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**SUMMARY OF TELECONFERENCE MEETING #2
CROSS-CUTTING (CC) ISSUES TECHNICAL WORKING GROUP (TWG)
June 5, 2007**

Attendance:

1. TWG Members:
Will Anthony, Duke Bascom, Ann Glumac, J. Drake Hamilton, Scott Harrison, Greg Jason, Nancy Lange, Jeff Muffat, Eric Olsen, Mike Robertson, Bob Schulte, Sheldon Strom, Peter Sullivan
2. Minnesota Pollution Control Agency (PCA):
David Thornton (Agency Staff Lead)
Peter Ciborowski, Lisa Herschberger, Bill Sierks
3. Minnesota Department of Commerce (DOC):
Edward Garvey
4. Minnesota Department of Agriculture (MDA):
Paul Burns
5. Center for Climate Strategies (CCS):
Ken Colburn, TWG Co-Facilitator
Randy Strait, TWG Co-Facilitator
Katie Pasko, TWG Assistant
6. Other Attendees:
Jim Turner (for David Sparby) and Nicole Rom (for Will Steger)

Background documents:

(all posted at: http://www.mnclimatechange.us/Cross_Cutting.cfm.)

1. Meeting Notice & Agenda (including provisions for public access)
2. Draft Summary of Call #1
3. PowerPoint© presentation for meeting
4. CC Draft Catalog of State Actions
5. CC State Actions Descriptions

Discussion items and key issues:

This was the second conference call of the CC TWG.

1. Ken Colburn called the meeting to order, completed the roll call and reviewed the agenda for the call.

2. The CC TWG approved the summary for Call #1 without any changes to the summary.
3. Dates and Times for Next TWG Call: See item #1 under “Next steps” at the end of this summary.
4. Review of CC TWG issues in Catalog: Colburn explained the importance of each TWG beginning with a comprehensive “starting point” of policy options before identifying and recommending priority policy options for the MCCAG’s consideration. The primary focus of the June 14th meeting of the MCCAG, in fact, is to approve a comprehensive catalog of policy options for each TWG as its “starting point.” Colburn also noted that while cross-cutting actions often apply across multiple sectors, the CC TWG is not the place for complex, “catch-all” concepts such as “Smart Growth.”
5. Colburn opened discussion with a review of catalog comments and ideas submitted by e-mail prior to the meeting. The following summarizes these and other comments proposed during the meeting:
 - Add a new option for “Regional Activities,” including cap and trade, sequestration, etc. This could be included in the catalog under other TWGs potentially as well, especially where quantification may be in order.
 - Add two new sub-options under the option for “Adaptation and Vulnerability” to develop a comprehensive, multi-media monitoring plan to help identify vulnerability and to track changes; and to update state and/or regional planning tools and data bases (such as rainfall intensity trends) used to design infrastructure like storm sewers, roadways, etc.
 - Local governments need help to develop and implement local climate action plans (a possible lead-by-example mechanism), rather than mandatory programs with unfunded mandates. Reward and recognition programs can be used to encourage this direction as well. Implementation can be done in iterations, starting for example with vehicle fleets, then improved building codes and education, etc.
 - Create a business-oriented organization to support aggressive GHG reduction goals, sharing information on strategies and programs among members, and recognizing successes. Suggested language for a new option in the catalog could be: "Encourage the creation of an independent organization of business leaders to promote aggressive implementation of strategies that reduce GHG emissions."
 - A TWG member referenced Minnesota's Environmental Education Advisory Board which works with various organizations across the state including K-12 environmental education curriculum changes, and recommended that these efforts be included under the option for “Public Education and Outreach.
 - The following suggestions were offered for acknowledging in the catalog of options existing efforts by a wide variety of organizations in Minnesota to address climate change issues:
 - Acknowledge support for existing programs and activities such as the Minnesota Energy Challenge and recognition of ongoing educational efforts by nonprofit groups throughout the state. The state should not duplicate efforts of the private sector.

