

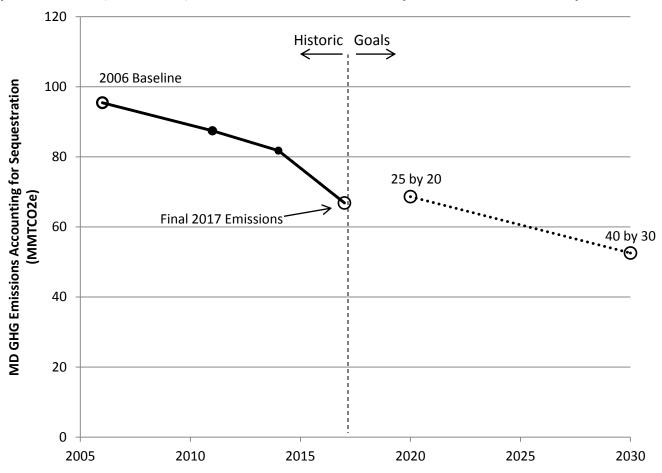
The Greenhouse Gas Reduction Act 2019 Draft Plan

Presentation for the MDE Public Comment Meetings



The Greenhouse Gas Reduction Act

Maryland Law ("GGRA"): Reduce GHGs 25% by 2020 and 40% by 2030

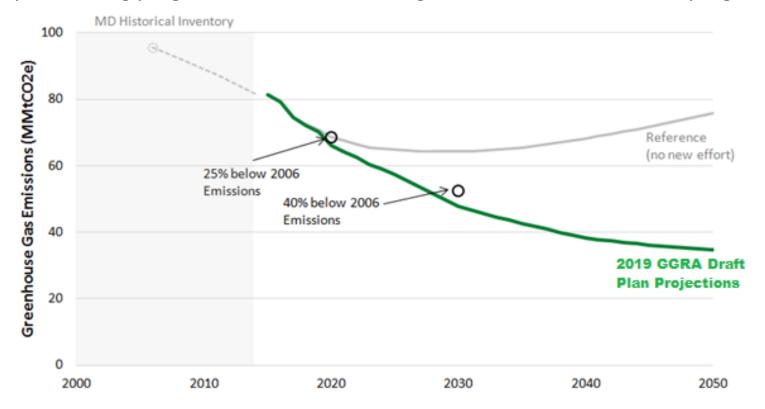


Maryland greenhouse gas emissions, accounting for sequestration. Note favorable weather drove additional reductions in 2017.



The GGRA Plan

The GGRA requires MDE to develop a plan to meet the GHG goals. That plan draws upon existing programs across all levels of government, and new state programs.



Maryland greenhouse gas emissions, accounting for sequestration. MDE projections from 2019 GGRA Draft Plan.



Major Mitigation Programs

Electricity Supply

Renewable Portfolio Standard (current)
Clean and Renewable Energy Standard (proposed)
Regional Greenhouse Gas Initiative (RGGI)

Transportation

Public Transit & other infrastructure
Electric Vehicles: Clean Cars & ZEV Mandate
50% ZEV Transit Buses by 2030
Smart Growth & Compact Development
Transportation and Climate Initiative (TCI) could
fund & enable other measures.

Building Energy Use

EmPOWER Maryland
Compact Development
State Building Efficiency EO

Short-lived Climate Pollutants

HFC regulation
Methane regulation
Sustainable Materials Mgmt

Carbon Sequestration

Forest Management Programs Healthy Soils Program



Electricity Supply Programs

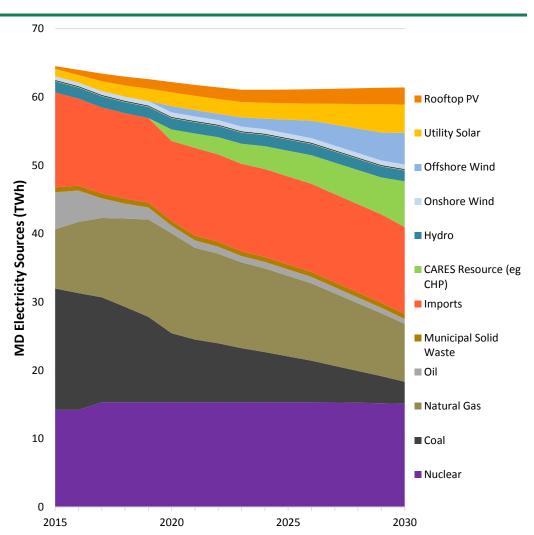
<u>Electricity strategy</u>: incentivize clean energy and cap emissions from fossil energy.

