Maryland Climate Change Commission Report Concept Paper

Unanimously Approved at 10/29/15 Full Commission Meeting

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We are pleased to have the opportunity to share this first report of the Maryland Climate Change Commission (the Commission). These reports will provide us with the opportunity to identify and advance discussion and decisions on key climate action challenges and opportunities. The reports also present the opportunity to promote adaptive management of the state's climate action agenda. It is only through a clear, timely understanding of the strengths, weaknesses, successes and shortcomings of our strategies and programs that we can be best positioned for bigger and faster progress moving forward.

This first report comes in close proximity to the Greenhouse Gas Emission Reduction Act (GGRA) 2015 Update, authored by MDE, and mandated by the 2009 law. While the Commission worked with MDE on this report and has been deeply informed by the research and analysis undertaken by and included in MDE's report, the Commission report is intended to be different from MDE's report. The requirements and parameters of MDE's report are specifically delineated in the 2009 legislation, and focus very tightly on the provisions of the GGRA and the elements of the 2013 GGRA Plan.

The Commission, on the other hand, has the broader and less specific charge to report 'on the status of the State's efforts to address the causes and consequences of climate change, including future plans and recommendations for legislation, if any, for consideration by the General Assembly'. The Commission report also differs from MDE's report because the Commission is an independent voice, not a state agency. As such it is expected to bring a broad range of perspectives and insights to bear on the work of the government.

In accordance with the fact that the Commission is deeply indebted to MDE's work and also intended to be independent of it, this report both engages with MDE's work and also identifies areas where additional effort could potentially lead to continued progress on climate change in a manner that supports a strong economy in Maryland.

II.

We endorse MDE's recommendation that the General Assembly continue to implement the GGRA Plan to achieve the goals of the GGRA: a 25% reduction in GHG emissions by 2020 that also supports economic development and job creation.

We also endorse MDE's recommendation that Maryland move forward with a next step of climate change progress that sets GHG emission reduction goals for 2030 that are informed by

scientific analysis, national commitments, and innovations developed in other states. The Commission believes these goals must continue to have a net positive impact on both the economy and job creation in Maryland and should emphasize technology innovation, economic development, jobs and consumer protection, as well as public health and well-being.

The Commission believes that Maryland should adopt a plan to reduce greenhouse gas emissions by 40% below 2006 levels by 2030, with continued inclusion of safeguards, exemptions, studies of those exemptions, reassessment provisions and other relevant language contained in the 2009 Act. Except for the 2030 date, the Commission recommends that the other deadlines for reassessment provisions and reports be adjusted to provide the same amount of time after enactment as provided in the 2009 Act.

We also endorse MDE's recommendation to explicitly incorporate beneficial economic impacts into the set of 2030 climate action goals. We would broaden that set of goals to include the following additional items:

- The degree to which climate action strategies, policies, and programs produce economic benefits that are equitably distributed across Maryland's population;
- The degree to which climate action strategies, policies, and programs produce economic benefits that are sustainable;
- The degree to which climate change strategies, policies, and programs effectively address the economic dislocations that they may cause;
- The degree to which climate action strategies, policies, and programs produce public health benefits;
- The degree to which climate action strategies, policies, and programs reduce energy burdens in low-income households; and
- The degree to which climate action strategies, policies, and programs improve resilience in vulnerable communities.

III.

We are pleased to see that Maryland is, at this time, on track to meet the goal of reducing our greenhouse gas emissions 25% by 2020. There are several issues that the Commission believes need to be focused on in ongoing and future analyses by the State and the Commission's working groups.

We note that changes in the energy and transportation sectors, specifically more use of natural gas and less driving, have helped the State approach the 25 by 20 goal. The Commission tasks the Mitigation Working Group (MWG) with continuing to track these changes and analyzing and identifying strategies that would help to continue these positive trends. These strategies are included below in Section 3 where the Commission's recommendations on priorities for the Commission's 2016 workplan are provided.

