

Business Council for Sustainable Energy

Federal Policy Committee Strategy Meeting

July 15, 2008

*Offices of Pacific Gas & Electric
Washington, DC*

The Business Council for
Sustainable Energy



Agenda

Strategy Meeting Objectives 10:00 – 10:10 AM

Review of Antitrust Guidelines 10:10 – 10:15 AM

Federal Policy Priorities & Strategy 10:15 – 12:50 PM

- Legislative Development
- Clean Energy Jobs
- SAIC Modeling Project
- Campaign Outreach/Transition
- EPA Rulemakings
- Apollo Alliance Plan

Review of Outcomes & Action Items 12:50 – 1:00 PM



Meeting Objectives

Identify policy priorities for Council's federal advocacy for remainder of 2008/Campaign Outreach/Transition



Overview of Recent Federal Policy Committee Activity

Subgroups:

Energy Efficiency

Offsets

Renewables/Clean Energy

Clean Energy Jobs

Campaign Outreach



Developed Policy Papers on S2191:

- Energy Efficiency
- Offsets
- Renewables/Clean Energy

And

Clean Energy Technology Deployment Path
Document



Energy Efficiency

- Worked with member companies, organizations, others on energy efficiency amendment (ASE, ACEEE, WalMart, Johnson Controls, NAIMA, Calpine, NRDC, etc.)
- Met with Senate staff (Bayh, Feinstein, Snowe, Pryor)
- Resulted in Feinstein/Snowe amendment on energy efficiency



Offsets

- Worked with “coalition of coalitions” to design series of briefings
- Worked closely with Senator Stabenow’s office on hearing/amendment
- Submitted written testimony for Senate Agriculture Committee hearing on offsets
- Submitted Perspective on Nicholas Institute Paper on offsets
- Submitted responses to GAO Questionnaire
- Congressional briefing on offsets as cost containment mechanism
- Resulted in Stabenow Amendment on offsets



Clean Energy/Renewables

- Lobbied in support of Klobuchar amendment for 4% set-aside
- Lobbied in support of output-based allocation
- Resulted in
 Carper Amendment on output-based allocations
 4% set-aside included in Boxer substitute



Clean Energy Technology Deployment Path

Complementary Policies:

- Renewable Electricity Standard
- Energy Efficiency Resource Standard
- Energy Efficiency Savings Programs
- R&D

Brought document to all meetings

R&D portions identified for House Science Committee

Updated FPC members on congressional activity on tax measures and appropriations



"Face of Green Jobs"

Capitol Hill Day Event and Reception

- Two dozen Council members participated
- 21 congressional office meetings
- Four meetings with Members of Congress:

Senator Klobuchar (D-MN)

Senator Bayh (D-IN)

Congressman Markey (D-MA)

Congressman Gordon (D-TN)



June 19 Testimony

House Energy and Commerce
Committee Hearing:

“Legislative Proposals to Reduce
Greenhouse Gas Emissions:
an Overview”



Ongoing Communications and Meetings with Targeted House and Senate Offices

The Business Council for
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Federal Policy Committee has also met with:

- Reid Harvey, Branch Chief of EPA's Climate Change Division
- Leslie Cordes, EPA re: Waste Energy Survey
- Maurice LeFranc, EPA re: Agency's work on offsets
- Mark Elias, Perkins Coie re: Lobbying Disclosure Requirements



Congressional Briefings

- Offsets as cost containment mechanism
- State and regional GHG initiatives
- California AB32 scoping plan – July 29



Review of Senate Legislation

- Boxer Substitute (S3036) to Lieberman Warner (S2191) released in May
- Bill brought up on Senate Floor June 2
- Motion to Proceed to S2191 Passed 74-14
- Cloture Vote Failed 48-36



