



PEW CENTER
on
Global CLIMATE
CHANGE

U.S. State and Regional Action on Climate Change

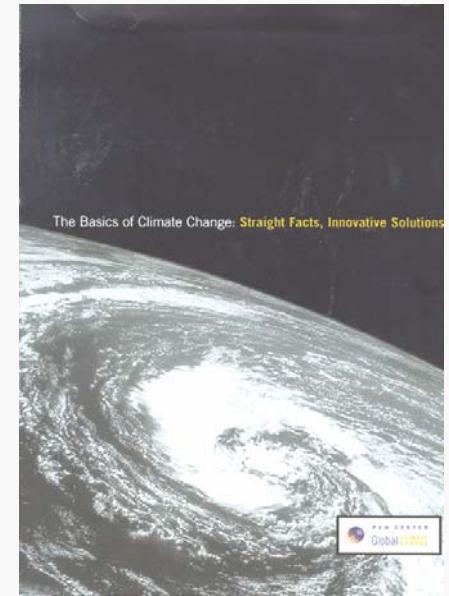
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Pew Center on Global Climate Change

2007 EIA Energy Outlook, Modeling, and Data Conference
March 28, 2007

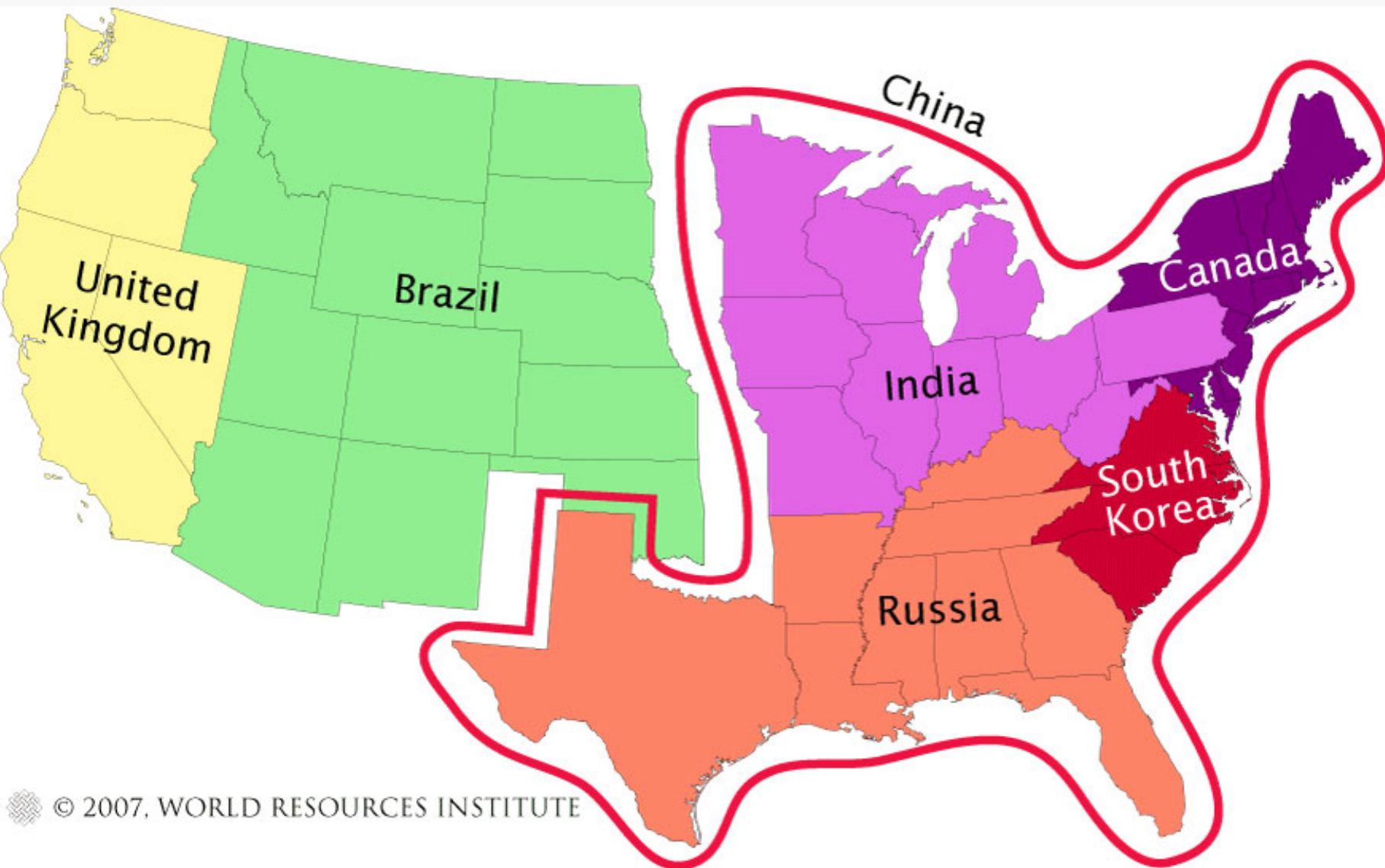
The Pew Center

- Founded in May 1998
- Independent, Non-Profit, Non-Partisan
- Research (science and impacts, policy, economics, solutions)
- Education and Outreach
- Business Environmental Leadership Council



- Context
- Motivation for state action
- The landscape of state policies that address climate change
- Highlights from states taking the lead
- State policy diffusion

State Emissions Are Significant...