CARES

- Bill proposed for this session;
 example impacts in the 2019
 GGRA Draft Plan
- Builds upon existing RPS; 100%
 Clean Electricity by 2040

RGGI

- Carbon cap on power plants and state investment in clean energy (10 states participate)
- Growing to more states: NJ renewed participation, VA promulgated a reg (on hold), and PA drafting reg now.



Maryland electricity generation and imports in GGRA Draft Plan through 2030. CARES and RGGI reduce fossil generation and increase clean & renewable generation.

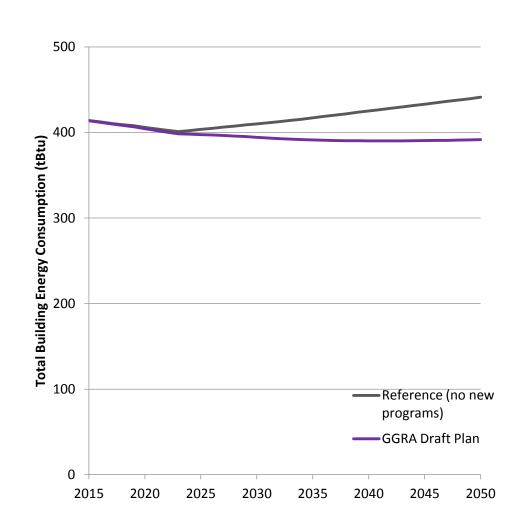
Analysis assumes no new nuclear or carbon capture before 2030



Buildings Programs

<u>Buildings strategy</u>: use efficiency to counteract growth & convert heating systems to run on increasingly clean electricity.

- Efficiency:
 - EmPOWER beyond 2023
 - Achieve State Building Efficiency
 Goal
 - Achieve Compact Development Goal
- Electrification:
 - Increase use of efficient electric heat pumps for building heat, perhaps using EmPOWER incentives.





Transportation Programs

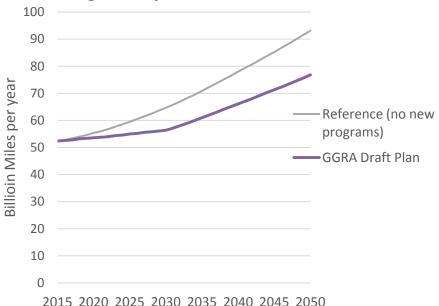
Transportation strategy:

Reduce vehicle miles traveled

AND

- Transit Investments
- Intercity Transportation
- Active Transportation (e.g., bike lanes)
- Compact Development

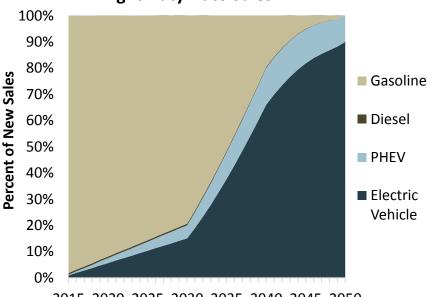
Light Duty Vehicle Miles Traveled



deploy electric vehicles that run on increasingly clean electricity

- Clean Cars Program & ZEV mandate
- 50% ZEV Transit Buses by 2030
- Transportation and Climate Initiative

Light Duty Auto Sales

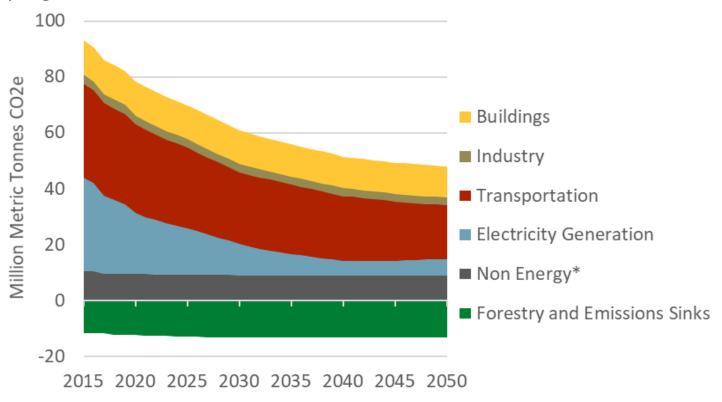


2015 2020 2025 2030 2035 2040 2045 2050



Sequestration Programs

Forest management, tree planting, and Healthy Soils programs (DNR & MDA) accelerate carbon sequestration in forests and agricultural soils, adding benefit on top of emission reduction programs.