- A broad survey of related efforts already occurring in Minnesota would be very useful. Corporations and organizations working with the Minnesota Environmental Initiative (MEI) or affiliated with the University of Minnesota or the Minnesota Environmental Partnership are working on many catalog options already. Colburn encouraged feedback regarding such efforts so that they can be included in the catalog under the relevant option.
- A review of Minnesota groups already participating in regional efforts that are also applicable to these policy options, including efforts by Minnesota tribes, collaborations with the U.S. EPA, and regional non-profit actions.
- A review of current and recent executive orders and grants awarded by state agencies and Minnesota foundations for activities that are connected to the catalog options might be illuminating and illustrative of existing actions underway in Minnesota.
- A question was raised about which TWG should focus on analyzing public investment with the efforts by existing public and private organizations to leverage existing work on mitigating GHG emissions. Colburn indicated that quantification of such efforts would likely occur in the RCI TWG, depending on the specific actions being undertaken.
- It was noted that PCA is working with a university to explore a terrestrial sequestration carbon offset fund through which corporations to invest in and/or purchase carbon offsets. Such a program could enhance certainty and facilitate transactions between investors, purchasers, purveyors, etc.
- Compilation of all tracking systems for Renewable Energy Credits (RECs) and NOx emission reductions into one system would also facilitate use of these market mechanisms. RECs are active under many state Renewable Portfolio Standards (RPS) but often do not include or cover carbon attributes.
- It was noted that there will likely be federal carbon legislation in next few years. The CCAG can identify options on which Minnesota should focus at the federal level, and could recommend that the state increase its presence in Washington, DC in order to influence developing federal climate policy.
- An emphasis on the need for regional coordination, in line with the new Minnesota legislation's directive for evaluation of regional coordination opportunities (S.F.145, the Next Generation Energy Act of 2007) should be addressed in the catalog.
- It will be important to emphasize that monitoring, assessment, and examining ecosystems will be important for identifying what climate changes are occurring with respect to key natural resources and systems.
- A member commented on the appearance of over-emphasis of detail for the "Public Education and Outreach" option and far fewer references to climate data and analysis in the catalog, and recommended a better balance in this regard. It was decided to leave the order of options alone in as much as they explicitly do not reflect prioritization, but to condense the detailed items from the "Public Education and

Outreach” section into an attachment to balance the perceived importance of all categories.

- A member suggested the addition of a new option to address “GHG Analysis and Research” with sections to (1) determine and explain clearly Minnesota GHG emissions by sector, and (2) analyze the impact of alternative actions. Colburn noted that GHG emissions by sector were included in the existing draft GHG inventory and forecast prepared for the MCCAG process and are implicitly covered under the “Inventories and Forecasting” option in the catalog to recommend that GHG inventories and forecasts be prepared regularly going forward. The member noted that they recognized the inventory and forecast function, but suggested that more focus may also be needed on identifying cause-and-effect relationships.
- It was noted that under the option for “State and Local Government GHG Emissions (Lead-by-Example),” sub-options 5.4, 5.5, and 5.6 appear to have a government focus. Suggested that sub-option 5.6 (require evaluation of GHG emissions in Environmental Impact Statements and similar environmental studies) is practical only if a good analytical measurement exists.
- A TWG member suggested an option regarding “Public Investment in Research,” to identify alternatives that produce less GHG in contrast to other traditional energy sources. This could have a significant payoff. Colburn noted that this topic could be included under the ES or RCI TWG as well as noted by the CC TWG. A TWG member also noted that research and development (R&D) could be placed in other sectors but broader research should be promoted. Colburn summarized the discussion, indicating that the CC TWG could recommend a broad R&D effort across all sectors.
- Accountability mechanisms must be instituted to measure the productivity/benefits associated with R&D efforts by government.
- General recap: The scope of the catalog is intentionally broad so that individual TWGs can cover issues that they deem pertinent. If another TWG picks up an issue, the CC TWG can decide it is unnecessary to also work on it.
- Members noted that the Next Generation Energy Act of 2007 needs to be reviewed by the ES and RCI TWGs but should also be evaluated for all sectors, including by the CC TWG.

6. Call to the Public: There were no public participants.

7. Announcements:

- a. The next MCCAG meeting will take place at the Crowne Plaza in St. Paul. The meeting will begin at 9:00 am.
- b. North Dakota has set aside \$500K for its lawsuit against MN if MN GHG regulations reduce demand for ND lignite coal.
- c. The Economist magazine’s June 2-8, 2007 issue has a cover article on what businesses can do and are doing to reduce GHG emissions.

- d. California has released draft Cap & Trade program information (http://www.climatechange.ca.gov/policies/market_advisory.html).

Next steps:

1. The next CC TWG call (#3) will be held on **July 12, 2007 from 2:00-3:30 pm CDT**. CCS will notify the full TWG of the date and time for the call and send a reminder out several days before the call. The goals for the next TWG meeting will be to (1) review any comments that the MCCAG provides during its June 14th meeting on the draft Catalog of State Actions, and (2) begin to identify priority policy options to recommend to the MCCAG for development of the policy design characteristics of the options. The 4th CC TWG meeting will be scheduled before the MCCAG's August 2nd meeting.
2. For the remainder of the MCCAG process, CCS will coordinate with DOC and PCA to identify initial dates and times for all future CC TWG meetings and will then share this information with the CC TWG members to finalize the dates and times.
3. Draft Catalog of State Actions: CCS will revise the catalog to incorporate the results of today's TWG discussion before the catalog goes to the full MCCAG at its next meeting on June 14, 2007.