

ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION

AND

THE BIPARTISAN POLICY CENTER'S

NATIONAL COMMISSION ON ENERGY POLICY

LETTER OF AGREEMENT

FOR

INITIAL PRIORITIZATION OF CLIMATE CHANGE ADAPTATION ISSUES

This Letter of Agreement (LOA) is made and entered into between the Alaska Department of Environmental Conservation, hereinafter referred to as ADEC, and the Bipartisan Policy Center's National Commission on Energy Policy, hereinafter referred to as NCEP.

BACKGROUND AND PURPOSE

Through the Governor's Executive Order 238, the Governor's Executive Sub-cabinet on Climate Change is tasked with developing an overall climate change Strategy for the Governor. Many aspects of the Strategy are to provide guidance on how best to adapt to the changing climate. Due to Alaska's northerly latitude, the impacts of a changing climate are far more pronounced and tangible than elsewhere in the U.S. and Alaska finds itself in a unique situation where no other state, or U.S. government agency has been challenged to develop detailed technical analyses and policy assessments on this matter.

In its role as chair of the Sub-Cabinet, ADEC desires to organize the state of knowledge about existing and reasonably foreseeable climate change impacts so as to best launch the deliberations of a stakeholder Adaptation Advisory Group expected to be created by the Governor's Sub-cabinet in February 2008.

Through discussion with ADEC, NCEP developed a Phase I project proposal to assist Alaska in this preparatory task for the Adaptation Advisory Group. NCEP has offered its expertise, its resources and the expertise of its contractors at no costs to Alaska for the project described in the attached memorandum to Commissioner Larry Hartig.

OBJECTIVE

NCEP will undertake an analysis of all existing and likely climate change impacts in Alaska so as to suggest a rational approach offering a listing of the most significant impacts for which human action may prove beneficial in adapting to, or protecting the best interest of Alaska, its people, communities, economy, and its social, cultural, natural and ecological resources.

The suggested significant impact issues and associated analysis is to serve as a non-exclusive starting analysis to aide the assessments and deliberations of the Sub-cabinet's Adaptation Advisory Group.

GENERAL AGREEMENT

Now, therefore, in consideration of benefits to be derived by each party, it is hereby agreed as follows:

1. The Phase 1 project as described in the attached Memorandum will be executed in good faith by NCEP, its contractors and advisors, and ADEC for the mutual benefit of both entities;
2. While consultations with ADEC are likely during the progress of the NCEP work, at a minimum NCEP will share a draft final product for discussion with ADEC prior to the release of their analysis and recommendations;
3. No monies will be paid by the State of Alaska (ADEC) for the work described;
4. ADEC understands that financing for the project is accomplished through grants made available to the NCEP from charitable organizations that share a general, but non-specific interest in the outcome of this work toward advancement of knowledge in adaptations to a changing climate.

PROJECT OFFICERS

National Commission on Energy Policy: Sasha Mackler

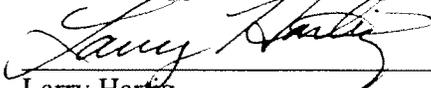
Alaska Dept. of Environmental Conservation: Tom Chapple

EFFECTIVE / TERMINATION DATE

This LOA will become effective upon signature of both parties and remain in effect until December 31, 2008 or upon conclusion of the project, whichever occurs first. Either party, with a 10 day advance written notice, may terminate this agreement. This LOA may be amended as mutually agreed upon in writing.

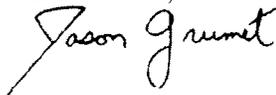
IN WITNESS WHEREOF, each party hereto has caused this LOA to be executed by an authorized official on the day and year set forth opposite his/her signature.

Date: Feb. 7th 2008



Larry Hartig

Commissioner, ADEC



Jason Grumet

02/06/08

Date: _____

Jason Grumet
President, Bipartisan Policy Center



MEMORANDUM

**To: Commissioner Larry Hartig
Department of Environmental Conservation**

**Cc: Tom Chapple
Department of Environmental Conservation**

From: The National Commission on Energy Policy

Re: Initial Prioritization of Adaptation Needs for the State of Alaska

CONTEXT

The State of Alaska is facing a significant number of adaptation needs associated with climate change.

Recognizing Alaska's adaptation and mitigation opportunities and challenges, in September of 2007, Governor Palin created the Climate Change Sub-Cabinet. Beginning in March, the Sub-Cabinet will convene an Adaptation Advisory Group.