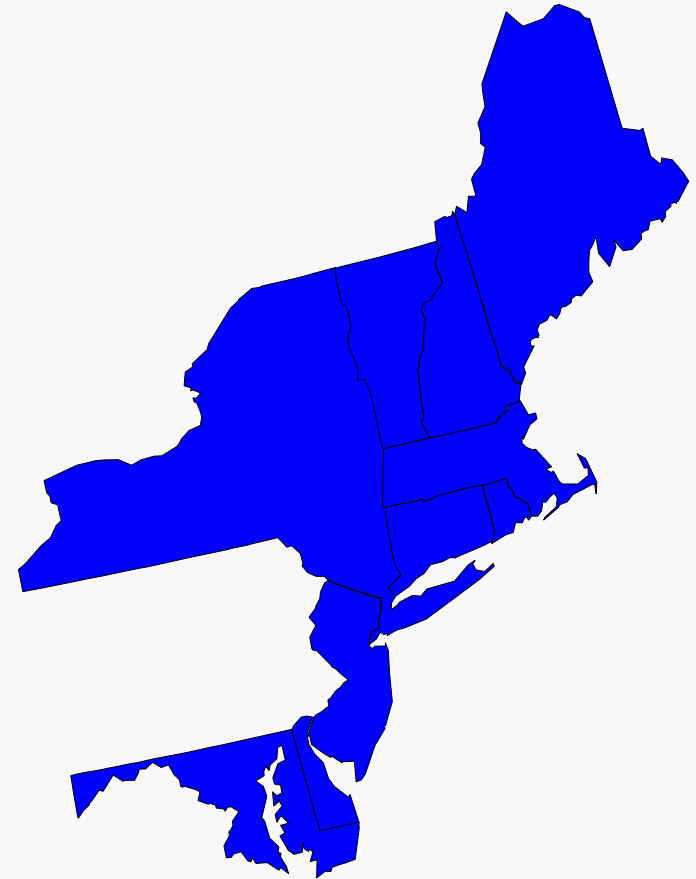
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Source: World Resources Institute (Climate Analysis Indicators Tool; online at <http://cait.wri.org/figures.php>)

- Concern about climate impacts
- Economic development
- Energy price volatility
- Energy independence
- Air quality concerns
- Traffic congestion
- Other

- Direct and Indirect GHG Emission Reductions
- Governors and legislators are acting
- Almost Every State is Doing Something:
 - Regional Initiatives
 - Targets, Climate Action Plans and GHG reporting
 - Electricity (renewable energy mandates, carbon adders, public benefit funds, green pricing, REC tracking)
 - Transportation (CA GHG vehicle standards, smart growth, transportation management, cleaner fuels and vehicles)
 - Ag and Forestry (sequestration, renewable energy, biofuels, ethanol)
 - Other (e.g., energy efficiency, waste management)

- First mandatory U.S. GHG cap-and-trade program
- Regional; power plant CO₂ emissions
- Initiated 2003 by NY Gov. Pataki; MOU announced Dec. 2005
- Stabilize emissions at current levels 2009-2015, 10% reduction by 2019
- Model rule (template) announced August 2006
- Each state must adopt final model rule through legislation or regulation by Dec. 31, 2008
- MA is back in; RI joining; MD joining later this year



