

# Legislative Commission on Global Climate Change

## Climate Action Plan Advisory Group (CAPAG)

### Update of Activities

*March 7, 2006*

**NORTH CAROLINA**  
DIVISION OF AIR QUALITY



*Brock M. Nicholson, P.E.*  
*Deputy Director*  
*Division of Air Quality*

# CAPAG Purpose & Goals

- ***Develop Climate Action Plan Recommendations***
  - ***Range of individual policy actions***
  - ***Benefits and Costs Analysis***
    - ***Economic Benefit Determined***
  - ***Consensus of Stakeholders***
  - ***Support Legislative Commission on Global Climate Change (LCGCC)***

# Selection of State Mitigation Actions / Policies - Process

- **Facilitated Stakeholder**
- **Consensus Based**
- **Decision Criteria Include**
  - GHG reduction potential
  - Cost effectiveness
  - Co-benefits and costs
  - Feasibility issues
- **Economic Analysis Is Crucial**

# Ten Step Work Plan

1. **Develop initial GHG inventories and forecasts**
2. **Identify potential GHG mitigation options**
3. **Identify initial policy priorities for evaluation**
4. **Evaluate benefits, costs, other key issues**
5. **Identify barriers, alternative policy approaches**
6. **Modify, add or subtract options as needed**
7. **Evaluate cumulative results of policy options**
8. **Iterate to consensus, with votes as needed**
9. **Aggregate options into implementation scenarios**
10. **Finalize recommendations and report language**

# CAPAG Meeting #1

- **Materials and meeting summary posted to the project website:**  
[www.ncclimatechange.us](http://www.ncclimatechange.us)
- **Key Agenda Items:**
  - **CSA Report Findings and Recommendations**
  - **Global Warming Commission Process**
  - **History and Status of State Climate Actions**
  - **CAPAG Process**
  - **NC Emissions Inventory & Forecast**
  - **Early Suggestions of Mitigation / Policy Opportunities**
  - **Formation of Technical Work Groups (TWGs)**
  - **Public Input**

# CAPAG Members

- **Members from many diverse backgrounds**
- **Includes several LCGCC members**
- **CAPAG members also serve on five TWG subcommittees**
- **See handout**

# **Sector Based Technical Work Groups (TWGs)**

- 1. Energy Supply (power generation)**
- 2. Residential, Commercial, Industrial (energy use and industrial process)**
- 3. Transportation and Land Use**
- 4. Agriculture and Forestry**
- 5. Cross Cutting Issues (reporting, registries, education)**

# TWGW Members

- **Subcommittees of the CAPAG**
- **40 + members from many diverse backgrounds**
- **Includes several LCGCC members**
- **Open to other LCGCC members who may be interested**
- **Includes experts who are not CAPAG members, as needed**
- **See Handout**

# Role of the TWGs

- ***Provide Recommendations to the CAPAG***
  1. *Identify potential mitigation / policy options*
  2. *Identify early priority options for analysis*
  3. *Craft straw proposed options, including policy design and implementation methods*
  4. *Approve methods for cost-benefit analysis*
  5. *Assist with data and analysis*
  6. *Assist with evaluation of additional issues, such as co-benefits, detailed cost breakdowns, as needed*
  7. *Identify and develop alternative approaches for policy options, as needed*
  8. *Contribute to drafting of language for the final report*

# First TWG Meetings

- 1. Review/expand list of potential options**
- 2. Identify initial priorities for analysis**
- 3. Review emissions inventory & forecast**
- 4. Review proposed technical work plan and meeting schedule**
- 5. Prepare suggestions for next CAPAG meeting**

# CAPAG and TWG Support

## ■ CAPAG

- Facilitator and consulting team (15 CCS members)
- State agency technical advisors

## ■ Five TWGs

- Facilitator and Lead Consultant for each
- Provide facilitation and technical analysis
- Broad expertise in GHG issues, analysis, modeling, consensus building, conflict resolution
- Additional consultants and agency advisors as needed

# **DENR/CAPAG Assistance to Legislative Commission**

---

- **Provides inputs and responses to fact finding requirements of Section 5 - b, c, d, f...**
- **Responds to questions of the LCGCC as they relate to state policy actions**

# Section 5 Assistance

- ***“b. Actions taken by others to address global warming.”***
  - ***DENR has completed a compendium of existing state and regional actions on climate change in the US for the CAPAG that is available for LCGCC use***
- “c. An examination of the emissions of greenhouse gases***
  - ***DENR has completed an initial inventory and forecast of state GHG emissions for CAPAG review and finalization***

# Section 5 Assistance...

- ***“d. An evaluation of the economic opportunities***
  - ***The CAPAG process will identify a list of specific policy options for reducing GHGs and conduct analysis on their economic benefits, including jobs and community level impacts for key actions, and analysis of co-benefits, as needed***

