

This document contains pertinent content from all comments received re: Alaska Climate Change Strategy Mitigation Advisory Report.

A Table of Contents is provided for convenience.

Final Report Comments

MEMOs to MAG -	3
27 July 2009 DRAFT LANGUAGE	3
20 July 2009	4
21 July 2009	5
22 July 2009	6
Diane Schellenbaum	7
Email 1.....	7
Diane Schellenbaum	9
Email 2.....	9
Diane Schellenbaum	10
Email 3.....	10
Maureen Mullen (I&F Quantification)	11
Bruce Carr	12
Steve Colt	13
Jackie Poston Response	13
Jeff Cook.....	14
Claire Fishwick.....	15
Kate Lamal.....	18
Greg Peters	19
Jim Pfeiffer	20
Fran Sussman	22
Kate Troll -	23
Dan White	24

MEMOs to MAG -

27 July 2009 DRAFT LANGUAGE

To: Alaska Climate Change Strategy Mitigation Advisory Group

From: Gloria Flora, Katie Pasko, CCS

Date: 27 July 2009

Re: MAG Members Comment Summary

Attached is a complete summary of the comments we received regarding the Mitigation Advisory Group Final Report. The comments have been reformatted from the original e-mails, and in most cases, section headings were added. The comments have not been changed.

This compilation is provided to show the context of each individual action item in the spreadsheet, also attached.

The spreadsheet summarizes each comment as a separate action item, and shows its disposition. Items assigned to 'MAG' form the basis of the agenda of the 31 July meeting of the MAG.

All changes are included on the original posted documents in track changes until the process is complete. At that point, the documents will be finalized and re-posted on the website. The original Word docs will be sent to DEC for use by the Sub-Cabinet.

20 July 2009

From: Poston, Jacqueline (DEC sponsored)

Subject: AK Climate Change - Review of Draft Mitigation Report from MAG to Sub-Cabinet

Dear MAG & TWG Members,

The Draft MAG Report to the Sub-Cabinet is posted to the State of Alaska Climate Change website for your review and comment. Please review it to be sure it accurately captures the policy recommendations approved by the MAG at your last meeting. Please send your edits and comments to Gloria Flora and Katie Pasko with a cc to Jackie at the email addresses above. We need to have your edits and comments by end of the day on July 24th. Any substantive edits or concerns with the draft will be addressed during the July 31 conference call of the MAG. I plan to be on the call to answer any questions regarding the process from here. The call is scheduled to run from 10am to 1pm on July 31st.

Thank you again for all of your time and outstanding efforts in this process. It is a pleasure to work with each of you.

Regards,

Larry Hartig

Chair, Governor's Climate Change Sub-Cabinet

MAG Mtg #8:

July 31, 2008

10am – 1pm

Call-in Number is 800-704- 9804 Code: 563 667#

The ADEC 1st Floor Conference Room has been reserved for those who would like to meet in person.

21 July 2009

Dear MAG & TWG Members,

We understand that many of you are very busy but have a keen interest in conducting a review and providing thoughtful input to the Draft MAG Report to the Climate Change Sub-Cabinet. If you are constrained for time, please select the portions for which you have most knowledge or interest and keep your notes close at hand. A summary chart is being prepared and will be circulated by COB tomorrow (Wednesday) to help consolidate feedback from everyone.

All but 3 sections are posted online at: <http://www.akclimatechange.us/Mitigation.cfm>

Thank you,

Jackie

Final Report Comments

22 July 2009

Dear MAG & TWG Members,

Attached is a Summary spreadsheet of MAG recommendations prepared by DNR to assist you in reviewing and providing feedback to us on the MAG Report. The report is posted online at: <http://www.akclimatechange.us/Mitigation.cfm> Please insert your input directly onto the form into Column E according to the categories below. If you need further clarity or detail on any of the particular recommendations, please refer to the lengthier descriptions contained in the Appendices. You are still encouraged to carefully read through the Executive Summary and Chapters as well.