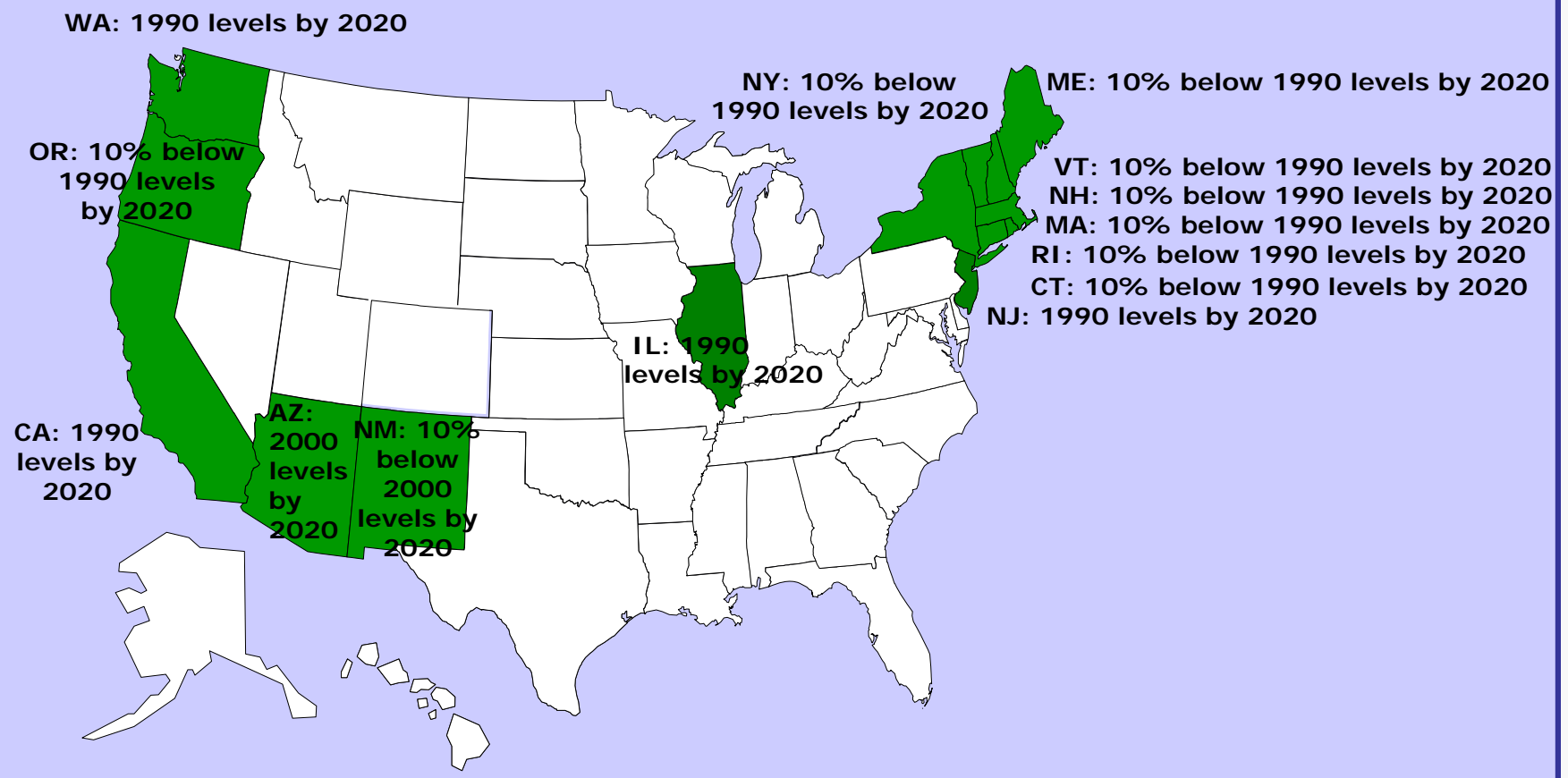
- Potential model for national policy
- First U.S. mandatory cap-and-trade system for GHG emissions
- Possible linkage to CA, EU-ETS, CDM
- Novel standards approach to offsets
- Real data to inform policy
- Allowance allocation is the forum for equity issues

- AB 32: Global Warming Solutions Act of 2006
 - Set California's targets at 1990 levels by 2020
 - First enforceable state-wide program to cap major industrial GHG emissions and include penalties
 - Authorizes market-based mechanisms (cap-and-trade); allows one-year extension on targets
 - Possible linking with RGGI, EU-ETS
- Low Carbon Fuels Standard (reduce carbon intensity of vehicle fuels sold in California at least 10% by 2020)