# Section 5 Assistance...

- ***“f. The costs of any action***
  - ***The CAPAG process will identify a list of specific mitigation / policy options for reducing GHGs and conduct analysis on their economic costs, including detailed analysis of impacts on different income brackets and business types for key actions***

# Section 5 Assistance...

- ***Commission shall “consider and integrate” the findings and recommendations ...***
  - ***DENR prepared a September 1, 2005 report to the ERC with a series of findings and recommendations, many of which will be subject to further development by the CAPAG***

# Economic Sectors

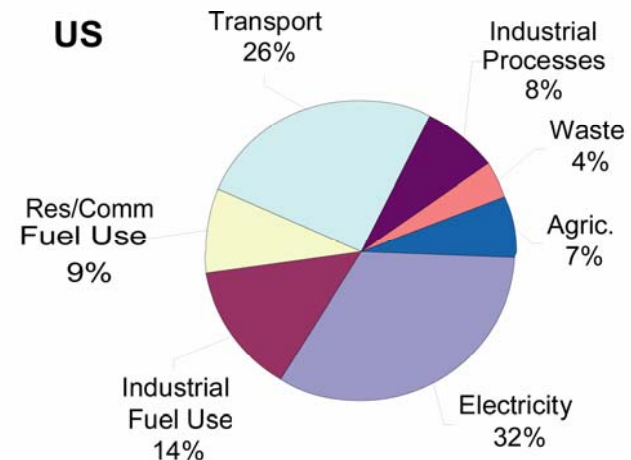
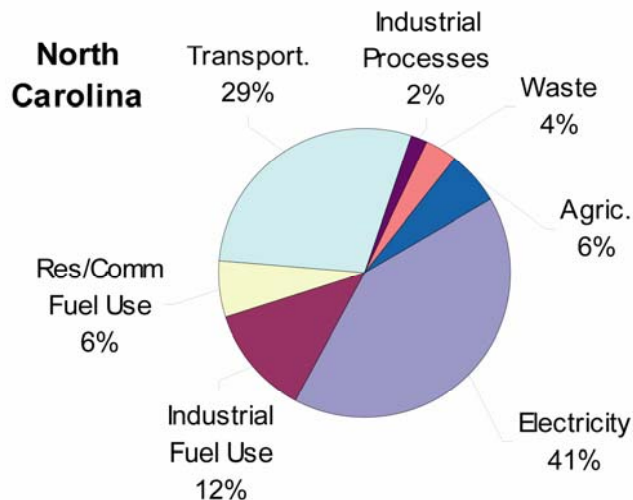
- **Agriculture**
- **Forestry**
- **Electricity and Fuel Production  
(energy supply)**
- **Residential, Commercial, Industrial  
Energy Use and Process**
- **Transportation and Land Use**
- **Waste Management**