1. Typos/grammar/format – these are simple edits which will be made and do not need to be discussed.
2. Presentation preferences – some folks may want to say something in a different way, add a further explanatory note or delete a word/comment. Efforts will be made to incorporate appropriately and will be illustrated in track changes, assuming no changes to the intent result from the change.
3. Concept Issues – these are comments that are significant in their implications and should be discussed with the MAG.

MAG Meeting/Call #8

Friday, July 31, 2008

10am to 1pm

Call-in Number is 800-704- 9804 Code: 563 667#

The ADEC 1st Floor Conference Room has been reserved for those who would like to meet in person.

Thank you for taking the time to provide us with your input.

Jackie

Alaska Climate Change Coordinator
Alaska Dept. of Environmental Conservation
555 Cordova St., Anchorage, AK 99501
907-269-0336
907-317-4667 (mobile)

Email: jackie.poston@alaska.gov

State of AK Climate Change Website: <http://climatechange.alaska.gov/>

Diane Schellenbaum

Email 1

Here are edits/questions for the Executive Summary Chapter.

- 1) M-EX-1, 5th paragraph. Should ICF be mentioned as part of the facilitation and quantification effort? They were a big help to the O&G TWG.
- 2) M-EX-2, under Inventory of Alaska's Greenhouse Gas Emissions – question: Was there any attempt to coordinate the I&F report with the updates provided by the ADEC? If not, I think it would have value to mention that that work is out there and might be incorporated at a future date.
- 3) M-EX-3, 2nd to last paragraph.

Current wording “A consumption-based model is used, as opposed to a production-based model. This means that only emissions related to products purchased or obtained within Alaska are included, as opposed to emissions from producing a product that is consumed outside the state.”

Is a little confusing, since emissions associated with that oil production are included, yet most of it is consumed outside the state. How about

“A consumption-based model is used, as opposed to a production-based model. This means that, **with the exception of oil and gas production**, only emissions related to products purchased or obtained within Alaska are included, as opposed to emissions from producing a product that is consumed outside the state.”

- 4) M-EX-4, last paragraph, second sentence. Add “oil and” to the sentence “...as fossil fuel industry emissions associated with **oil and** natural gas production...”
- 5) M-EX-5, last sentence is inconsistent with figure EX-4 on next page. The verbiage says “As shown in Figure EX-4, emissions associated with Industrial fuel use are projected to be the largest contributor to future emissions growth, followed by emissions from the transportation sector.” But when you look at that figure, the transportation numbers imply a significant reduction in the 2005-2025 time frame.
- 6) M-EX-7 – discusses the impact of CAFÉ standards. I see that they're not very significant numbers, but did this ever get discussed at a MAG meeting? It didn't get discussed as part of the O&G TWG, but perhaps it did in the other TWGs?
- 7) M-EX-8 – 2nd to last paragraph. “Policies that were quantifiable were carefully evaluated by CCS's **or ICF's** technical experts for reductions in GHG emissions and associated direct costs.” (ICF did the quantification work for the O&G TWG.)
- 8) M-EX-14 – This may be a question more for the MAG or ESD TWG, but Table EX-5, shows ESD-3 will have a major impact, from Figure EX-6 the highest impact of any of the options from any TWG being presented, and at a really low cost, \$9/tonne. That would be great, but is that

right? I see that the \$9 was consistent from the last MAG meeting, but at earlier MAG meetings it had been over \$1000/tonne, what changed it so dramatically?

9) M-EX-16 Oil and Gas Policy Recommendations – Overall a great summary, looks like someone spent some time reading and understanding how they fit together. One suggested rewording (changes in yellow), in the italicized sentence under the heading.

“ This TWG considered and analyzed policy options related to the full spectrum of oil and gas production, processing, transmission and associated fuel use ~~accounting~~ for all related GHG emissions.”

Please call with any questions.

Diane

Final Report Comments

Diane Schellenbaum

Email 2

After reading through them through completely again, here are some additional corrections I've found for the OG documents. Some are TWG mistakes I just caught. I listed every page so it looks like a lot, but many are the same error repeated over several POD's.