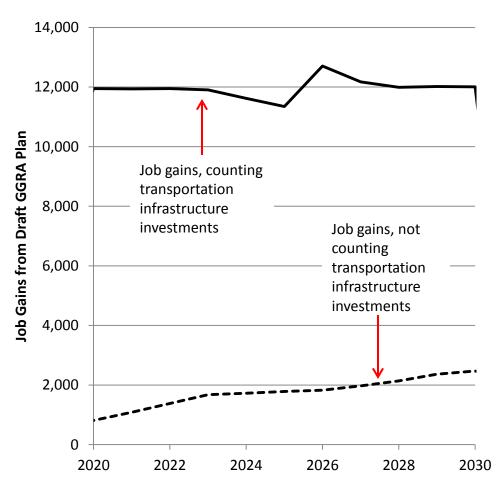


^{*}Non Energy includes Agriculture, Waste Management, Industrial Process and Fossil Fuel Industry.



GGRA Draft Plan Employment Results

- GGRA requires positive economic impacts.
- The Draft Plan drives substantial job gains.
- Almost all of MD's fossil fuel comes from out of state.
- Investments that reduce fossil fuel consumption drive positive impacts for MD's economy.

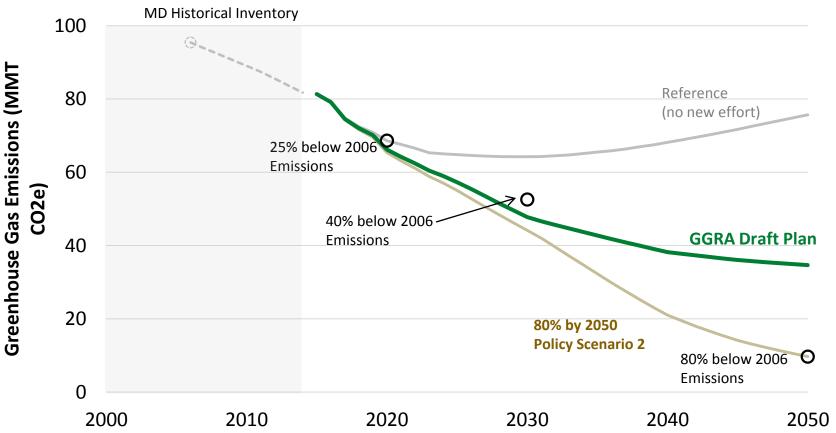


Large transportation projects drive substantial job gains in the near-term; investments in in-state clean energy and fuel-saving measures provide more modest underlying gains. (Transportation gains dependent on Federal funding)



Long Term Goals

MDE analyzed a scenario that achieves 80% reduction by 2050 ("Scenario 2")

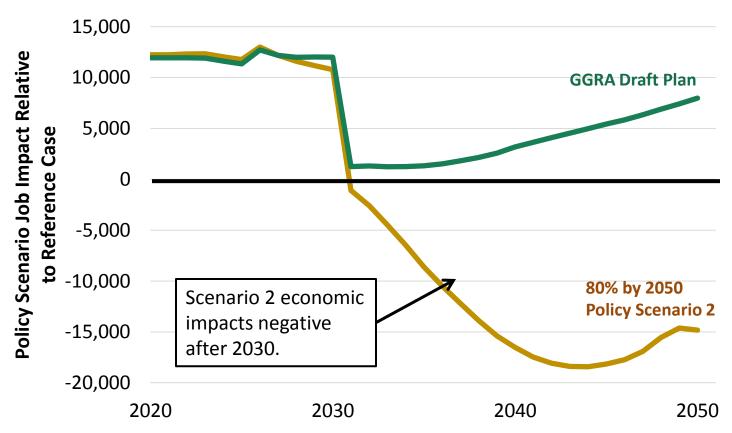


Important long-term measures included: renewable natural gas, other advanced biofuels, electric or other zero-emission heavy trucks and non-road vehicles.



Long Term Challenges

Scenario 2 identified important long-term measures that should be reevaluated as technologies mature, but are currently expensive.



These measures may be necessary for deeper reductions, and may be cost-effective when the time comes. In the meantime, the Draft Plan focuses on measures necessary for 2030.



