

HIGHLIGHTS OF THE FINAL REPORT
OF THE GOVERNOR'S TASK FORCE ON GLOBAL WARMING

I. Mission (from Executive Order 191 - April 5, 2007)

- Present viable, actionable policy recommendations to the Governor to reduce greenhouse gas emissions in Wisconsin and make Wisconsin a leader in implementation of global warming solutions.
- Advise the Governor on ongoing opportunities to address global warming locally while growing our state's economy, creating new jobs, and utilizing an appropriate mix of fuels and technologies in Wisconsin's energy and transportation portfolios.
- Identify specific short term and long term goals for reductions in greenhouse gas emissions in Wisconsin that are, at a minimum consistent with the Wisconsin's proportionate share of the reductions that are needed to occur worldwide to minimize the impacts of global warming.

II. Goals for Reducing Greenhouse Gas (GHG) Emissions

GHG emissions in Wisconsin increased 1.2% per year from 1990 through 2003 and are projected to continue rising by 1% per year absent any policy changes. To reverse this trend and achieve Wisconsin's proportionate share of the reductions required to minimize the impacts of global warming, the Task Force recommends three aggressive but achievable goals for Wisconsin:

- A return to 2005 emission levels no later than 2014.
- A 22% reduction from 2005 levels (approximately equal to 1990 levels) by 2022.
- A 75% reduction from 2005 levels by 2050.

III. Policies to Reduce GHG Emissions and Make Wisconsin a National Leader

The Task Force recommends 63 detailed policies to achieve the recommended emission reduction goals, while mitigating costs for consumers and Wisconsin industry and creating new jobs and business opportunities in Wisconsin.

A. Sector-Specific Policies:

Many of these policies address certain sectors of Wisconsin's economy. Highlights are summarized below. A technical analysis performed for the Task Force projects

that these sector-based policies, collectively, may achieve the reductions necessary to meet the 2014 goal but only approximately half of the reductions needed to meet the 2022 goal. The Task Force therefore recommends a Cap and Trade Program to help achieve the other emission reductions needed to meet the 2022 reduction goal.

1. Energy Sector Policies:

The utility sector was responsible for 34% of Wisconsin's GHG emissions in 2003. The commercial and residential sectors were responsible for an additional 14% of Wisconsin's GHG emissions in 2003.

- The Task Force recommends 13 policies to aggressively promote much greater energy conservation and efficiency. These policies provide the most effective and least costly early action strategies available for reducing GHG emissions. They call for:
 - enhancing Wisconsin's existing Focus on Energy program through adoption of challenging goals to reduce natural gas and electricity consumption, with substantially increased funding;
 - promoting conservation and efficiency through innovative utility rate designs and demand response programs and removal of economic disincentives for utilities to aggressively promote and invest in conservation and efficiency measures;
 - adopting and maintaining state-of-the-art residential and commercial building codes and studying whether mandatory efficiency upgrades should be required for existing buildings at time of sale;
 - having state government take a leadership role by reducing its own GHG emissions substantially;
 - creating energy efficiency standards for certain appliances and for lighting in rental properties;
 - promoting and incentivizing energy efficiency projects for schools and low income residences; and,

- adding a new program similar to Focus on Energy to promote conservation and efficiency to customers who use propane, coal, or oil for heating; and,
- promoting water conservation programs to reduce electricity use by water utilities.
- The Task Force also recommends 12 policies designed to promote cleaner electric generation technologies. These policies call for:
 - requiring utilities to develop GHG inventories and voluntary GHG reduction goals;
 - increasing substantially the amount of electricity produced from renewable resources, reaching 25% by 2025;
 - modifying Wisconsin's current moratorium on the construction of new nuclear power plants to allow this option to be considered in the future to meet Wisconsin's energy needs, after the Task Force's recommended policies for conservation, efficiency, and renewable energy are in place, and if certain other conditions are met, including a determination by the PSC that it is safe, economic, and in the public interest;
 - establishing statewide standards for siting wind power projects;
 - improving transmission infrastructure and interconnection processes to facilitate increased renewable energy projects and distributed generation;
 - studying the potential for geologic carbon sequestration and Great Lakes offshore wind power projects; and,
 - exploring new ways to mitigate the cost impacts of GHG policies on utility rates.

2. Transportation Sector Policies:

This sector was responsible for 24% of Wisconsin's GHG emissions in 2003.

- The Task Force recommends 11 policies designed to:
 - establish more stringent GHG emission standards for cars, light trucks, and SUVs than current federal standards (also known as "California Car" emission standards);

- minimize off-road equipment emissions and idling of freight trucks;
- promote the use of hybrid vehicles, plug-in hybrid electric vehicles, and electric vehicles;
- enforce speed limits and study possible reductions;
- decrease the carbon content of fuels while improving the infrastructure to deliver those fuels; and,
- enable individuals to reduce the miles they need to drive through increasing mass transit and other transportation options and improved land use and transportation planning.

3. Agriculture/Forestry Sector Policies:

This sector was responsible for 9% of Wisconsin's GHG emissions in 2003. However, because forests and agricultural lands sequester large amounts of carbon dioxide, the *net* GHG contribution from this sector is much lower.

- The Task Force recommends 11 policies designed to:
 - increase the availability and use of renewable biomass and biofuels for electricity, heat, and transportation needs;
 - maximize terrestrial carbon sequestration by planting new trees and prairie grasses, managing forests sustainably, and preserving and protecting soils and existing vegetative cover on agricultural lands; and,
 - reduce agricultural GHG emissions by changing livestock diets, implementing nutrient and manure management programs, and using anaerobic digesters to produce biogas and/or electricity from animal methane.

The Report recommends that the state should review the success of these voluntary efforts in 2012 to determine whether mandatory measures, with appropriate funding are necessary for the agriculture/forestry sector.

4. Industry Sector Policies:

This sector was responsible for 16% of Wisconsin's GHG emissions in 2003, but it is the only sector for which emissions have been declining in recent years.

- Because emissions from this sector have been declining and Wisconsin industry faces tough competition from other states and countries, the Task Force recommends 5 policies focused on incentive programs and other voluntary measures to promote projects that lower the direct GHG emissions from industrial sources, increase energy efficiency and the use of renewable fuels, and create new “green” jobs.

The Report recommends that the state review the success of these voluntary efforts in 2012, and the status of any Cap and Trade program that applies to industries, to determine whether mandatory measures are necessary for the industrial sector.

5. Waste Sector Policies:

This sector was responsible for 3% of Wisconsin’s GHG emissions in 2003.

- The Task Force recommends 5 policies designed to reduce the generation and landfilling of paper wastes, wood wastes, food wastes, and electronic wastes, and increase recycling of these and other materials.

B. Cap and Trade Policy:

The Task Force strongly prefers a broad-based, multi-sector, mandatory federal Cap and Trade Program that is fair to Wisconsin and recommends that the state actively participate in designing such a program. At the same time, the Task Force recommends that Wisconsin continue to actively participate and provide leadership in the Midwestern Governors Association (MGA) effort to develop a regional Cap and Trade Program. If and when the MGA process results in a regional agreement and a model rule, Wisconsin should promptly consider them and take appropriate action. Regardless of whether a Cap and Trade program is instituted at the federal or regional level, the Task Force recommends a number of specific program design elements to mitigate costs for consumers and industry and protect the interests of Wisconsin, while achieving emission reduction goals.