



[www.mtclimatechange.us](http://www.mtclimatechange.us)

To: Montana Climate Change Advisory Committee  
Cc: Richard Opper, Secretary Montana Department of Environmental Quality  
From: Tom Peterson, The Center for Climate Strategies  
Date: July 9, 2006

### **Background, Purpose and Goals of the Process**

---

On December 13, 2005 Governor Schweitzer issued a letter directing the Montana Department of Environmental Quality (MT DEQ) to establish a Climate Change Advisory Committee (CCAC), a broad based group of Montana citizens appointed by the Governor to develop a state climate action plan by July 2007. Under MT DEQ's direction, this initiative will examine state level greenhouse gas reduction (GHG) opportunities in all sectors in Montana, and take into consideration opportunities to "save money, conserve energy, and bolster the Montana economy." The Center for Climate Strategies (CCS) will work in partnership with MT DEQ to provide facilitation and technical support for climate action planning process to meet these goals.

The goals of this process include:

- 1) Development of a current and comprehensive inventory and forecast of GHG emissions in Montana from 1990 to 2020;
- 2) Development of a comprehensive set of individual policy recommendations to the Governor to reduce GHG emissions in Montana.

The CCAC process will seek (but not mandate) consensus on these findings and recommendations. Statewide GHG reduction goals, to the extent that they are developed, will be based on further discussions with MT DEQ and this group.

### **Timing and Milestones**

---

The first meeting of the CCAC will be held July 13, 2006, with up to five additional CCAC meetings to be held through July 2007. We plan for two to three Technical Work Group (TWG) conference calls to be held between CCAC meetings. CCS will provide the final report with CCAC recommendations and findings to the MT DEQ by June 30, 2007 following a period of review by the CCAC and the public.

### Draft CCAC Calendar

Date	Meeting*
July 2006	1 <sup>st</sup> CCAC meeting
September 2006	2 <sup>nd</sup> CCAC meeting
December 2006	3 <sup>rd</sup> CCAC meeting
February 2007	4 <sup>th</sup> CCAC meeting
May 2007	5 <sup>th</sup> CCAC meeting
June 2007	6 <sup>th</sup> CCAC meeting
July 2007	Final CCAC Report Due
Between CCAC Meetings	TWG conference calls and meetings

\* Draft agendas for CCAC meetings and TWG discussions are provided in attachment 1.

### Process Design

---

Activities of the CCAC process will be stepwise, fact-based, consensus driven, transparent, and inclusive.

Key steps and parameters of the process include the following:

- The CCAC process will seek but not mandate consensus. Preliminary votes will be taken informally to assess the level of consensus and potential barriers. Final votes will document CCAC support at levels of: unanimous consent, super majority, and majority. Barriers to consensus will be identified and alternatives developed as possible.
- The process will start with examination of a catalog of states actions and expand it to cover all potential options of interest to the CCAC. With assistance from the TWGs, the CCAC will then identify initial draft priority options for analysis, and then develop straw policy designs for each proposal with assistance by CCS.
- Following approval of proposed policy designs, CCS will propose quantification methods for approval by the TWGs and CCAC, including general principles and guidelines for quantification of benefits and costs, and provide initial results for each draft policy option. Additional development of policy options will be based on need.
- Recommendations will include both quantified and non-quantified actions, with emphasis on numerical analysis of GHG reduction potential and cost effectiveness as possible. Additional issues will be evaluated on a case-by-case basis pending CCAC input and available resources.
- For each draft potential policy option identified by the CCAC, CCS will prepare a policy option template with assistance from the TWGs for CCAC review and

- approval (see attachment 2).
- Mitigation of all GHGs will be examined, including carbon dioxide, methane, nitrous oxide, and synthetic gases. Units will be expressed in metric tons (MT) carbon dioxide equivalents (CO<sub>2</sub>e), or in million metric tons carbon dioxide equivalent (MMTCO<sub>2</sub>e).
  - The CCAC and TWGs will explore solutions in all sectors and across all potential implementation methods. Recommendations may include state level and multi-state actions (regional and national), as well as voluntary and mandatory approaches.
  - Historical emissions and carbon storage inventories and reference case projections will be developed for years 1990-2020. Recommendations for action will include the present to year 2020, with estimated benefit and cost impacts being reported for years 2010 and 2020.
  - The final report by CCS will document CCAC recommendations and views on each policy option, including alternative views as needed. It will also include a summary of the Montana GHG Emissions Inventory and Forecast.

## **Participant Roles and Responsibilities**

---

### **State Agencies**

MT DEQ will oversee and coordinate the CCAC process. The state will provide logistical support for meetings, facilities, and public notice, with assistance by CCS. Other state agencies may participate as advisors to the process.

### **Center for Climate Strategies**

CCS will provide facilitation and technical support to the CCAC and TWGs during the process as a neutral and expert party.

### **Scientific Advisory Committee**

The Scientific Advisory Committee will assist the CCAC by providing scientific expertise and advice on specific fact-finding issues.

### **Climate Change Advisory Group**

The CCAC will make recommendations on specific policy actions as well as approval of a final Montana GHG emissions inventory and forecast. Final decisions will be made by vote.

### **Technical Work Groups**

TWG members will be comprised primarily of CCAC members assigned to specific sectors of interest, as well as other individuals with technical expertise and interest. The TWGs will be tasked with providing guidance to CCAC members on priorities for analysis, technical analysis and design of options, alternative approaches, and final recommendations. TWGs sectors include: (1) energy supply (including heat and power fuel supply, and waste energy recapture), (2) commercial, industrial and residential

(including energy efficiency and conservation, as well as industrial process and waste management), (3) transportation and land use, (4) agriculture and forestry, and (5) cross cutting issues (such as reporting, registries, and education).