Public Comment & Outreach

- Read the GGRA Draft Plan out for comment now:
- MDE holding series of public meetings around the state:
 - 12/3: Chesapeake College, Queenstown (Complete)
 - 12/17: MDE HQ, Baltimore (Complete)
 - 1/10: Frostburg State University, Frostburg (Complete)
 - 1/14: Charles County Govt Building, La Plata (Complete)
 - 1/29: Webinar
 - 1/31: MDE HQ, Baltimore
 - 2/12: Webinar
 - 3/4: Webinar
 - More meetings TBD

Meeting details are in our website.



Chris Hoagland Climate Change Program Manager Maryland Department of the Environment chris.hoagland@maryland.gov

Please email comments about the draft plan to <u>Christopher.beck@maryland.gov</u>



Website:

www.mde.maryland.gov/ClimateChange



The 2019 GGRA Draft Plan

- MDE has proposed the 2019 GGRA Draft Plan
 - In coordination with other state agencies and stakeholders
 - Must achieve Maryland's goal of reducing greenhouse gas (GHG) emissions by 40 percent by 2030 from a 2006 baseline
 - More ambitious than the Paris Climate Accord goal of 26% to 28% reduction by 2025
 - Must also benefit the State's economy and creates jobs
- Sets Maryland on a path to achieve the States ambitious GHG emissions reduction goal for 2030 and to achieve much deeper reductions in the 2040 to 2050 time frame
- Serves as an example for the nation showing how state action can reduce the threat of climate change while growing the economy and creating jobs



Key Results - Quick Snapshot

- Comprehensive suite of over 100 measures that provides a plan, which if fully implemented:
 - Will achieve GHG reductions greater than 40 percent; about 44% by 2030
 - Puts the State on a path to achieve significantly deeper reductions by 2050
 - Will achieve as much as \$11.54 billion in increased economic activity and over 11,000 new jobs by 2030
 - Drive investments in energy efficiency and clean and renewable energy
 - Advance widespread adoption of electric vehicles
 - Supports new industries and technologies
 - Improve management of forests and farms to sequester more carbon in trees and soils
- There is still work to be done to finalize the draft plan
 - Programs can still be added, modified and improved
 - Adjustments to the entire plan can still be made, if needed



Outreach and Stakeholder Input

- Before finalizing the 2019 GGRA Plan, Maryland will be undertaking a significant stakeholder process to ensure that opportunities exist for the interested parties to provide additional input on the draft plan
- Maryland invites comment on:
 - The measures that are being counted on to reduce emissions
 - Potential new programs
 - The emissions and economic analyses
 - Opportunities to better address social equity issues
 - Other aspects included within the draft plan
- Maryland will consider these comments in the development of the final 2019 GGRA Plan



Largest Contributing Emission Sectors

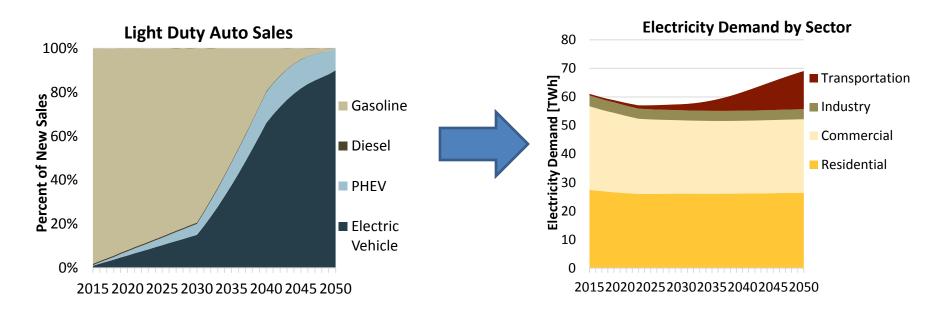
- The principal sources of GHG emissions in Maryland are:
 - Electricity consumption
 - 30 percent of Maryland's gross GHG emissions in 2017;
 - Transportation
 - 40 percent of Maryland's gross GHG emissions in 2017;
 - Residential, commercial, and industrial (RCI) fossil fuel use
 - 18 percent of Maryland's gross GHG emissions in 2017.



