

Western Climate Initiative

**Presentation to the
Economic and Allocation Advisory
Committee
July 1, 2009**

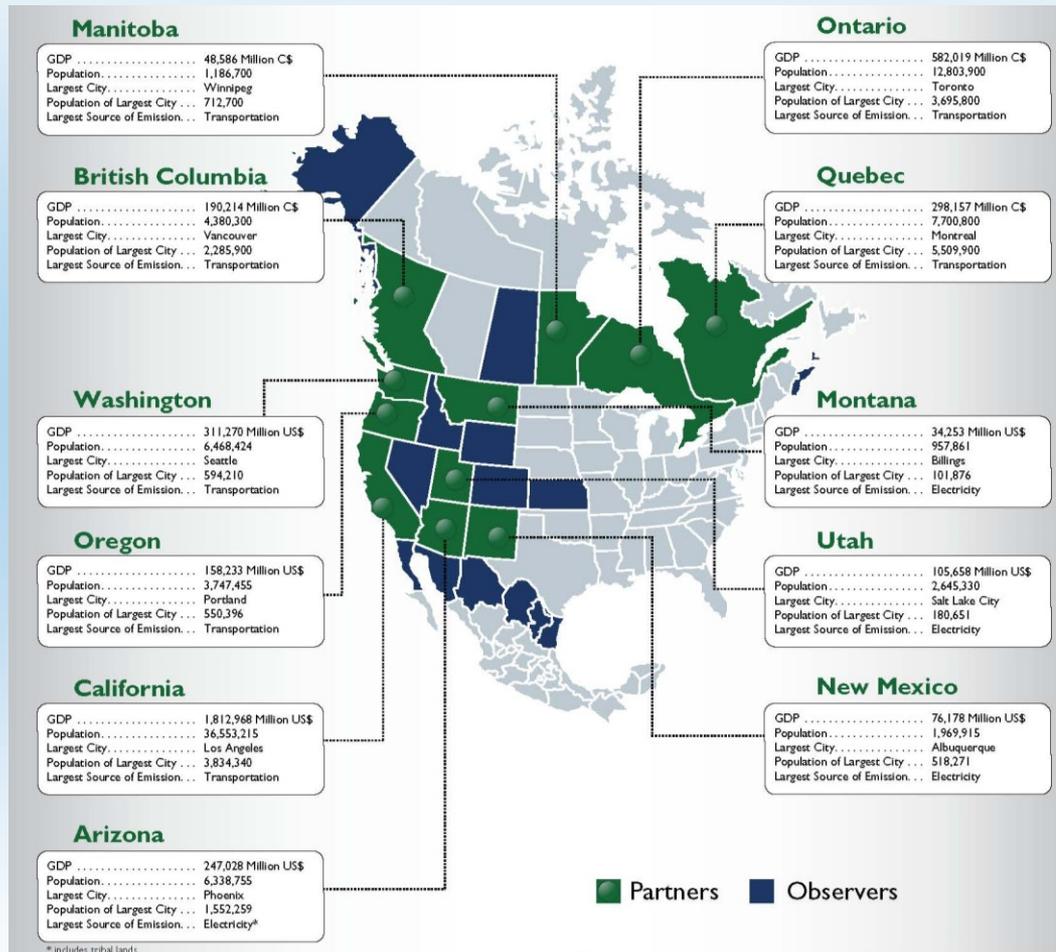
**Michael J. Gibbs
Assistant Secretary for Climate Change
California Environmental Protection Agency**

WCI Objectives

□ Western Climate Initiative:

- Collaborate to reduce greenhouse emissions collectively among the WCI Partner jurisdictions.
- Three deliverables:
 - Set a regional emissions reduction goal: 15% below 2005 by 2020.
 - Design a regional multi-sector mechanism to achieve the reduction goal: *Program Design Recommendations* (September 23, 2008).
 - Join The Climate Registry.
- Work jointly to:
 - Promote clean and renewable energy in the region.
 - Increase energy efficiency.
 - Advocate for regional and national climate policies that are in the interest of western states.
 - Identify measures to adapt to climate change impact.

WCI Partners and Observers



Design Recommendations

- ❑ **Individual State/Province cap-and-trade programs that link with each other**
- ❑ **Specify aspects that must be the same in order to link programs**
- ❑ **Allow discretion in aspects that may vary**
 - Allowance distribution
 - Use of allowance value

Uses of Allowance Value Identified by *WCI Design Recommendations*

- ❑ Energy efficiency and renewable energy incentives and achievement;
- ❑ Research, development, demonstrations, and deployment (RDD&D) with particular reference to carbon capture & sequestration (CCS), renewable energy generation, transmission and storage; and energy efficiency;
- ❑ Promoting emission reductions and sequestration in agriculture, forestry and other uncapped sources; and
- ❑ Human and natural community adaptation to climate change impacts.

Uses of Allowance Value Identified by *WCI Design Recommendations*

- ❑ Reducing consumer impacts, especially for low-income consumers;
- ❑ Providing for worker transition and green jobs;
- ❑ Achieving emission reductions in communities that experience disproportionate environmental impacts;
- ❑ Supporting community-wide efforts funded by local governments to reduce GHG emissions;
- ❑ Providing transition assistance to industries;
- ❑ Recognizing early actions to reduce emissions; and/or
- ❑ Promoting economic efficiency.

California WCI Contacts

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Link: www.westernclimateinitiative.org

Program Design Recommendations:

<http://www.westernclimateinitiative.org/the-wci-cap-and-trade-program/design-recommendations>