Review of Boxer Substitute

- Some mention of output-based allocations (LDC allocation to consumers)
- Improvements in energy efficiency (encouraging early investments in energy efficiency, better definition of efficiency's role, SEAD)
- 4% set-aside of allowances for RE between 2012-2030, 1% from 2031-2050; sustainable energy program eliminated
- Offset program included, strict financial additionality included; potential for disqualification during a previously approved crediting period



Proposed Amendments to S3036

- Senators Snowe (R-MA) and Feinstein (D-CA) -- package of energy efficiency provisions
 - Carve out of LDC set-aside; building code incentives
- Senator Carper (D-DE) – Output-based allocation for fossil generators; New Entrant Set Aside that includes Renewables, Nuclear
- Senator Stabenow (D-MI) - Offsets
- Senator Sanders (I-VT) – Renewable Electricity Standard
- Senator Menendez (D-NJ) – 2 percent allocation to states for Renewables and Energy Efficiency
- National Solar Roofs Program
- Landrieu (D-LA) – Natural Gas Regulations



Current Status of Legislation

- Senate Legislative Action Done for the Year/Senate EPW May Hold Hearings
- House E&C Hearings this Summer
- House E&C staff drafting legislation



Opportunities for Advancing BCSE Issues

- Current Attention on House Side
- Continue Meetings with House E&C Staff
- Continue Congressional Briefings
- Continue Meeting With Targeted Senate Offices
- Update Policy Papers



Issue: Output-based Allocations

- Senator Carper (D-DE)
- Identify champion
- Meetings with Members of Energy and Commerce Committee
- Position Paper



Issue: Renewables/Clean Energy

- Update Position Paper
- Meetings with Members of House Energy and Commerce Committee
- Check Back with Senator Klobuchar



Issue: Energy Efficiency

- Update Position Paper
- Meetings with Member of Energy and Commerce Committee
- Check in with Senate Champions
- Coordinate with working group on energy efficiency



Issue: Offsets

- Update Position Paper
- Meetings with Energy and Commerce Committee
- Check in with Senator Stabenow's office
- Reconvene "coalition of coalitions"



Clean Energy Technology Deployment Path Document

- Key piece of June 19 Congressional testimony
- Identify champions in House
- Discuss with campaigns
- Organize outreach events/PR in conjunction with release of SAIC modeling in fall and early 2009



Action Items:

- Analysis of Senate Legislation – August
- Analysis of Expected House Bill – September
- Revise Policy Papers to Reflect House Bill when it is introduced



Clean Energy Jobs

- Developed Fact Sheets
 - Member Profiles
 - Overview of Studies
- Capitol Hill Day
- Response to Members' Requests
 - Udall (D-CO), Stabenow (D-MI)



SAIC Modeling Project

- Modeling increases in energy efficiency and renewable energy sufficient to meet energy demand between now and 2030
- Show impacts on electricity and natural gas prices and greenhouse gas emissions
- Working with BCSE members to better understand how NEMS model clean energy industry
 - Use study to highlight deficiencies and improvements that can be made to NEMS
- Preliminary results in August/September 2008



Campaign Outreach

- Revise Policy Documents for Campaigns
- Formal letter sent to Senator Obama and Senator McCain
- Arrange meetings with Obama and McCain Campaigns



Transition Activities

- Be ready to start engaging with new Administration immediately following November elections. Meet with:
- White House CEO
- White House Chief of Staff
- Administrator of EPA
- Secretary of Energy, Assistant Secretary for Energy Efficiency and Renewable Energy
- Others



EPA Rulemakings

- ANPR on Regulating GHG (at OMB)
- GHG Reporting Rule (proposed in September 2008)
- Waste Energy Rule (Final in September 2008)
- Climate Leaders Offset Guidance (no formal comment)
- Rule on carbon sequestration under the SDWA



The New Apollo Alliance Energy Program

- The Apollo Alliance, a coalition of labor, business, community and environmental leaders, proposes a national economic development strategy to accelerate the development of America's vast clean energy resources.
- Draft out in late July 2008
- Seek BCSE support



Review of Outcomes & Action Items

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