



Washington's Climate Change Challenge

- **Created by Executive Order 07-02**
 - **Specific climate change goals**
 - **Reduce emissions through government policies, efficient market-based systems, allowance trading, and incentives**
 - **Recommend reduction strategies for the state enterprise**
 - **Determine specific steps to be prepared for impacts**
 - **Develop education and engagement component**
 - **Instate and regional coordination**

- **Report due to the Governor 2/7/08**



Reduce emissions and grow our economy

- By 2020** reduce GHG emissions to 1990 levels
- By 2035** reduce emissions to 25% below 1990 levels
- By 2050** reduce emissions to 50% below 1990 levels

- By 2020** increase the number of clean energy sector jobs to 25,000 from the 8,400 jobs in 2004

- By 2020** reduce expenditures by 20% on fuel imported into the state



Manage the unavoidable

- **Prepare and adapt for the effects of global warming**
 - Determine specific steps to prepare for the impacts on public health, agriculture, forestry, the coast line, and infrastructure
 - Assess additional steps to prepare for the impact on water supply and management



Builds on our good actions

- Adopted the California Car Standards
- Adopted renewable fuels (biodiesel and ethanol) standards for transportation
- Instituted high-performance green building standards
- Have one of the most energy-efficient building codes in the U.S.
- Passed a clean renewable energy initiative
- Implemented electric utility conservation programs
- Commissioned economic study of impacts of climate change
- Enacted significant legislation: Climate Change; Mitigating Impacts Act (SB 6001) and Cleaner Energy Act (HB 1303)



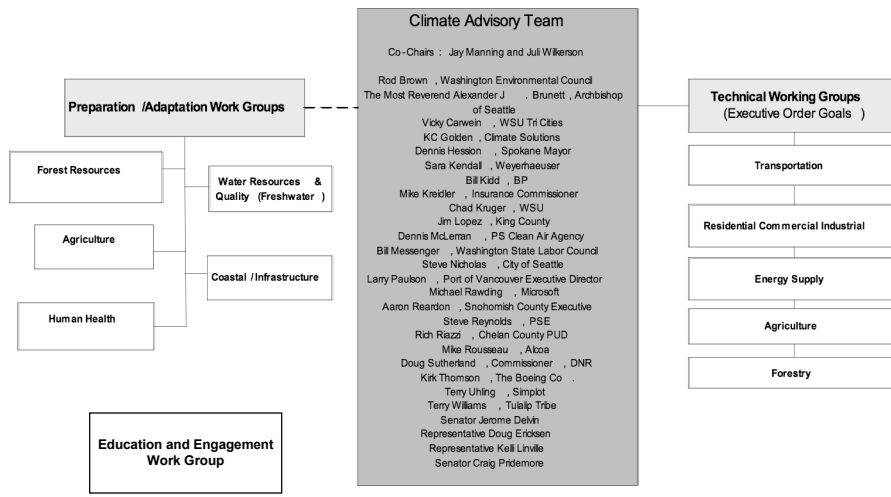
2007 Legislation

SB 6001

- Put Executive Order goals into statute
- Created a performance standard for electrical utilities
- Allows for sequestration of emissions to meet standard
- Requires ECY to write rules for the standard and for sequestration (June 08)

HB 1303

- Enacted wide ranging environmental and energy provisions and funding (i.e., diesel bus retrofit, vehicle electrification, biofuels, & research)
- Funded adaptation work (UW Climate Impacts Group working with ECY and CTED)





CAT Ten Step Work Plan

- 1. Develop initial GHG inventories and forecasts**
- 2. Identify possible GHG mitigation options**
- 3. Identify initial priorities for evaluation**
- 4. Evaluate supply potential, cost effectiveness; ancillary and feasibility issues as needed**
- 5. Identify barriers, alternative policy design needs**
- 6. Modify, add or subtract options as needed**
7. Evaluate cumulative results of options (including job creation and fuel imports)
8. Iterate to consensus, with votes as needed
9. Aggregate options into implementation scenarios
10. Finalize recommendations and report language



Preparation and Adaptation

Five Working groups

- **Structured around primary impact areas** (based on 2006 Economic Study)
 - Forestry, Agriculture, Human Health, Coastal/Infrastructure, Water Resources and Quality
- Review climate impact baseline with UW CIG
- Identify fundamental issues and vulnerabilities
- Develop specific strategies for each issue/vulnerability
- Identify gaps and additional research needs



Schedule for completion

- CAT and Preparation/Adaptation recommendations completed: **December, 07**
- Public review and comment: **December 07, January 08**
- CAT Report and Preparation/Adaptation recommendations with public comments to Directors Manning and Wilkerson: **January 08**
- Education and engagement recommendations to Directors: **January 08**
- Directors' Report to the Governor due by **2/7/08**



Western Regional Climate Action Initiative (WCI)

- Originally included WA, OR, CA, AZ, and NM
 - British Columbia, Utah and Manitoba have joined
 - 5 Western states, 3 Canadian Provinces and one Mexican state are observers
- Directs us to
 - Join national or regional registry
 - Set regional goal that is consistent with state/provincial goals (8/07)
 - Design “multi-sector market-based” mechanism (8/08)



Western Climate Initiative Status

- Achieved two of the three directives:
 - WA joined The Climate Registry (39 states, District of Columbia, 2 Canadian provinces, 3 tribes and 1 Mexican state)
 - A regional goal has been established
- Progress on multi-sector market based mechanism (cap and trade) design work
 - 5 subcommittees formed
 - Stakeholder outreach regionally and in each state
 - Preliminary design anticipated early 2008
 - Completed design by August 26, 2008



The Climate Registry

- A GHG registry is a “bottom-up” database for accurately tracking emissions of GHGs by entity or facility
- It is different from a state-wide inventory which tracks data “top-down.” A top-down inventory—while broader—is less accurate and less useful for policy implementation.



Key Principles

- A common accounting standard and infrastructure to support state policies
- Recognized platform for credible and consistent GHG emissions reporting in North America across borders and industry sectors
- Documents early actions for state or federal recognition
- Independent third-party verification
- Public reporting while respecting business confidentiality



www.ecy.wa.gov/climatechange