Given the number of adaptation requirements that exist in the state, it is important to develop an initial prioritization so that the Adaptation Advisory Group can proceed effectively and efficiently to define appropriate policies, strategies, and actions.

The National Commission on Energy Policy (NCEP) and the Alaska Department of Environmental Conservation (ADEC) will collaborate on a project resulting in a preliminary prioritization of adaptation needs for the State of Alaska. This resulting report would serve as a strong, focused starting point for the Adaptation Advisory Group, to be modified by them as appropriate. The following proposal describes an approach for accomplishing this objective (Phase 1) and also suggests ADEC and NCEP continue a dialogue on mapping out potential follow up activities to support the technical needs of the Adaptation Advisory Group as it moves from considering adaptation needs to developing adaptation policies (Phase 2).

PROPOSAL

PHASE 1:

The NCEP/ADEC adaptation prioritization project will be completed by February 29, 2008 with the submission of a report from NCEP to ADEC.

To achieve this report, NCEP will:

1. Review materials provided to it by ADEC and other sources to assemble as full a list of adaptation needs as possible;
2. Develop one or more prioritization methodologies to rank the adaptation needs, using economic, social, cultural, biological and other criteria;
3. Analyze the list of adaptation needs in light of the methodologies;
4. Prepare an initial ranking list that will be reviewed by selected Alaskans representing diverse interests and ADEC;
5. Prepare a list of possible adaptation priorities with an explanation of the methodologies used.
6. Cluster these adaptation priorities into a small number of categories of related needs to facilitate organization by the Adaptation Advisory Group.

To achieve this report, ADEC will:

1. Provide to NCEP the information that it has received from agencies and other sources regarding adaptation needs;
2. Review and discuss the prioritization methodologies and initial prioritizations.

NCEP is committed to engaging ADEC, stakeholders, and the Adaptation Advisory Group throughout Phase 1 of this project.

PHASE 2:

Pending further discussion, Phase 2 of this project would identify potential adaptation policies to address the needs prioritized by the Adaptation Advisory Group after building on Phase 1 of the NCEP/ADEC collaboration. NCEP looks forward to working with ADEC to determine how best we can support a Phase 2 effort.

PROJECT TEAM

The lead contacts for this effort will be: Tom Chapple, ADEC; and Sasha Mackler, NCEP. The NCEP team will include the following people:

- NCEP: Sasha Mackler, research director & David Rosner, policy analyst
- Stratus Consulting: Joel Smith, vice president & Jason Vogel, senior associate
- Various experts in Alaska shall be consulted

BUDGET

There will be no charges associated with this work.

Principal Consultant to National Commission on Energy Policy for Alaska Project

Joel B. Smith, vice president with Stratus Consulting, has been analyzing climate change impacts and adaptation issues for over 20 years. He was a coordinating lead author for the synthesis chapter on climate change impacts for the Third Assessment Report of the Intergovernmental Panel on Climate Change and was a lead author for the IPCC's Fourth Assessment Report. He has provided technical advice, guidance, and training on assessing climate change impacts and adaptation to people around the world and for clients such as the U.S. Environmental Protection Agency, the U.S. Agency for International Development, the U.S. Country Studies Program, the World Bank, the United Nations, a number of states and municipalities in the U.S., the Pew Center on Global Climate Change, the Electric Power Research Institute, the National Commission on Energy Policy, and the Rockefeller Foundation. Mr. Smith worked for the U.S. EPA from 1984 to 1992, where he was the deputy director of Climate Change Division. He is a coeditor of EPA's Report to Congress: *The Potential Effects of Global Climate Change on the United States*, published in 1989; *As Climate Changes: International Impacts and Implications*, published by Cambridge University Press in 1995; and *Adaptation to Climate Change: Assessments and Issues*, published by Springer-Verlag in 1996, *Climate Change, Adaptive Capacity, and Development*, published in 2003 by Imperial College Press, and *The Impact of Climate Change on Regional Systems: A Comprehensive Analysis of California* published in 2006 by Edward Elgar. He joined Hagler Bailly in 1992 and Stratus Consulting in 1998. He has published more than two dozen articles and chapters on climate change impacts and adaptation in peer-reviewed journals and books. Besides working on climate change issues at EPA, he also was a special assistant to the assistant administrator for the Office of Policy, Planning and Evaluation. Mr. Smith was a presidential management intern in the Office of the Secretary of Defense from 1982 to 1984. He has also worked in the U.S. Department of Energy and the U.S. Agency for International Development. Mr. Smith received a BA from Williams College in 1979, and an MPP from the University of Michigan in 1982.