- SB 1368: greenhouse gas performance standard for new long-term electricity contracts
- Renewable Portfolio Standard (20% by 2010)
- Vehicle GHG standards: 22% reduction by 2012; 30% by 2016

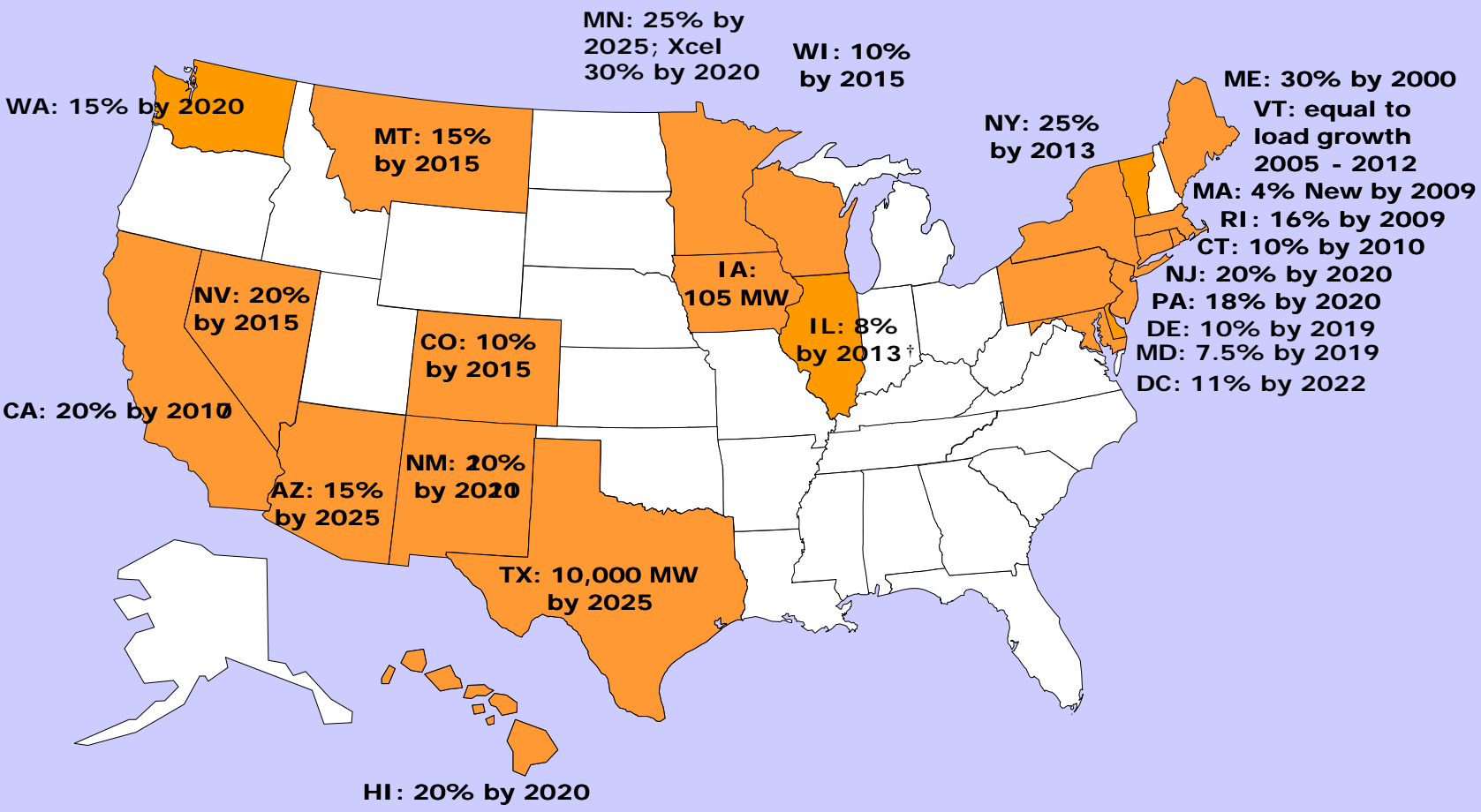
- South Carolina – Governor’s Climate, Energy, and Commerce Advisory Committee (Feb. 2007)
- Illinois
 - Governor announced new statewide targets (1990 levels by 2020, 60% below by 2050); Advisory Group to recommend strategies (Feb. 2007)
- New Jersey: Executive order establishing new greenhouse gas emissions targets for the state of 1990 levels by 2020 and 80 percent below 2006 levels by 2050 (Feb. 2007)
- Florida
 - Energy Commission (June 2006)
- Alaska
 - Climate Impact Assessment Commission (May 2006)

