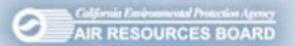


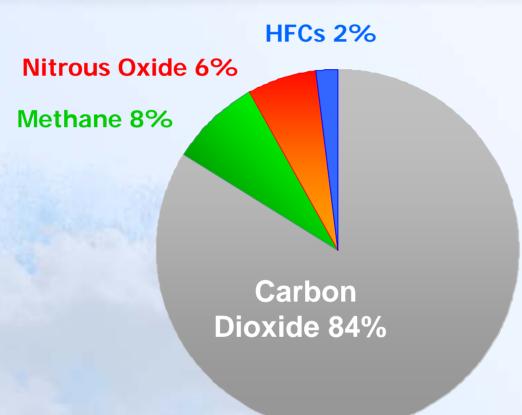
California's Climate Action Plan

STAPPA / ALAPCO Meeting May 2, 2006





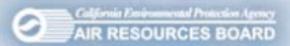
CA GHG Emissions (1999)



Sources:

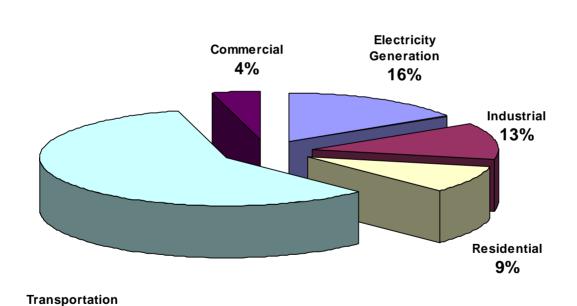
- CO₂
 - ▶ Fossil fuel combustion
- Methane
 - Fossil fuels
 - Landfills, agriculture
- Nitrous Oxide
 - Agriculture, cars
- HFCs
 - ▶ Refrigerants, solvents

Source: 1997 Global Climate Change, CEC





Transportation Big Source





58%

Source: Draft Greenhouse Gas Inventory Update, California Energy Commission, 2001

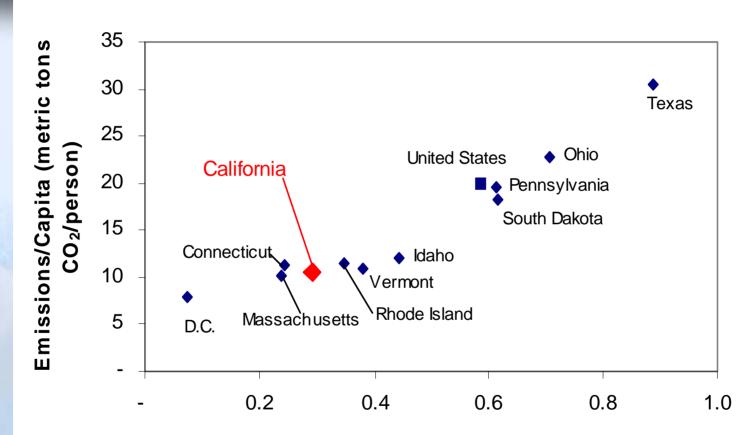
California Fossil Fuel CO₂

Emission Sources, 1999



Carbon Intensity

(CA vs. Selected States, 1995)



Emissions/GSP (metric tons CO₂/thousand 1999 U.S. dollars)

GSP indicates Gross State Product



California GHG Targets

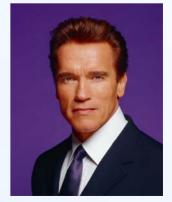
By 2010, Reduce to 2000 Levels*

By 2020, Reduce to 1990 Levels**

By 2050, Reduce 80% below 1990 Levels

* ~60M ton reduction, 11% Below BAU

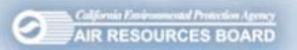
** ~170M ton reduction, 30% Below BAU





2006 Action Plan

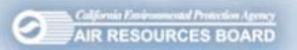
- Recommended 44 Strategies
 - 11 underway
 - 33 to be implemented
- Called for Mandatory Reporting
- Called for Cap & Trade System





Policy Debate

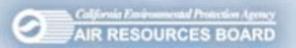
- When will caps be imposed?
- To whom must reports be submitted?
- What will it cost to pull this off?
- Who determines program design?





Strategies Underway

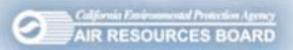
- Motor Vehicle Regulations
- Energy Efficiency Measures
- Renewable Portfolio Standard
- California Solar Initiative
- Hydrogen Highway
- Green Building Initiative
- Recycling and Waste Reduction





New Strategies

- Efficient Water Use
- HFC Reductions
- Forest Management
- Enhanced Appliance, Bldg Efficiency
- Municipal Utility Participation
- Smart Land Use
- Conservation Tillage





ARB Role

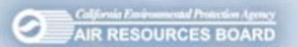
- Motor vehicle regulation
- 10 additional strategies
- Economic analysis
- Scientific research
- Mandatory GHG reporting?





Motor Vehicle Regulations

- Took effect January 1, 2006
- Litigation underway
- USEPA waiver requested
- Climate action plan recommends more stringent standards for 2017 and beyond





Strategy Development (ARB Strategies)

	2010	2020
	(MMT)	(MMT)
Vehicle climate change standards	1	30 🖈
Other new light duty vehicle technology improvements	0	4
Diesel anti-idling	1	1.2 🗹
HFC reduction	2.7	8.5
Transport refrigeration, off-road electrification, port electrification	<1	<1
Manure management	0	1



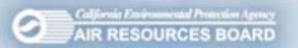
Strategy Development (ARB Strategies)

	2010	2020
	(MMT)	(MMT)
Semiconductor industry targets (PFC)	2	2
Alternative fuels: Biodiesel blends	<1	<1
Alternative fuels: Ethanol	<1	3.2
Heavy duty vehicle emission reduction	0	3
Reduced venting and leaks in oil and gas systems	1	1
Hydrogen highway	Included	Included



What Else is Going On

- Coal debate western states "Frontier" transmission line and "Clean Coal" policy (IGCC + sequestration)
- Western Governors Partnership
- Border states energy alliance
- Biofuels debate





What Else, continued

- Legislative debate ... how much of this needs to be in statute and how prescriptive should it be?
- Budgetary debate ... Governor proposed \$8.5 million to get started.
 Is that enough? Should taxes or fees also be on the table?





Analytical Work

 Scenario assessments – how bad will it get in California?

 Economic assessments – is the Administration or the Chamber of Commerce right about the costs and benefits?





Potential Impacts in CA

Climate Changes



Temperature Increase



Precipitation Patterns and Extremes



Sea Level Rise

Source: Anne Grambsch, 1998



Health

Air Quality - Respiratory Illness Weather-related Mortality Infectious and Tropical Diseases



Agriculture

Crop Yields
Irrigation Demands



Forests

Forest Composition Geographic Range of Forests Forest Health and Productivity



Water Resources

Water Supply Water Quality Competition for Water



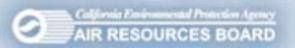
Coastal Areas

Erosion of Beaches Inundation of Coastal Wetlands Additional Costs to Protect Coastal Communities



Species and Natural Areas

Loss of Habitat and Species





Next Steps

- Individual rulemakings
- Energy policy actions
- Five mini-summits around the State
- Final budget for 2006/07
- Approved bills for 2006 session

