



MICHIGAN CLIMATE ACTION COUNCIL
Cross Cutting Issues Technical Work Group
Draft- Meeting Summary of Teleconference Call #10
Wednesday Aug. 6, 2008, 11:00 am – 12:30 pm EDT

Background documents for call:

- Notice and Agenda
- PowerPoint Presentation for Call #10
- Revised Policy Options Document
- Summary of Call # 9 (for review and approval)

Tom Looby of CCS called roll and reviewed the agenda. The Summary of the last meeting was approved with a correction to the date in the header.

Purpose of Call #10

Review and approve the first four elements of the Policy Options Document (POD).
Work on additional elements of as many options as possible.

Tom Looby noted that we will need to flag any connections or overlaps with other TWG options.

Doug Calloway wanted to know how much advance notice participants will get on the quantifications from other TWGs. Tom noted that all documents would be ready one week before the meeting on Friday, Sept. 12. Also, people can check other TWG work on the website and/or participate in other TWG calls.

Discussion

CC-1 GHG Inventories, Forecasting, Reporting, and Registry and CC-5 Public Education and Outreach. Both have some new proposed language sent by Duncan Calloway and Dwight Brady, respectively. We will review Option 1 today. For Option 5 the proposed changes included suggested reformatting and changes to the policy description/design sections that have already been approved by the MCAC. Looby and Beaulac work with Brady on CC-5 off line and bring it back to the full TWG on the next call. Participants agreed.

CCI-1 GHG Inventories, Forecasting, Reporting, and Registry

Looby circulated proposed additional edits by Calloway via e-mail prior to the call. The main changes from Duncan are in 3rd bullet, combining the reporting and registry in The Climate Registry. If TCR is not used, a state agency will need to do it. There is concern about how to do reporting and registry regarding transportation fuels – especially with regard to crossing of state borders. Looby suggested raising that question in the TLU TWG.

A question about costs for this option was raised. A member noted that you cannot direct state government to do this w/o identifying the funding necessary and potential sources. Looby asked if DEQ had a sense of the costs. Beaulac said we don't yet know what all will be included, so we don't know the costs yet. Once the decision is made on the details of the program, a cost estimate can be done. It was agreed that a recommendation be added in the implementation section that an assessment of the details of the program be prepared including and estimate of costs. Lana asked about how other states have done this. Looby noted some have done staffing estimates, others have suggested it be studied later. Early stakeholder input on design of the effort should be sought. The uncertainty regarding costs at this point in time should be displayed in the uncertainty element and the Additional Benefits and Costs element should note the need to prepare a cost estimate for implementation.

Duncan suggested under Implementation that stakeholder involvement should be highlighted. This was agreed. No other feasibility issues were flagged. These will be put in track changes for the next

CCI-2 - Statewide GHG Reduction Goals and Targets

Looby noted that CC-2 will not be approved until after goals proposals are completed near the end of the process. However, completion of the additional elements such as implementation mechanisms should proceed.

Mike Beaulac provided the language for the Implementation Mechanisms and Related Policies and Programs in Place. Lana was a bit unclear about some of the recent revisions and wanted to make sure that this TWG will, in fact, recommend numerical goals. It will.

On Related Programs and Policies in Place, Mike Beaulac had supplied proposed language. There is a placeholder for the RPS. The Bill is in conference committee in the MI Legislature, and it could be passed before this MCAC report is finalized.

Uncertainties: Duncan noted this could be a long section and there's a question of how much detail to get into. Will the targets be achieved? How much will they cost economy-wide? It's unclear how much achieving goals in Michigan will impact global climate change. Lana noted that if you are going to address the costs of doing this plan, you also have to note the costs of doing nothing. There are costs and uncertainties of inaction—fisheries, storm water management, etc. (She noted this was in a new report on the Great Lakes.) Mike notes that tracking and verification mechanisms, efficiency monitoring, etc. need to be assessed in terms of costs and where it will be done. The group decided to handle this with language similar to CC-1. No other issues were identified.

CCI-3 State, Local, and Tribal Government GHG Emissions (Lead-by-Example)

Frank Ettawageshik will try to add the relation to Tribal Governments with one proposal that he will provide soon. The group decided to postpone further discussion until the next call when the proposed Tribal government language is included.

CCI-4 Comprehensive Local Government Climate Action Plans

Norman Christopher provided text changes which Looby circulated by e-mail prior to the call. A couple will need MCAC approval in description and design. Norman has looked at other

jurisdictions to see what they have done. On Policy Design, he notes that ICLIE has a guidebook and some MI cities are using it. There are 23 signatories in MI to the U.S. Mayors Climate Protection Agreement. Dennis raised a question of the concept of a low-interest loan program. There is no state funding. Lana noted that the federal government, or private foundations might provide funding. She asked if this would fall under the same entity framed in CC-3. Yes. All agreed that this funding point is worthwhile.

Uncertainty Issues – The legislature has just passed a state energy plan- SB 213 and there will be uncertainties associated with implementation of it.