- Arizona
 - Targets (Sept. 2006): GHG emissions at 2000 levels by 2020, 50% below this by 2040
- New Mexico
 - 2000 levels by 2012, 10% below 2000 by 2020
 - Governor's Dec. 2006 executive order carries out recommendations from Governor's Advisory group (est. June 2005) to achieve emissions targets
- North Carolina
 - Legislative Commission on Global Climate Change (est. Sept. 2005)
- Montana
 - Governor created climate change advisory council (April 2006)

State GHG Emission Targets

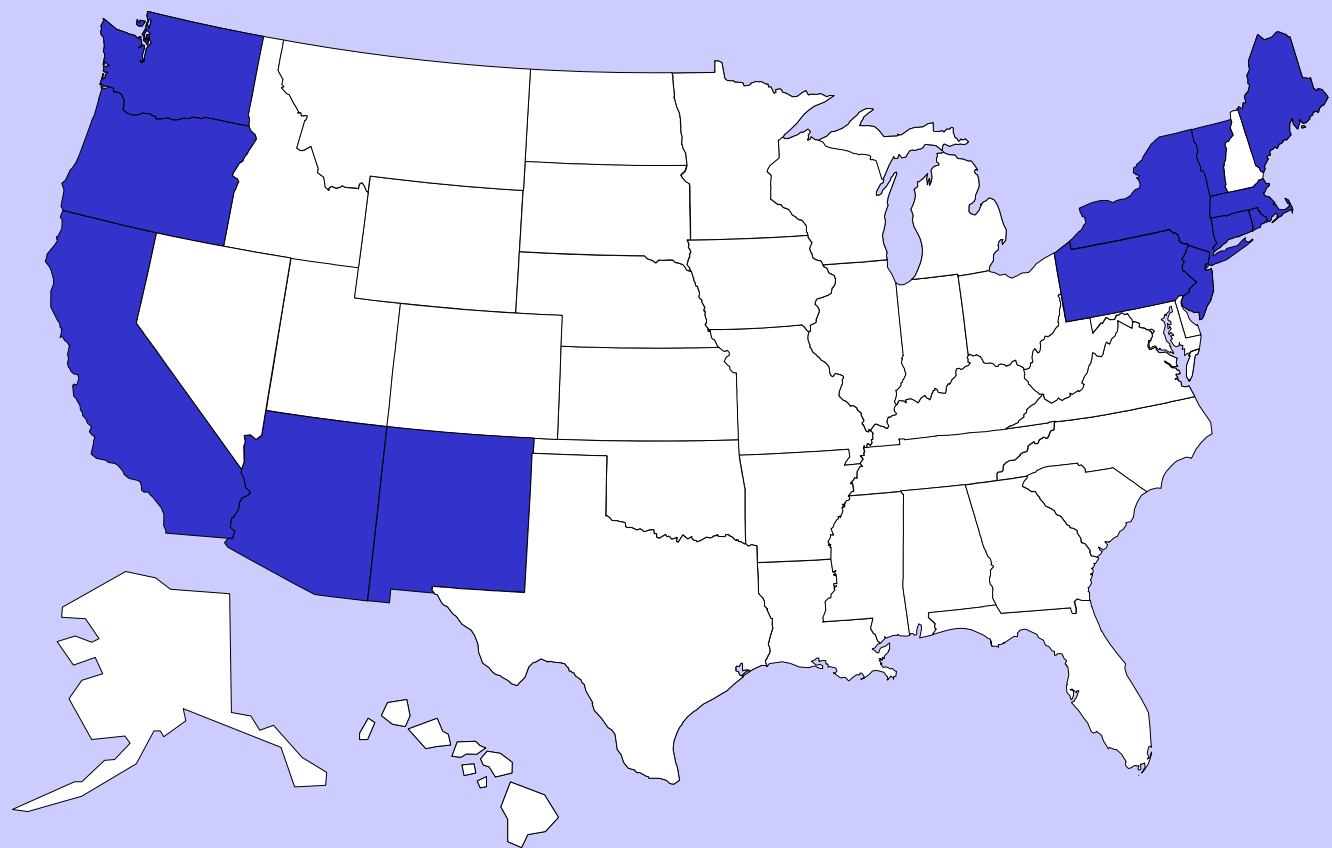


Renewable Portfolio Standards



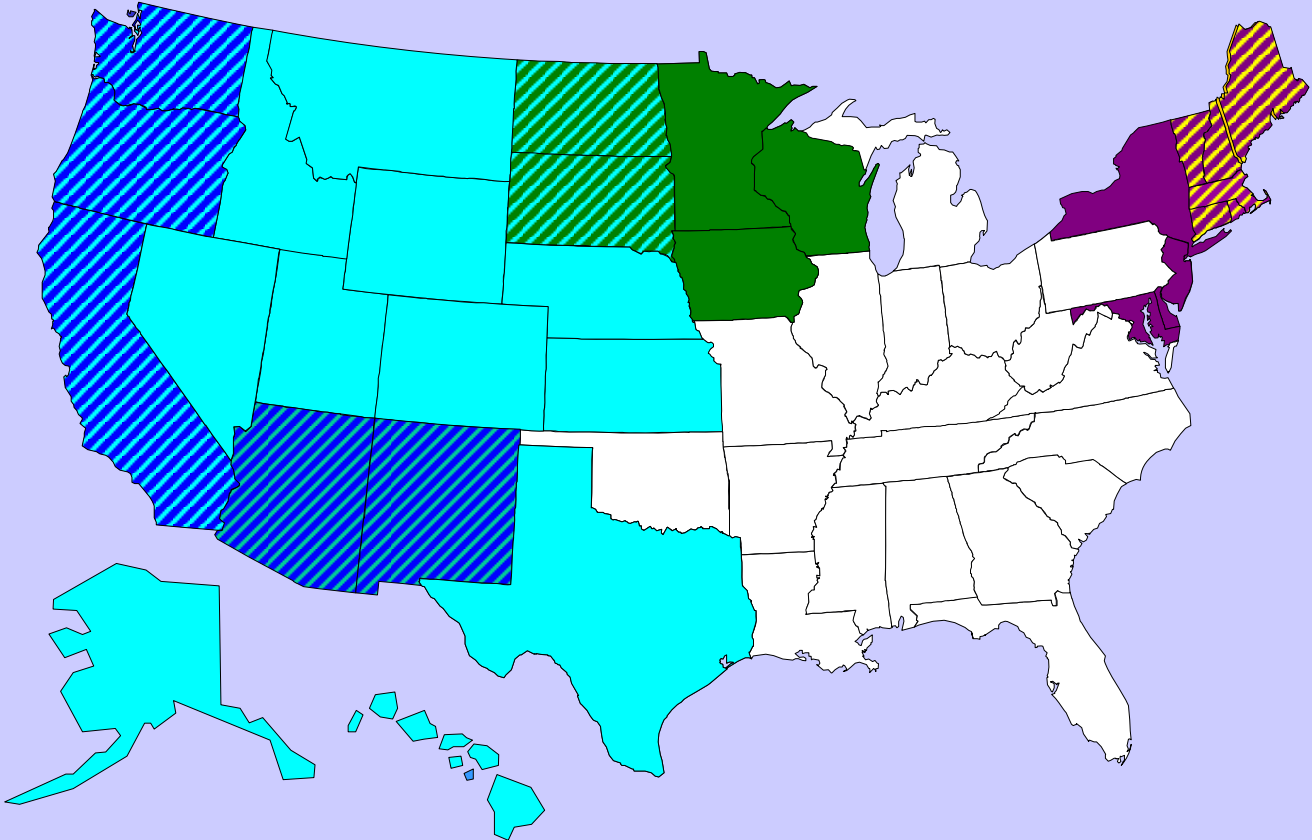
†IL implements its RPS through voluntary utility commitments