### **The Public**

Public observation and input will be provided as a part of CCAC and TWG meetings.

### **Participant Guidelines**

Advisory groups and technical work group members are expected to follow certain codes of conduct during the process, including:

- Attendance is strongly requested at all meetings to provide continuity to the stepwise process. Alternates may be named when absolutely necessary.
- Active involvement in proposals and evaluations is needed from each member to fully support the process of joint policy development.
- Good faith participation and full support of the process are required.
- In exchanging information and views, CCAC members should make fact-based offers and statements, and refrain from personal criticisms.
- CCAC and work group members should not represent the state or advisory groups in contacts with the media.

Funding for the CCAC process is provided primarily by a number of private foundations, with support from MT DEQ.

ATTACHMENT 1:

DRAFT ADVISORY GROUP AND TECHNICAL WORK GROUP MEETING  
AGENDAS

**MEETING ONE**

- Introductions
- Purpose and goals
- Review of the CCAC process
- Review of the catalog of possible state climate mitigation actions
- Review of the Montana emissions inventory & forecasts
- Discussion of key policy opportunities & issues
- Formation of TWG's, next meeting agenda, time, location, date

Interim work group calls will cover: (1) suggested revisions to the draft inventory and reference case projections, (2) review and suggested modifications to the catalog of policy options, and (3) early ranking of options and suggested initial priorities for analysis.

**MEETING TWO**

- Recommended updates to inventories and baseline forecasts
- Discussion of additional actions to the catalog of possible Montana policy actions
- Approval of initial priorities for work group analysis
- Review of TWG plans, including development of straw policy design proposals
- Identification of cross-cutting issues

Interim work group calls will cover: (1) suggested final revisions to the emissions inventory and reference case projections, (2) suggested modifications to the list of initial priorities for analysis for CCAC review, (3) suggested policy designs for specific policy actions for CCAC review, and (4) next steps on design and analysis of initial policy options.

**MEETING THREE**

- Final agreement on inventories and baseline forecasts
- Approval of TWG lists of initial policy priorities for analysis
- Discussion of policy design and implementation mechanisms for policy options; process for developing straw proposals

- Briefing on cross cutting issues and policy options

Interim TWG calls will cover: (1) development of straw proposals for design parameters for individual options, (2) identification of potential implementation mechanisms for options, (3) next steps for analysis of options, and (4) identification of crosscutting policy needs.

#### **MEETING FOUR**

- Review of policy options list, straw proposals for policy design, and early results of analysis
- Guidance to TWGs on additions, deletions and modifications of options
- Identification of alternative policy designs and implementation mechanisms for work groups, as needed
- Review and revision of cross cutting policy options

Interim TWG calls will cover: (1) revisions to draft final policy priorities and design parameters, including implementation mechanisms, (2) next steps for draft analysis of options and design alternatives, and (3) next steps on formulation of cross cutting policy options and mechanisms.

#### **MEETING FIVE**

- Review of options list, with results of analysis and cumulative emissions reductions potential
- Identification of consensus and non-consensus options
- Identification of barriers and alternatives for non-consensus options, with guidance for additional work on options to TWG's
- Review of final report progress and plans

Interim TWG calls will cover: (1) final revisions to design parameters, including implementation mechanisms, (2) final analysis of options, alternatives, and (3) final steps on formulation of cross cutting policy options and mechanisms.

#### **MEETING SIX**

- Progress report on non-consensus policy options list and cumulative emissions reductions potential
- Identification of consensus and non-consensus options from remaining list
- Identification of barriers and alternatives for non-consensus options, proposals for resolution by the CCAC

- Discussion and final resolution of barriers and determination of consensus for remaining options
- Summary of the process, review of next steps for review and transmittal of the final report

## **FINAL REPORT TO MT DEQ**

- CCS will provide final CCAC recommendations to MT DEQ in a report including the following items:
  1. Executive Summary
  2. Background
  3. Inventory and Forecast of Montana GHG Emissions
  4. Policy Recommendations for the Following Sectors:
    - a. Agriculture, Forestry and Waste Management;
    - b. Energy Supply;
    - c. Residential, Commercial and Industrial;
    - d. Transportation and Land Use; and
    - e. Cross Cutting Issues
  5. Appendices

ATTACHMENT 2:

**POLICY OPTION TEMPLATE**

**Policy Description**

[Insert text as appropriate]

**Policy Design**

[Insert text as appropriate]

- **Timing:**
- **Goals:**
- **Coverage of parties:**
- **Other:** [Insert text if/as appropriate]

**Implementation Mechanisms**

[Insert text as appropriate]

**Related Policies/Programs in Place**

[Insert text as appropriate]

**Types(s) of GHG Reductions**

[Insert text as appropriate]

**Estimated GHG Savings and Costs per MTCO<sub>2e</sub>**

[Insert text as appropriate]

- **Data Sources:**
- **Quantification Methods:**
- **Key Assumptions:**

**Key Uncertainties**

[Insert text as appropriate]

### **Additional Benefits and Costs**

[Insert text as appropriate]

### **Feasibility Issues**

[Insert text as appropriate]

### **Status of Group Approval**

[Pending or Completed]

### **Level of Group Support**

[Insert text as appropriate]

### **Barriers to Consensus**

[Insert text as appropriate]