

# MEMORANDUM

TO: Members of the Task Force on Global Warming

FROM: Tia Nelson and Roy Thilly, Co-Chairs

DATE: January 29, 2008

SUBJECT: *Next Meetings and Task Force Work Plan*

At the beginning of our meeting on January 25, the Task Force Co-Chairs reviewed plans for moving forward with accomplishing the Task Force's mission over the next several months. There will be a number of important decisions to be made that we want to be sure that all Task Force members are aware of and prepared for in connection with our next meetings.

On February 5<sup>th</sup>, we expect the Reference Case to be presented to the Task Force for approval, upon the recommendation of the TAG. The TAG has been working very hard on it and, while the Reference Case will never be perfect, we believe as a result of the TAG's diligence, with assistance of WRI, the Reference Case will be reasonable and meet the Task Force's needs. You should expect Reference Case information, including the final Assumptions Book and Summary Results, to be posted on our web site by February 1.

Also on February 5<sup>th</sup>, we will discuss a first draft of a proposed Interim Report to the Governor. The draft Interim Report will be posted and Task Force members notified by February 1, so members may review it before the February 5 meeting. We have received suggestions for inclusion of many templates in the Interim Report. The Task Force Co-Chairs will, in the draft, indicate the templates that they propose for inclusion. We expect that the number will be significantly less than the total suggested. We believe it will be important to keep the focus of the Interim Report on a limited number of important policies we believe the state should implement now. There are many, more templates that will be in the Final Report that are also important. Since it is unlikely, except in quite limited circumstances, that legislation will move forward during the period between the Interim and Final Reports, most templates that require legislative action will be held for the Final Report. In addition, given current budget constraints due to economic conditions, we need to be careful with respect to proposals that ask for significant state funding that is unlikely to be available in the near term. The primary proposed focus of the proposed Interim Report will be on energy conservation and efficiency policies, which most everyone agrees is the area where the most effective early action can be taken.

In addition to reviewing the draft Interim Report, we urge all Task Force members to check the Task Force web site and be sure they are up-to-date on changes that have been made in templates since January 1. In particular, a number of refinements have been made to the energy conservation and efficiency templates based on comments from various groups. Most of these changes were explained by George Edgar on January 25. We believe these templates are now in excellent shape to move forward. A few additional tweaks will be made this week.

There are certain other new templates, including a Feebate proposal listed under the Industry Group that has been posted. Comments are welcome on these new proposals by people who are interested in this subject matter, either because they have concerns or they support the proposal. Several other new templates that are under discussion may be added for comment. Members will be notified of all new postings.

A final Interim Report will be on the Task Force agenda for February 19<sup>th</sup> for approval and prompt issuance. Other matters that will be before the Task Force in February include further reports on the waste recovery policy proposals, any proposed, new cogeneration policies, whether we will model the California car standards or not, and certain other policies still under consideration by the Electric Generation and the Carbon Cap-and-Trade/Tax Work Groups. Also, we expect the TAG to develop a policy proposal on GHG data reporting requirements for the future, so that Wisconsin can better track its GHG emissions and we have better data to work with in the future as policies are implemented, results evaluated and new policies developed.

At our meeting on January 25<sup>th</sup>, Forrest Ceel gave a report from the Ad Hoc Low-Income Group. That report is posted on our web site. This group spent a lot of time on this project and did an excellent job. We have asked the co-chairs of our work groups to review the report and, where appropriate, modify templates to take account of the recommendations of the Low-Income Group.

We do not expect to hold any Task Force meetings in the month of March. However, we will hold our second public input session in March similar to the first session in August. We will continue to seek and be open to public comments through the web site, including comments on modeling results, as well our draft Interim and Final Reports.

During March, we will be asking a small group to review all of our policy recommendations as a whole, consolidate them and eliminate duplication and overlap. The work groups worked very hard at putting together the various templates, but they operated independently. As a result, there is significant overlap and duplication. For our Final Report, we need to pull together a set of concise policy recommendations that reconcile the different work group proposals and avoid duplication. We also will ask this group to take account of recent state initiatives, so that what we do is in sync and relevant with what is already happening.

By April 1, the modeling of templates should be complete and ready for Task Force review, our policy templates should be refined, reorganized and polished, as appropriate, and we should be ready to discuss key issues. These issues will include agreeing on goals for the state in accordance our assignment under Order 191, and resolving issues related to whether or not we will propose certain templates where there are significant differences of opinion, as well as resolving issues within templates that the work groups believe should be dealt with by the Task Force as a whole. We will be preparing a list of those issues. We will do our best to resolve all of these matters in April and issue a Final Report to the Governor in May.

We will be getting out a schedule reflecting this plan shortly, together with April and May meeting dates.

Thanks again for everyone's hard work.