Vehicle GHG Standards



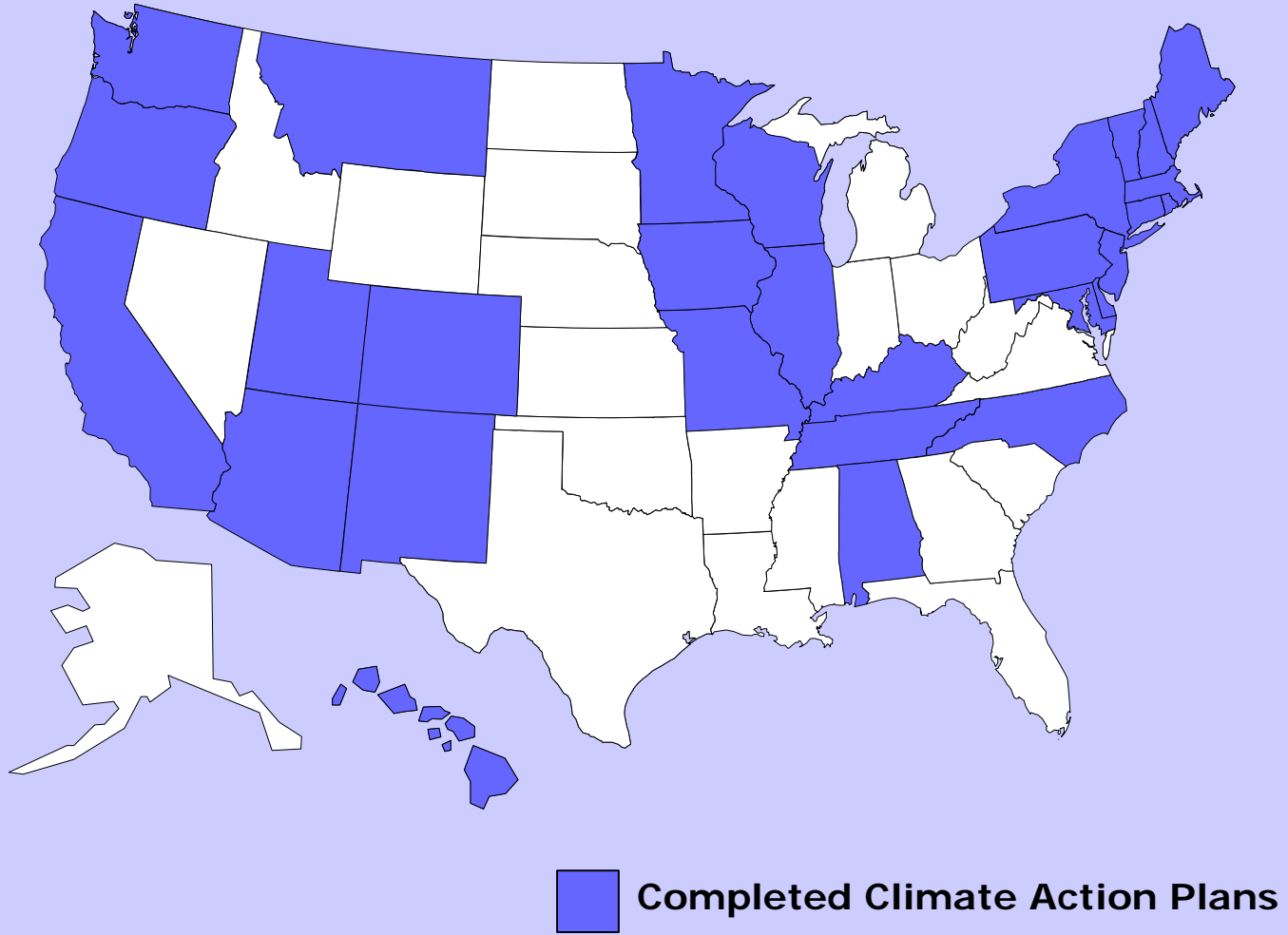
States Poised to Follow California's GHG Emissions Standards for Vehicles