Additional Benefits and Costs – Norman added some text in draft that all agreed to.

Feasibility issues: Add “grassroots” to Norman’s changed language about local jurisdictions being involved in this effort.

CCI-5 Public Education and Outreach

This option will be addressed on the next call.

CCI-6 (Tax and Cap / Cap-and-Trade)

This option was transferred to the Market-Based Policies TWG.

We need to complete the first 4 elements for the following options:

CCI-7 Seek Funding for Implementation of MCAC Recommendations

General feeling that it looks good through description and design elements but that we should move the bulleted items under design to the implementation element.

Implementation: Lana Pollack noted that some states fines for environmental violations that can be used for implementation. Other states have “public benefits charges” on utilities that create a pool of funding. The House Bill does have flexibility for PSC to have something like a “public benefits charges” to pay for energy efficiency measures.

A question about the magnitude of the costs was raised. Looby said this will become clearer after the other TWGs do their quantifications. The first elements will be left. For Implementation Mechanisms, participants agreed to include a provision similar to Option 1 about conducting an assessment of alternative financing mechanisms. There would be an assessment of the costs with the 5 bullets to be pursued for the best mechanisms. It was also agreed to add public benefits charges to the list of potential financing mechanisms.

Related Policies and Programs in Place: We will not put in the pending legislation. The Great Lakes Fishery Trust is a model of private funding based on environmental enforcement settlement that will be added. .

CCI-8. Adaptation and Vulnerability

Questions: How can we build a comprehensive plan? How should it be integrated? There needs to be either a state-wide or Regional (Mid-West Governors, Healing Our Waters, or Great Lakes programs) approach to this. Dr. Bierbaum suggested integrating with other ongoing efforts and seeking funding (state/foundation/Canadian too) to undertake this effort.

Frank Ettawageshik noted that the Great Lakes Fishery Trust is underway with many studies.

Under Implementation is the challenge is to bring these together in a comprehensive program. Lana said that this is an international boundary area and we need to include the Canadians. This point will be added. The IJC, and the Great Lakes and St. Lawrence Cities Initiative should be included. There are also basin-wide inter-Tribal meetings.

There is much good information on this topic. Little Traverse, Grand Traverse and others are involved with Fish & Wildlife.

It was agreed to confirm the need for an Adaptation Plan for Michigan and perhaps on a regional scale. The state should institute a dialog with regional entities to explore the viability of a broader adaptation effort. The state may want to include stakeholders in the effort. An inventory of all the ongoing programs should be prepared and developed upon. That should lead to a comprehensive vulnerability assessment and then development of proposed adaptation strategies.

Some of the above examples will be listed under Related Policies and Programs in Place.

Key uncertainties noted are whether resources to do the Adaptation Plan can be found and if any other states are interested in a regional approach. Identifying the vulnerabilities and adaptation strategies early will yield significant benefits.

Time ran out at this point so Looby asked for volunteers to take lead on drafting the remaining elements (implementation mechanisms, related policies and programs in place (at a minimum) and the last three elements (uncertainties, additional benefits and costs and feasibility issues) if possible).

CCI-9. Participate in Regional, Multi-State and National GHG Reduction Efforts

Beaulac will take lead. Lana offered a member of her staff (Gard) who works on the Midwestern Governor's Accord to help.

CCI-10 Enhance and Encourage Economic Growth and Job Creation Opportunities Through Climate Change Mitigation

Dwight Brady will be asked to help draft additional elements of this option.

CCI -11 Enhance and Encourage Community Development Through Climate Change Mitigation; Address Environmental Justice

Lana Pollack agreed to take lead for drafting additional elements of this option ,perhaps with assistance from Dennis Muchmore and Dr. Bierbaum.

The drafting of proposed language for the remaining elements needs to be completed and sent to Looby and Beaulac by COB Wednesday, August 13th. The documents will be edited and posted by Aug. 15th. The next CCI TWG meeting is from 11 am- 1 pm EDT on August 20th. The time will be extended to two hours. Some folks have conflicts on that day. Looby asked them to provide surrogates.

There were no comments from the public.

The meeting adjourned at 12:37 p.m.

Attendance:

TWG Members:

Dr. Rosina Bierbaum, University of Michigan
Ted Bishop, NTH Consultants
Frank Ettawageshik, Tribal Representative
Norman Christopher, Grand Valley State University
David Holtz, Clean Water Action y
Dennis Muchmore, Michigan United Conservation Clubs
Lana Pollack, Michigan Environmental Council
Julie Baldwin, Michigan Public Service Commission
Dwight Brady, NMU

State Agency Representatives:

Mike Beaulac for Steve Chester, Department of Environmental Quality
Olivia Cohen, Department of Environmental Quality

Members of the public:

Duncan Calloway, University of Michigan
Ken Evans, Consumer Energy
Louis Pocalujka, Consumer Energy

Center for Climate Strategies:

Tom Looby
June Taylor