Please let me know if there are any issues in correcting these, or if they need to go to the MAG for approval.

OG Chapter

1) M-6-5 – We referred to the Clean Air Act, and someone added (CWA) after that, which looks wrong. Isn't CWA Clean Water Act?

OG POD's

- 1) M-I-5 – 4th bullet down, 'Bay' was added so it now reads 'Prudhoe Bay fleet'. Should remove 'Bay' as confusing, or add more verbiage to make it clear the fleet we're talking about is land based vehicles working the oil field, not a nautical 'fleet'.
- 2) M-I-11 - second paragraph, change 30% to 23 %. The 30% refers to all oil and gas operations, not just the North Slope – TWG mistake
- 3) M-I-17 – same error as above – but in OG-4 change 30% to 23 %.
- 4) M-I-23 – same error as above but in OG-5, change 30% to 23%.
- 5) M-I-37 – same error but in OG-7, change 30% to 23%
- 6) M-I-26 – second paragraph, ends in '.75 MMtCO₂e.' Change to '.75 MMtCO₂e per year.'
- 7) M-I-30 – Latest CCS (company) version has changed the acronym 'CCS' to 'CCSR' in all instances in the document, but some do not apply. Under Incentives: Financial, Permitting, Etc. first bullet, the second reference to CCSR should read CCS, as it is referring to tax credits that don't include the R – re-use.
- 8) M-I-39 – same correction
- 9) M-I-36 – Under Feasibility Issues, **Capital Requirements** should be non-bold and bulleted like the other bullets, currently it looks like a heading.
- 10) M-I-41 – Under quantification, to be consistent with other POD's, add 'Quantification facilitated by ICF International' as the last sentence.
- 11) M-I-64 – first paragraph , change '(currently being planned)', to '(currently being drilled)'. They're out there now drilling.

Hopefully that's everything.

Diane

Diane Schellenbaum

Email 3

Gloria and Katie,

Here are some additional edits for the OG TWG POD's. (The first two have been submitted several times before.)

OG POD's

- 1) On the Quantification Summary Page, it should read 'Options' vs 'Recommendations', unless the MAG votes to change what they initially accepted at the meeting.
- 2) For all the POD's, under the last three headings should add 'by the MAG' or something along those lines, to avoid confusion if the consensus and barriers are related to the MAG or the TWG.
- 3) Pages M-I-32 and M-I-40 - The last bullet under Policies Under Development or Needed is at the wrong level, it needs to be in line with the bullet above it.
- 4) M-I-11, after the heading Timing:, the verbiage got deleted for some reason. It should be 'Early studies will facilitate the earliest possible implementation'. Parties Involved: should be the next heading.

Edits for the OG Chapter. The first one has been submitted several times before.

- 1) Page M-6-7 – Heading should say Option instead of Recommendation until the MAG approves the change.
- 2) Page M-6-7 – Since the overlap paragraph refers to Scenario #2, the wording should be 'Alternative combinations could raise or lower the cost, as well as raise or lower the amount of reductions (I missed this the first time.)
- 3) Page M-7-9 – on the quantification page, Sector Total Plus Recent Actions – has a simple sector total, which is misleading as the emissions reductions are not additive or adjusted for overlap.
- 4) Page M-6-12 – error in acronym in second paragraph under OG-7. This was correct in the last version, not sure why it got changed. It should be CGF, not CFS.

Hopefully I've found everything, but am continuing to review. It takes longer without the track changes.

Thank you,

Diane

Maureen Mullen (I&F Quantification)

It would probably be wise for someone other than me to review the content to make sure the combining of the RCI fossil fuel combustion and the fossil fuel industry is ok. There may be places, particularly in the front of this appendix, where some wordsmithing would be useful.

FYI, I found some errors in the fossil fuel spreadsheets that combine to make a very small change in the 2005-2025 emission numbers for the natural gas/natural gas industry. I've put the corrected numbers in here and will incorporate them in the front portion of the I&F report. The maximum difference in each year on the summary table will be 0.1 MMtCO₂e. I assume that this change can be made to the other documents (Chapter 2 and Exec Summary of the Final Report) when we incorporate comments. If you feel these other documents should be corrected now, let me know.