Regional Initiatives

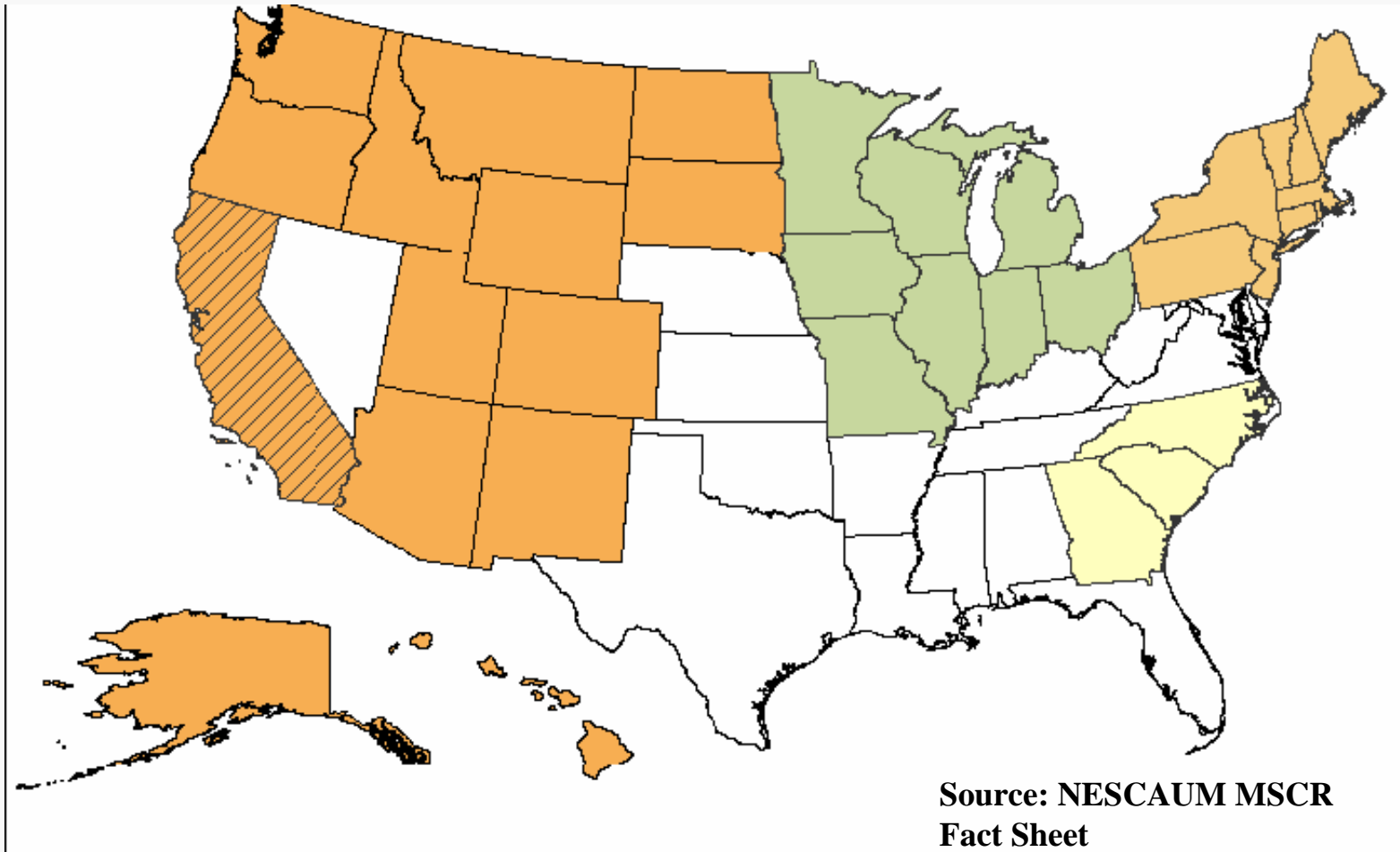


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|---|---|---|
|  Western Regional Climate Action Initiative |  Powering the Plains |  NEG_ECP |
|  WGA |  RGGI | |

Climate Action Plans



Multi-State Climate Registry



California Climate Action Registry (CCAR)



Lake Michigan Air Directors Consortium (LADCO)



