

STATE & LOCAL RIGHTS National Climate Legislation

NACAA Spring Membership Meeting

May 3-7, 2008

Tampa, Florida

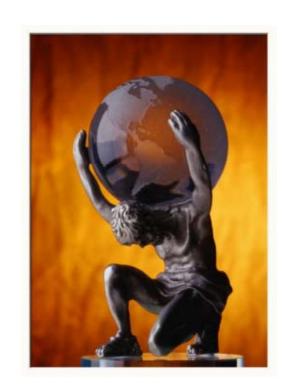
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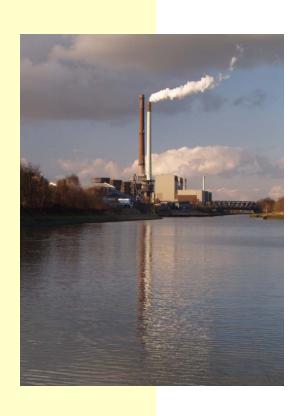
Why Are State & Local Rights Important?

- Laboratory of ideas
- Motivate ongoing federal action
- Achieve goals of the federal program
- Achieve needed GHG reductions





What Rights Are At Risk?



- Authority to implement the cap
 - Monitoring, inspections, permitting, enforcement
 - Complementary measures within the cap
- Authority to strengthen the cap
 - Retire allowances, restrict offsets
 - Add sectors to the cap



What Rights Are At Risk?

- Regulating non-capped sectors
 - California tailpipe standards
 - VMT/fuel measures
 - Land use
 - Renewables
 - Energy efficiency
- Control over revenue
 - Auction percentage
 - Use of revenue: reduce emissions, offset impacts, administration





What About Regional Cap and Trade Programs?

State/Local Rights: National Climate Legislation



• Transition

- Regional program ended and transitioned into federal
- States compensated for loss of auction revenue

Western Climate Initiative

MIDWESTERN GREENHOUSE GAS REDUCTION ACCORD

Incorporation

- Fungible carbon allowances
- Compliance with regional cap equals compliance with federal



Group Discussion

- Do concerns about "double regulation" and inefficiency have merit?
- What are the key rights we need to protect?



- Are these issues being handled adequately in Lieberman/Warner?
- What are the pros and cons of "Transition" vs. "Incorporation"?