

*North Carolina*

**Climate Action Plan Advisory Group**

Cross Cutting Issues  
Technical Work Group  
Teleconference Meeting #1

April 12, 2006



# Today's Agenda

- Call to order
- Introduction of Technical Work Group (TWG) members
- Review of TWG organization and logistics
- Review and discussion of list of potential state actions
- Discussion of next steps toward identification of priorities for analysis of options
- Call to the public
- Proposed agenda items for next meeting
- Announcements

# Part 1 - TWG Process

- Schedule
- TWG roles
- Tasks

# CAPAG Schedule

- CAPAG meetings through 2007
- TWG discussions between CAPAG meetings
- Final Work Products
  - Proposed policy recommendations
  - Final Report to DENR

# Sector Based TWGs

- Energy Supply (power generation)
- Residential, Commercial, Industrial (energy use and industrial process)
- Transportation and Land Use
- Agriculture and Forestry
- Cross Cutting Issues (reporting, registries, education)

# Roles & Responsibilities

- DENR convenes CAPAG
- CAPAG makes recommendations to DENR and supports Legislative Commission
- Technical work groups advise CAPAG
- Public input to CAPAG
- CCS provides facilitation, technical analysis to CAPAG and TWGs, final report to DENR

# TWG Tasks

- Identify potential mitigation options
- Identify early priority options for analysis
- Craft straw proposals for mitigation options, including policy design and implementation methods
- Approve methods for cost-benefit analysis, as needed
- Assist with data and analysis
- Assist with evaluation of additional issues, such as co-benefits, detailed cost breakdowns, as needed
- Identify and develop alternative approaches for policy options, as needed
- Contribute to drafting of language for the final report

# First TWG Meetings

- Review/expand list of potential options
- Identify initial priorities for further development
- Review proposed technical work plan and meeting schedule
- Prepare suggestions for next CAPAG meeting

# DENR/CAPAG Assistance to Study Commission

- Provides inputs and responses to fact finding requirements of Section 5 - b, c, d, f...
  - Emissions assessments
  - Potential policy actions
  - Potential implementation mechanisms
  - Economic analysis of policy options
  - Alternatives to address potential conflicts
- Responds to questions of the GWC as they relate to state policy actions

# Part 2: Nature of Cross Cutting TWG

- Broader approaches
  - NC Base Actions
  - Options for NC approaches
  - Coordination with sector-based TWGs
  - Recommendations to CCAG
- CC TWG is...
  - Not a control option catch-all (e.g., growth)
  - To recommend, not engineer, approaches

# Overview (1)

- Inventories, reporting, and registries linked
  - Inventories for 15+ years
- Registries
  - NH (1999), WI (2000), CA (2000) Registries
  - Encourage early reductions
  - Provide “Baseline Protection” (unlike CAA)
- Idea spread widely; besides states...
  - NGOs: ED & Environment Resources Trust
  - brokers: CO2e, Evolution, NatSource, etc.
  - EU National “Registers” under Kyoto, WEF
  - CCX – a prospective “trading floor”
  - Regional Greenhouse Gas Registry (RGGR)

# Overview (2)

- Multiple approaches have emerged
  - No standardized quantification protocols
  - No uniform registry approaches
  - Many market entrants
- Clarity & standards now evolving
  - WRI/WBCSD GHG Protocol
  - ISO 14064 GHG Quantification Standards
  - Regional registry efforts
  - Broader registry discussions

# GHG Inventory

- Purpose & Goals
  - Starting point for policy deliberation
  - Forecasting?
  - Progress toward a target?
  - Public education
- Key Technical & Policy Issues
  - Breadth/Reach: State-wide? Certain sectors?
  - Frequency
  - Quantification methods
  - Transparency & Aggregation

April 17, 2006 [www.noclimatechange.us](http://www.noclimatechange.us) Data sources, methods, & assumptions

# GHG Reporting (1)

- Purpose and goals
  - By reporting, sources...
    - Build awareness and capacity
    - Diagnose and track GHG emissions
    - Consider and plan for solutions
  - In turn, sources ...
    - Come to understand and can better manage their GHG emissions
    - Identify ways to increase energy efficiency, enhance productivity, and gain competitive advantage
  - Reporting also “enables” other goals
    - e.g., Inventory; GHG Registry

# GHG Reporting (2)

- Key technical and policy issues
  - What policy endpoints are to be served?
  - Voluntary or Mandatory reporting?
  - Which gases?
  - Applicability (sectors, sources, cutpoints)
  - “Boundary” issues
  - Quantification, measurement, & verification
  - Operational issues (lead agency, start date, reporting period, transparency, cost, etc.)