We also note that the potential contribution of methane leakage to greenhouse gas emissions is an area of very active investigation and disagreement. The significance of this relatively new issue is incompletely understood. Accordingly, the Commission tasks its Mitigation and Scientific and Technical working groups with fully exploring the emerging science on fugitive methane gas, exploring best management practices for leakage avoidance and mitigation, and employing best available science and analysis to determine whether or not and how to incorporate out-of-state methane leakage into our greenhouse gas emissions inventories and projections.

While the programs in the GGRA and market driven changes in the energy and transportation sectors are helping to power progress towards meeting the 2020 goal, the Commission believes that there are practical enhancements that can still be made to a number of the programs contained in the 2012 GGRA Plan. The Commission recommends that the State and the MWG continue to analyze the initiatives listed below in Section 3 to identify strategies that will further reduce GHG emissions while having a clear positive impact on the State's economy and on job creation.

Several of the enhancements to existing programs that were proposed as part of the 2012 GGRA Plan (e.g. EmPOWER Maryland, RPS, Transportation Technologies and Zero Waste) have not yet been fully achieved. We note this because, although it appears that the State is on track to meet the 25% reduction by 2020 requirement of the GGRA without these enhancements, we believe that the challenge of reducing our emissions will grow more difficult in the years ahead, and it is therefore vitally important that we develop clear and complete understandings of the strengths, weaknesses, successes, and shortcomings of the strategies and programs that we are employing. We believe that an adaptive management approach is the best way to ensure that we are conceiving, developing, and pursuing our goals in the most efficient and effective ways possible.

An adaptive management approach also requires regular information and timely feedback. Accordingly, the Commission recommends that it establish a process for all relevant state agencies to provide regular reports on their greenhouse gas reduction and program implementation progress to the MCCC and to the Governor.

Finally, the Commission believes that there are several critical new initiatives, like targeted reduction of emissions of greenhouse gases that might have near-term effects on limiting the rate of climate change, that need to be explored as the State moves toward a post-2020 goal. The Commission tasks the MWG with analyzing the emerging issues identified in Section 3 below.

In accordance with the recommendations and observations above, the Commission tasks its working groups with preparing workplans for 2016 that are designed to analyze and address at least the following Commission priorities:

1) <u>Reporting</u>. Ensuring that Maryland is adopting the best and most comprehensive practices in measuring, tracking, and reporting on its progress in addressing the causes and impacts of climate change.

2) <u>Methane leakage</u>. Analyzing and generating recommendations to determine whether or not and how to incorporate out-of-state methane leakage into our greenhouse gas emissions inventories and projections, employing the best available science and analysis.

3) <u>Additional strategies</u>. Identifying additional climate strategies, goals, policies and/or programs that would put Maryland on a path of leadership towards greenhouse gas emissions reductions by 2050, informed by science and international agreements, that would:

- have the potential for significant near-term reductions in greenhouse gas emissions ("fast-acting climate changers");
- produce economic, environmental, and public health benefits that are equitably distributed across Maryland's population (including addressing the economic dislocations that they may generate); and
- effectively address the impacts climate change will have on the state's most vulnerable populations and communities.

In particular, the Commission's priorities for 2016 include an analysis of possible additional climate strategies, goals, policies and/or programs in:

- a. renewable energy;
- b. energy efficiency and conservation; and
- c. zero emission vehicles and transportation.

4) <u>Building Resilience</u>. In order to cultivate resilience to known threats and to reduce future vulnerability, the Commission's priorities for 2016 include a commitment to:

- Identifying strategies that reach across disciplinary and sectorial boundaries;
- Bringing new voices and local perspectives into the resiliency conversation that represent a diverse range of communities;

• Increasing the capacity of low income or vulnerable communities to anticipate, plan for and mitigate the risks associated with environmental change already underway or anticipated.

The Commission will task and support its working group leadership with developing detailed workplans for pursuing these priorities by December 31, 2015. The Commission is also continuing to develop outside resources to supplement the efforts of the State agencies and the Commission's working groups.