Final Report Comments

Bruce Carr

No additional comments from the Alaska Railroad are necessary. We believe the continued discussion of transit programs to include commuter rail is now recognized as an important tool for reducing GHG. Our hope is that various providers of bus transit and other programs see the wisdom of supporting a full spectrum of choices where appropriate.

We are comfortable with the discussion of the issues and the recommendations. We hope to move forward and help implement a program.

Bruce Carr
Dir., Strategic Planning
265-2468 (w), 244-9082 (c)

Final Report Comments

Steve Colt

Here is my filled-in worksheet.

Jackie Poston Response

Dear Gloria,

Would it depart from the intent to change the wording here? I see his point but don't want to expand on the recommendation unintentionally if it goes against the TWG suggestion and MAG approval.

Thank you,

Jackie

Final Report Comments

Jeff Cook

I am on vacation visiting a new grandson, but I did a cursory review, concentrating on the oil and gas portion, and have no changes or corrections that I spotted.

Jeff C

Final Report Comments

Steve Denton

Good Day Jackie,

If you respond to this e-mail please respond to my address on the CC line. I took today off (and am writing this from home) to catch up on the harvest in my garden, which is very good this year, probably in no small part because of the locally elevated CO2 levels from all the forest fires nearby. It's been smokey and stinky and the sun has had a hard time getting through but boy the plants love it.

I will not be offering specific comments at this time because I think there is a fundamental issue that needs to be resolved first and I that should be the subject of our teleconference on the 31st. Basically, I am very disturbed by the overall tone of the report and it needs a word by word edit to change it to something that is acceptable. In its current form, I have to reject it in its entirety for a few fundamental reasons.

- The last sentence of the first paragraph of the Executive Summary fairly well sets the tone for the entire report. That is, that a warming climate is already causing a host of dire consequences in Alaska and Alaska should therefore be a leader in reducing GHG emissions to control climate change. That conclusion was never debated or given even a reasonable hearing by the MAG. Our charge from the Commissioner at the outset of the process was not to debate that issue and assume that GHG control would be required by Federal legislation and that is the only basis upon I was willing to participate in the process. As I have said in past meetings, when this issue has tried to rear its head, absent the threat of Federal legislation, this exercise is very uninteresting. The report should be neutral on the issue of cause and effect relative to GHG's and climate change. My opinion, based upon a lot of research into the matter, is that there is no meaningful connection between GHG's and climate change and I will not endorse any report that has that assumption as its underpinning. I can endorse a report underpinned by the assumption that GHG control is likely to be required and it is therefore prudent for the State to proactively prepare for that eventuality.
- The report needs to be combed through to remove the implication that the MAG "recommends" implementation of any of the options. Again, it was my understanding from the beginning that we were creating a catalog of the best options for dealing with GHG reductions, not that we recommend any of them be implemented. It is my understanding that the decision as to which of the options will be moved forward for implementation will be decided at the sub-cabinet level. If my understanding is incorrect, then "unanimous" needs to be removed from all policy options because there are very few policies I would recommend implementing in the absence of Federal legislation requiring reduction of GHG's.
- I once more would like to lodge strong opposition to the extremely aggressive and unrealistic GHG reduction goal contained in the report. I believe this is a subject for the sub-cabinet to consider because it is largely a political decision and placing it in the report will create an expectation for the sub-cabinet that will constrain their ability to make responsible decisions regarding State actions to deal with GHG reductions.

In general, it is my opinion that the report is fatally flawed because it deviates too far from the technical path into the political arena. We should instruct CCS to provide a straight up technical report. From that, DEC staff can prepare a narrative executive summary for the MAG to review. Everyone is getting worn out by this exercise and it is not reasonable to expect the MAG members to go through a line by line review of the technical report. I am willing to review a short executive summary that explains the approach and general results and it is my expectation that DEC staff can adequately review the technical report to remove its editorial content. Our teleconference on the 31st needs to be directed towards the steps we can take to bring the CCS report back to a purely technical basis and how to construct an executive summary that captures the process we went through and general conclusions we reached.