Observer States

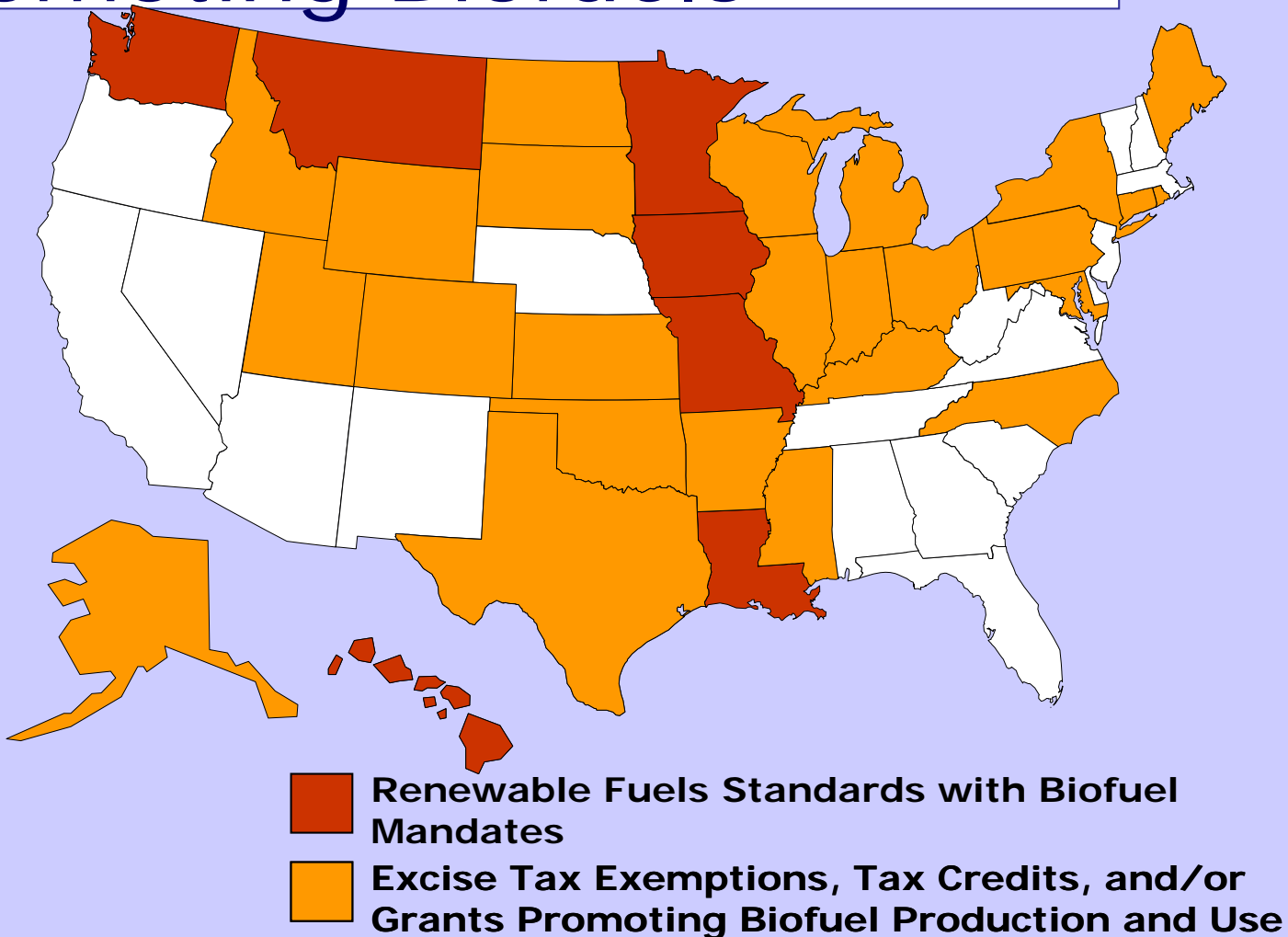


Eastern Climate Registry (ECR)

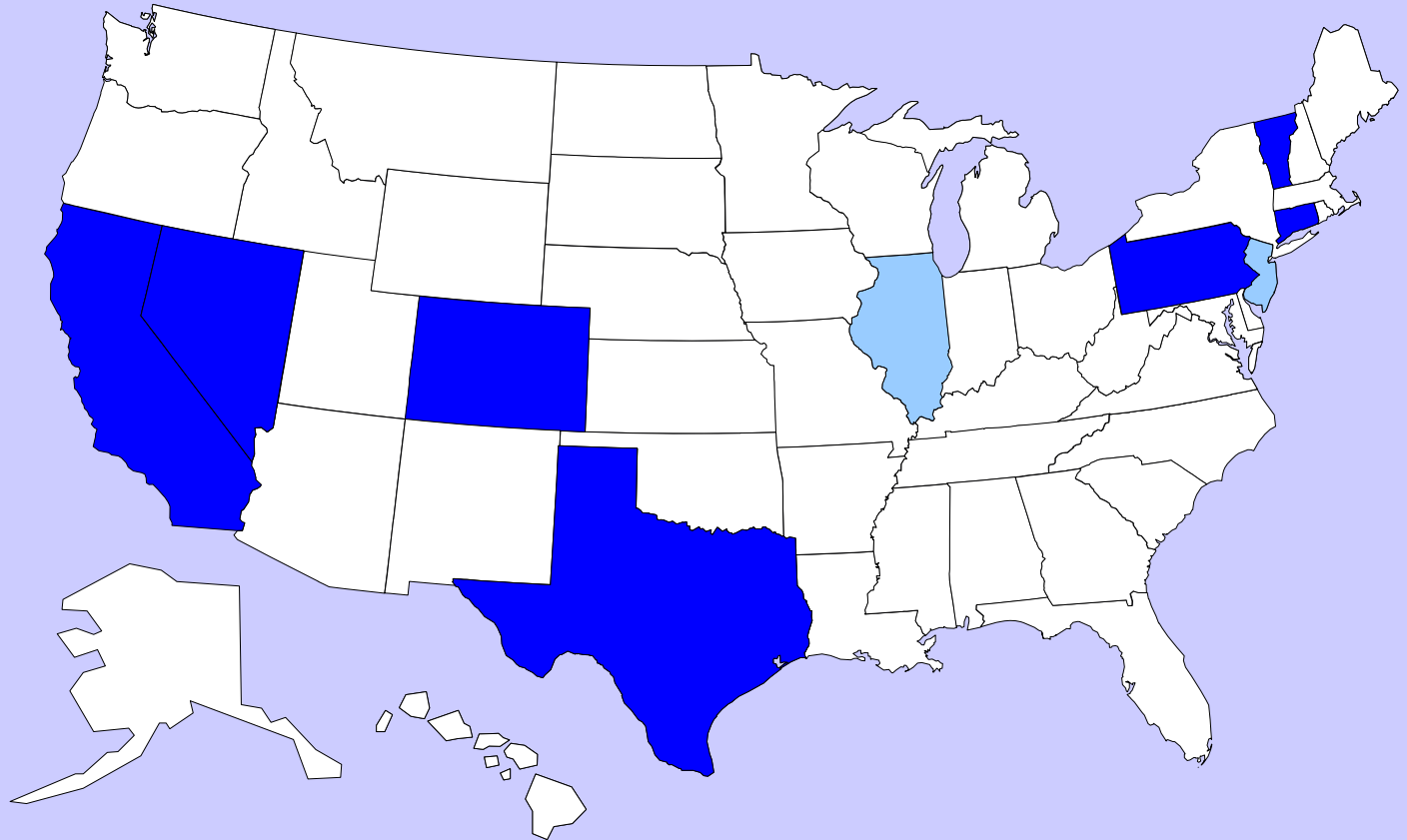


Western Regional Air Partnership (WRAP)

Mandates and Incentives Promoting Biofuels



States With Energy Efficiency Resource Standards



 Completed EERS

 Pending EERS

- Momentum is picking up at the federal level, but states are still leading on climate
- Achieving real emissions reductions
- States provide lessons for federal action
- Even with federal action, states will play a key role
- Trend toward regional action
- Multiple drivers, multiple benefits

Pew Center on Global Climate Change

www.pewclimate.org