

Note: These minutes are in DRAFT form. It is unclear from the following meeting minutes if these were approved.

MARIN CONSERVATION LEAGUE
CLIMATE ACTION COMMITTEE
Draft MEETING MINUTES
November 15, 2012

ATTENDEES: Joe Bunker, Ed Mainland, Beckie Menten from Marin Energy Authority (MEA), Tom Flynn, Tim Rosenfeld, David Schnapf, Bob Spofford, Judy Teichman, and Michelle Passero (by Telephone).

ANNOUNCEMENTS: None

ACTION ITEMS: None

DISCUSSION AND INFORMATION ITEMS:

- 1) Status Update on CARB's Cap and Trade Program: Michelle Passero provided a summary of CARB's Cap and Trade Auction that took place on Wednesday, November 12th. She noted that a major objective of the Auction was to establish a cost effective market price for carbon. In this regard, CARB has set the minimum price at \$10/ton. The auction of "allowances" went out to more than 350 major businesses, including utilities, refineries, and food processors, which represent approximately 10% of the Carbon Permits to be auctioned. The bids for the permits are still in process and CARB will be analyzing and assessing them to determine how well the auction worked. Businesses are required to either cut their capped emissions or buy allowances from other businesses for each metric ton of carbon discharged over the cap each year. For the first two years of the Cap and Trade Program large industrial emitters will receive 90 percent of their allowances for free in order to give companies time to reduce emissions through the application of new technologies or other means. Also, 80 to 90 percent of carbon emitters in California are getting Cap and Trade obligations this year for free. The cap or number of allowances will decline over time in order to gradually tighten up the amount of allowable greenhouse gas emissions by 2050. She also noted that lawsuits have been filed against the program, most particularly by the California Chamber of Commerce which claims that CARB lacks the legal authority to establish the program and that it is a tax that requires a 2/3s vote of the public under the California Constitution. The Court did not act upon the Chambers' request for an injunction to halt the Auction. It is her belief that the Chamber's lawsuit should not stop CARB from moving forward with the Cap and Trade Program inasmuch as AB 32 contains permissive language that gives CARB wide latitude and authority to curb and control Greenhouse Gas emissions in California.

In response to a question raised, she noted that Renewable Energy projects and producers are exempt from Cap and Trade obligations. The long term

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- effect of the Cap and Trade program should promote a leveling of the playing field for renewable energy vs fossil fuel sourced power supply
- 2) Beckie Menten, the Energy Efficiency Program Coordinator for MEA provided a presentation on MEA's Energy Efficiency Program which will focus initially on targeted Multi-Family property owners, and small businesses such as convenience stores, retail offices, and professional buildings. Pilot programs for Energy Efficiency installations for all customers in MEA's service area incorporating on -bill repayment financing and a PACE option are being planned. MEA has approximately a \$350,000 budget for its Energy Efficiency Program in 2012, but expects that about \$4.5. million will become available in 2013 -14.
NOTE: MCL Board members have also been provided an electronic copy of this presentation via e-mail for their reference.

 - 3) A short discussion of the need for an MCL Policy on land-based solar energy systems occurred. While there is broad agreement on such systems being appropriate for rooftops, buildings, and in parking lots, there is a lack of clarity on how MCL will address proposed solar energy projects in other locations. The Committee agreed to take this up as a priority issue to be addressed in coming meetings starting in January.

The CAC Meeting adjourned at 9:15 PM.

The next MCL-CAC Meeting is scheduled for January 17th, 2013 (6:30 -9:00 PM)