# GHG Registry (1)

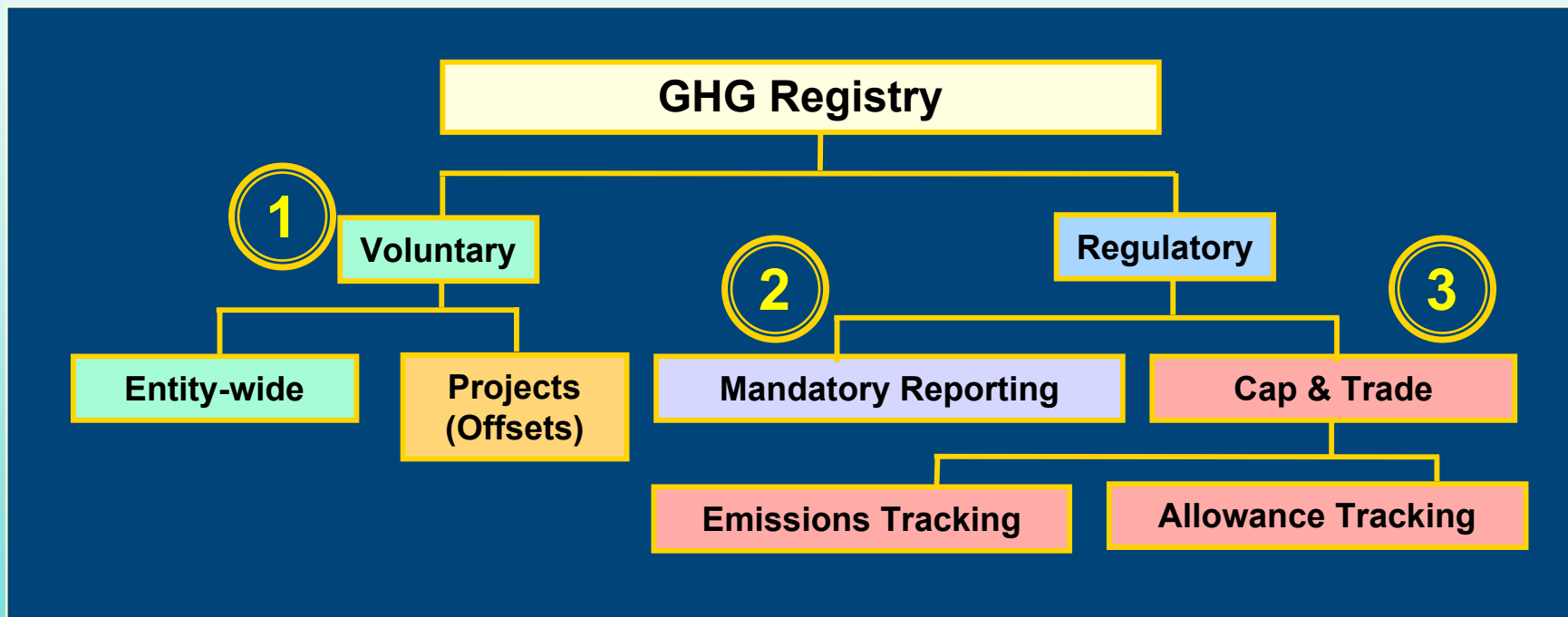
- Purpose and goals
  - Recording of GHG reductions (vs. emissions)
  - A central, independent repository for credible info about emissions activities
  - Current or future credit for trading, “baseline protection”
  - Critical data management & accounting role for trading (with or without a cap) as ledger for all transactions
  - Incentive to track & manage emissions, seek productivity and energy efficiency gains, start on learning curve re competitiveness, markets
  - Enhance public recognition and demonstrate corporate citizenship
  - Possible regional & cross-border cooperation

# GHG Registry (2)

- Key technical and policy issues
  - Policy objectives
  - Baseline / base year
  - “Additionality”
  - More “boundary issues” – e.g., geography
  - Ownership & double-counting
  - Monitoring & data quality; QA/QC
  - Reductions = money and/or enforcement
  - Verification / certification
  - Projects vs. programs
  - Offsets; “supplementarity”
  - Regional development and/or agreement
  - Operational issues

# GHG Reporting & Registries

- Trying to accommodate three “Policy Spaces”



# Public Education

- Purpose and goals
  - Public awareness of need for action
  - Awareness of specific NC programs & efforts
  - Awareness that individual actions count; (and may be rewarded, e.g., rebates)
- Key technical and policy issues
  - Audience(s); messages; program linkage
  - Approaches; responsibility
  - Scope & breadth
  - Costs; results

# Next Steps

- What's missing?
- Identify base NC actions
- Identify potential approaches
- Reflect CCAG priorities
- Develop policy options
- Coordinate with sector based TWGs
- Develop final recommendations

# Conclusion

- Public input
- Other announcements
- Proposed agenda items
  - Preparation for May 23 CCAG meeting
  - Development of initial priorities
  - Continued discussion
- Date and time of next call