# Policy Mechanisms

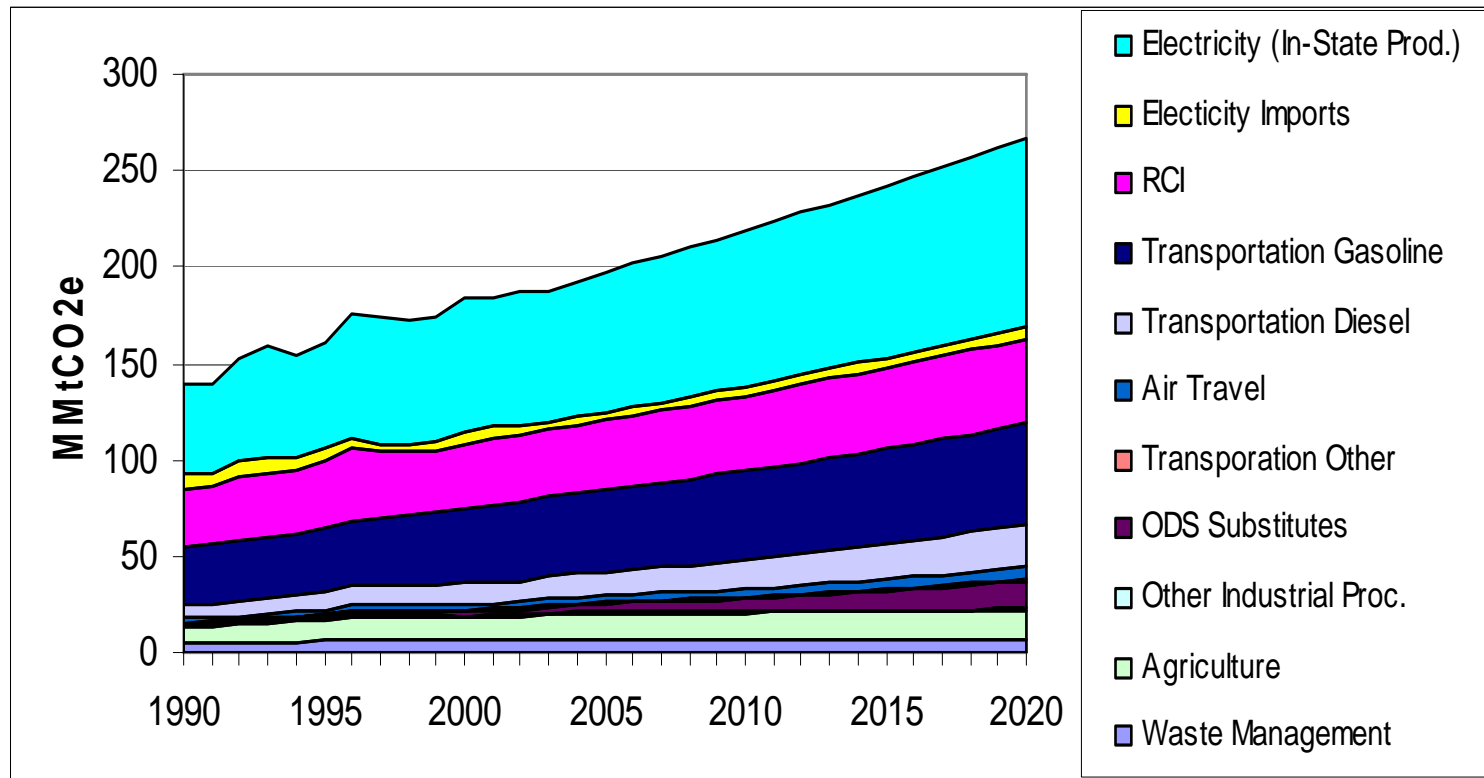
- Voluntary Agreements
- Technical Assistance
- Information and Education
- Financial Incentives
- Codes and Standards
- Market Based Approaches
- Reporting and Registries
- Others In Development...

# NC, U.S. Emissions by Sector

- **Electricity use and transportation are principal GHG emissions sources:**
  - NC = 70% of state total; U.S. = 58% of national total



# NC GHG Emissions 1990-2020



# Early feedback from the first CAPAG meeting

---

- **Policy ideas**
- **Information requests**

# CAPAG Policy Ideas

- **Inputs to TWG discussions include:**
  - Energy Efficiency and Conservation
  - Renewable Energy Sources
  - Nuclear Power Generation
  - Environmental Portfolio Standard
  - Public Benefits Fund
  - Transportation Controls
  - “Anti-idling” Technologies
  - Forest and Agriculture Carbon Sequestration
  - Forest Health Protection
  - Agriculture Waste Regeneration
  - Recycling
  - Market Forces Before Regulation
  - Education
  - Link State Action to Regional or National Policy Options

# Information Requests

- **Inputs to TWG discussions include:**
  - **Use full lifecycle analysis**
  - **Use the best information and analytic resources**
  - **Examine how regulations affect GHG emissions**
  - **Use a transparent means of examining benefits and costs of various GHG policy options**
  - **Examine the costs to consumers of reducing GHG emissions, with special attention to lower income consumers**

# Information Requests...

- **Inputs to TWG discussions include...**
  - **Understand the natural systems we need to ensure a quality life and how to connect these to management of public and private lands, water bodies, military bases, etc.**
  - **Examine the threat of disturbances to forests**
  - **When we look at costs, ask “costs to whom?”**
  - **Examine “win-wins”**
  - **Examine regulatory barriers/institutional barriers to greater energy efficiency**

# Information Requests...

- **Inputs to TWG discussions include...**
  - **Ask: How can NC lead a cultural change toward sustainable development? Ask: how do we educate public about these issues?**
  - **How can we restructure our communities to better conserve resources and increase energy efficiency.**
  - **Examine trend toward conversion of agricultural land**

# CAPAG Schedule

- **Next CAPAG meeting May 15, 2006**
- **CAPAG meetings through Spring 2007**
  - **Technical work group discussions in between CAPAG meetings**
- **Work Product – Recommended Climate Action Plan**

# **Summary: The Relationship of CAPAG to the Legislative Climate Change Commission?**

- **Complements and Supports the Efforts of the Legislative Commission**
- **Provides Technical Support and Knowledge on GHG Reductions to Include Costs and Benefits**
- **Benefits Include Economic Boost to the State Economy – Including Estimates of Job Gains**
- **Ongoing Coordination with and Reporting to Commission**



---

**Questions?**

# Reference / Contact

- [www.ncair.org](http://www.ncair.org)
- [www.ncclimatechange.us](http://www.ncclimatechange.us)
- ***Brock.Nicholson@ncmail.net***  
***919-715-0587***