Analysis Tools: GHG Emissions

E3's PATHWAYS tool, customized for Maryland

- Model of all energy consuming stock in the state
- Captures interactions among programs and sectors:

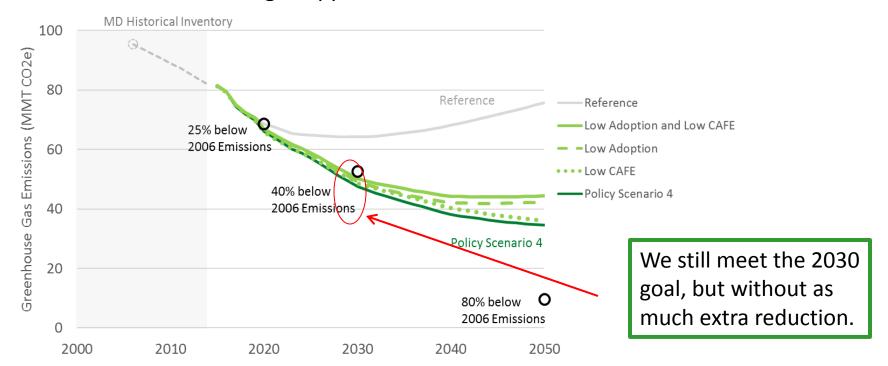




Sensitivity Analyses

What if:

- The Federal government rolls back vehicle standards?
- Consumer adoption of EVs is half of what we modeled?
- Consumer adoption of efficient appliances is half of what we modeled?
- All of those things happen at once?



Economic Impacts

The 2019 GGRA Draft Plan achieves the 2030 goal with significant benefit to the state's economy.

MD impact relative to Reference Case	Through 2030	Through 2050
Average job impact*	+ 11,649 job-years	+ 6,703 job-years
GDP Impact**	+ \$ 11.54 billion	+ \$ 18.63 billion
Personal Income Impact**	+ \$ 10.04 billion	+ \$ 15.67 billion
Avoided Mortality**	+ \$ 0.74 billion	+ \$ 4.79 billion
Avoided Climate Damages**	+ \$ 4.30 billion	+ \$ 27.11 billion

^{*} Average number of job-years created or sustained each year.

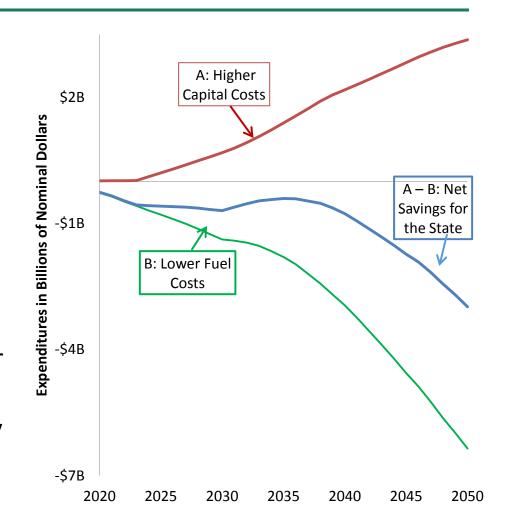
^{** 2018} Dollars, Cumulative, Net Present Value using 3% discount rate. Climate damage evaluated using Federal Social Cost of Carbon (2015 Update)



Analysis Tools: Economic Impacts

REMI model, run by Towson's Regional Economic Studies Institute:

- Captures effect on Maryland's economy from:
 - Up-front capital costs from programs and measures;
 - The savings enjoyed by consumers and businesses from energy efficiency, EVs, and other clean energy measures;
 - Transportation and clean energy infrastructure projects; and
 - Improvements in public health.





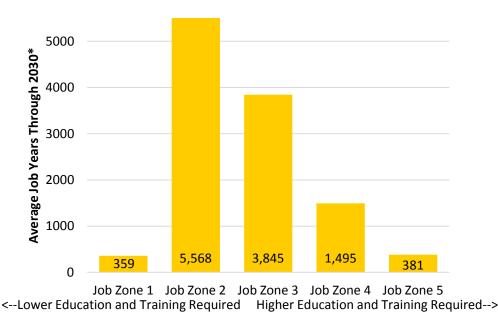
Equity in the 2019 GGRA Draft Plan

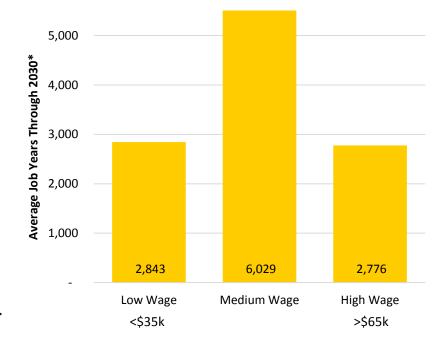
- Full Chapter in the draft plan addressing social equity
- MDE, MDH, and DNR have all participated in multiple meetings with overburdened communities throughout 2017 and 2018.
 - MDE's meetings have focused on mitigation strategies while DNR and MDH have addressed resiliency, and the public health implications of climate change.
- Draft plan includes multiple efforts that help these communities. Examples include:
 - Low income ratepayer relief through RGGI, MEA and DHCD programs that provide low income support for energy efficiency and renewable energy, and more