Best Regards,

Steve Denton

Final Report Comments

Claire Fishwick

FYI - Noticed an error in the cross cutting TWG list. Katharine (Heumann) is a Program Coordinator, not the info officer... Claire

Final Report Comments

Kate Lamal

Good morning Jackie and Claire – would you please forward to Gloria and Katie.

See included spreadsheet.

Kathryn K. Lamal
Vice President of Power Supply
Golden Valley Electric Association, Inc.
758 Illinois Street
Fairbanks, Alaska 99707

Final Report Comments

Greg Peters

Attached is my summary matrix for the MAG policies. The only policy that I don't think accurately represented the MAG decisions was CC-2. See comments on summary matrix.

Greg Peters

Final Report Comments

Jim Pfeiffer

Gloria/Katie-

First of all, would like to support the comments that Diane has been preparing-- mine are not likely to be nearly as comprehensive.

Here's what I have at this point.

Members Section:

For Bob Batch and myself, the appropriate organizational reference should be BP Exploration (Alaska) Inc.-- "British Petroleum" does not exist as an entity.

Executive Summary:

- M-EX-1, final paragraph cites 34 "policies" recommended by the MAG. Have concerns regarding consensus of the specific "policy recommendations" put forward in the exec summary and later chapters of the report. In some portions of the report, it appears as though the actions stated in the title of the recommendations are available for direct implementation by the Subcabinet ;
- Figure EX-2 (and M-EX-5, paragraph 1), fugitive methane inventories (shown previously to be too high) have simply been lumped into the "industrial fuel use/fossil fuel industry". Shouldn't the contribution of methane have been reduced rather than being transferred to another piece of the pie?;
- M-EX-5, second paragraph, per capita consumption discussion should reflect the logistical and weather realities of Alaska (others?) and their contribution to higher consumption;
- Figure EX-3, don't discuss the bottom two trends lines (black and gold) that us (100gCO₂e) as units-- explain information or delete for clarity;
- M-EX-8, final paragraph indicates that the MAG adopted a specific reduction goal, that contradicts my memory, which was that there was a majority recommendation that a goal be established by the Subcabinet. The goal recommended by the CC TWG is not relevant and should not be used;
- Figure EX-7, Table EX-3 and associated narrative is confusing due to a non-conventional use of the term NPV and the term "cost/savings". Also, the total reductions and cost of reductions (i.e.- 11.7 MMtCo₂e and \$7.8 billion) should be stated next to each other. Finally, the Total "Cost/Savings" per Ton CO₂e is stated as zero, but it should be the weighted average of the various sectors;
- At some point during the discussion of costs, a reference point of the average cost of similar reductions in the L48 might be a good thing to include;
- M-EX-12 to M-EX-19 MAG approval. Please see attached spreadsheet for comments. To be discussed on 7/31.

Chapter 1 Introduction:

- Figure 1.1- Forest fires seems to be omitted for Alaska-- are they lumped in with agriculture? Also note previous comment regarding increase in Alaska industrial fuel use/fossil fuel industry and methane.
- M-1-3- Forecast- are the assumptions used to derive the forecast documented? If so, provide reference to them, if not, they should be documented and referenced.
- M-1-6- 3rd paragraph- does not ring true to the process. Our TWG was strongly encouraged to not reject or set aside any of our options which are basically "technology options" and in virtually all cases cannot be directly implemented by the Subcabinet.

- M-1-6- 5th paragraph- O&G TWG did not follow consistent convention regarding time period. We carried amortization of capital costs 10 years longer (to 2035), which made out options more attractive (perhaps better stated as less unattractive).
- M-1-6- 6th paragraph- This dialogue infers that there are policy options available to the Subcabinet that they can simply "turn on" to achieve the stated reductions.
- Generally, not applicable comments from executive summary.

