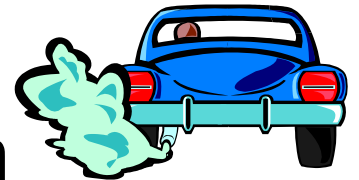
Cap and Trade Sources Covered

- Electricity Producers
- Fuel Producers and Importers
- Fluorinated Gas Producers and Importers
- Industrial Stationary Sources



Waxman-Markey: Clean Transportation

- Requirement that Transportation Plans include GHG Reduction Goals (SB375)
- Vehicle GHG Emission Standards
- Low Carbon Fuel Standard
- Initiatives for Electrification/Plug-in Hybrids, Electric Vehicle Infrastructure



Waxman-Markey: Clean Energy, Energy Efficiency, Transmission

- Renewable Electricity Standard – 20% by 2020
- State Energy and Environments Funds (SEED) for State Energy Offices
- Smart Grid Peak Demand Reduction Goals
- Updates to National Building Codes every 3 years
- National program for EE building retrofits



U.S. EPA Endangerment Finding

- Proposed Rule April 2009
 - GHGs pose risk to human health and welfare
 - Mobile source emissions significant contributor to climate change
 - No additional regulations proposed at this time
 - MWAQC sent comment letter
 - Support for federal response
 - Formation of CEEPC and outlook for state-local-federal partnership



U.S. EPA Renewable Fuel Standard

- EPA announced 2nd phase Renewable Fuel Standard (RFS2) on May 5, 2009
 - Public Comment
 - Ends September 25, 2009
- Increase volume of renewable fuel over time (10→36 billion gallons by 2022)
- Creation of renewable fuel categories
 - cellulosic, biomass based diesel, advanced biofuel, total renewable fuel
- MWAQC preparing to comment in September



White House Announcement on Regulating Greenhouse Gas Emissions from Motor Vehicles

- Joint EPA/DOT Rulemaking
 - Greenhouse Gas Emission Standard
 - New CAFE Standards
- Proposed National Solution Resolves CAL LEV-II litigation, waiver, and opt-in
- CAL LEV II Waiver Granted



Greenhouse Gas Emission Standard and CAFE

- National intent is to harmonize the vehicle CO₂ emission standard with appropriate new CAFE requirements
 - 250 grams CO₂/mile
 - 35.5 mpg by 2016
- COG DTP Staff Estimates of Emission Benefit – 0.5% decrease compared to the recent Congressionally mandated 2020 CAFE



Next Steps

- Track Developments
 - Senate Climate and Energy Bills
 - Renewable Fuel Standard Comments
 - Joint EPA/DOT Rulemaking
 - EPA Clean Air Act Regulations Resulting from Endangerment Finding
- DTP Staff to continue to analyze federal initiatives in its “What Will It Take” Scenario work.
- Consider impact of federal actions on our 2012 and 2020 Strategies