Sorry-

Other things have come up, and this is as far as I've gotten. Look forward to discussions with the MAG.

Regards-

Jim Pfeiffer
Environmental Advisor, Air Quality
BP Exploration (Alaska) Inc.

Final Report Comments

Fran Sussman

Hi Gloria--

A small comment on the acknowledgements. Could you please remove myself and Brian from the list of folks on the CCS team and substitute a separate statement that indicates the contractual relationship between EPA and ICF (important for legal, contractual reasons)--see below.

In addition, DEC wanted to recognize Joel Scheraga individually, as well as the general support from EPA, also included in the statement below. "The U.S. EPA's Global Change Research Program in the Office of Research and Development generously provided technical and financial support for the Oil & Gas Technical Work Group. This included the services of Dr. Frances Sussman and Mr. Brian Gillis (both of ICF International) and Mr. Dick LaFever (of Crossroads Leadership Institute). The MAG would like to acknowledge Dr. Joel D. Scheraga, National Program Director for the Global Change Research Program and the Mercury Research Program in the U.S. Environmental Protection Agency's Office of Research and Development, for his program's support of this effort and for his recognition of the importance of involving stakeholders and those most closely related to local issues to be a part of the solution."

Thanks!

Fran

Fran Sussman, Ph.D.
ICF International and
Environmental Economics Consulting
515 Mansfield Road
Silver Spring, MD 20910
USA
Voice and fax: 301 585 6903
e-mail: guterman-sussman@starpower.net

Kate Troll -

Hello Jackie and Ken

On Thursday, July 23rd I returned from 10 days in the wilderness – no internet, no cell phone. It was sublime. Anyway once I got connected Friday morning on July 24th, I realized that comments on the MAG report were due that very day. I then called and spoke with Commissioner Hartig to ask if I could have one more day to comment. He agreed and said he would inform you Jackie that I would submit my comments Monday morning. In fact, Commissioner Hartig specifically asked if I would comment. So I am now submitting a few comments. I kept my comments brief and only weighed in on matters that I thought important. I am happy to discuss these comments.

Jackie, I could not download the form you sent around so I'm submitting my comments in track mode in Word. I could not find a track review mode for Adobe. I am only commenting on the Background and Executive Summary report. I read through the Cross Cutting Sector Report and had no further comments.

Ken, I am including you as I suspect you will be tasked with finalizing the draft MAG report.

I will not be available for the call on Friday, July 31st as I will be in Boston. Through this email, I am checking to see if Caitlin is interested and available. (Caitlin see the next email for meeting information). If Caitlin can not make it and you feel that it is important for me to be on the call, I might be able to juggle the vacation schedule to get on for awhile. My preference is to have Caitlin cover but out of appreciation for all the fine work you both have done I would see what I could do.

Thanks for putting all this together. It has come a long way.

My Best Regards,

Kate

P.S. Just to let you know how dedicated I am to this effort. It's a gorgeous weekend in Juneau and I've refrained from playing to get this done. But now I'm off for a short bike ride.

Dan White

Jackie and others,

I am not really sure about the extent to which it is appropriate to comment at this late date. However, as I looked through some of the older text I wondered if it needed some sort of caveat, or clarification. There are some pretty bold recommendations that could serve as deal killers, defeating the overall objectives. For example, "Remove or reduce existing legal barriers to renewable energy systems, such as land use laws, land leasing requirements, or school funding formulas that might reduce reimbursements if a school or community invests in a wind turbine to reduce utility bills." This is from M-G-21. It is a recommendation from the ESD-3 policy option. I believe the spirit of this was to reduce legal impediments to developing renewable energy where the impediment is, for example, an unintended consequence of land lease terms. This recommendation, however, looks like we might be suggesting that land use laws not apply to renewable energy as they do to other forms of development. I would think that recommending the removal of land-use laws specifically for renewable energy would be a deal killer.

As I say, this is old language so my suggestion may well be a mute point.

Thanks, Dan

Final Report Comments