Modeling and Analysis of Equity Issues

- Projected job creation mostly in professions requiring some education, but not advanced degrees.
- Projected job creation mostly in middle-income professions





Draft Plan also breaks down impacts by geography, industry, and ethnicity.



Meeting Longer-Term Goals (2040, 2050 and Beyond)

- GGRA requires incremental emission reduction steps intended to demonstrate progress towards a much deeper long-term goal.
 - 25% by 2020, 40% by 2030
 - Also includes non-binding aspirational goals of <u>80 percent</u>
 to <u>95 percent</u> GHG reduction in the 2050 time frame.
- The MDE modeling included analyses of 2050 and identified strategies and technologies to continue to analyze as part of the States effort to achieve deeper reductions.



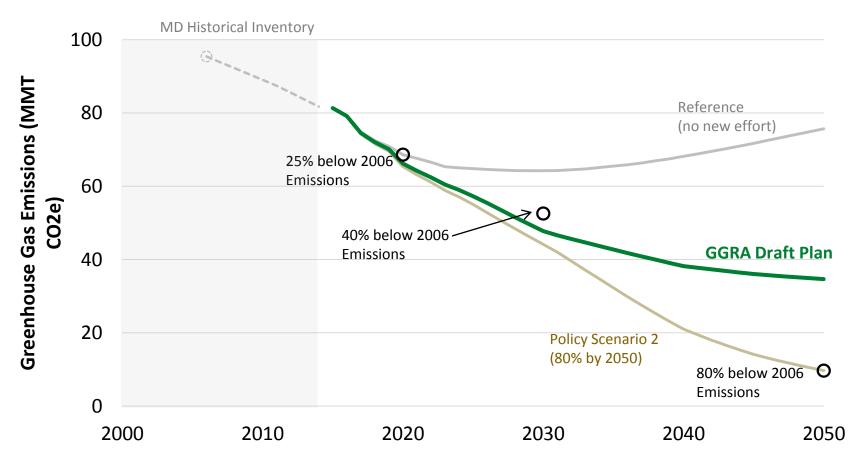
Conclusions from 2050 Analysis in GGRA Draft Plan

- Identified several measures and technologies to monitor as they become available & economical.
- Many should be deployed in the future.
- Many policies cannot be precisely specified multiple decades out.
- Difficult to demonstrate positive economic impacts with new or speculative technologies, whose cost is very high, and very uncertain.



Long Term Goals

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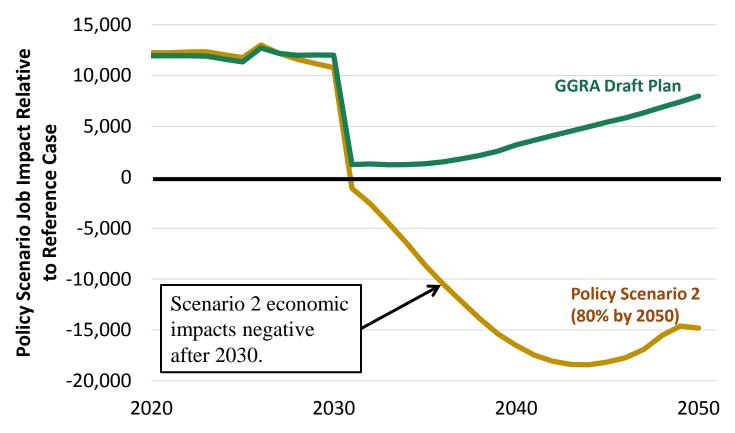


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Long Term Challenges

Scenario 2 identified important long-term measures that should be reevaluated as technologies mature, but are currently expensive.



These measures may be necessary for deeper reductions, and may be cost-effective when the time comes. In the meantime, the Draft Plan focuses on measures necessary for 2030.



Policy Scenario 2 Measures

Compared to The Draft Plan ("PS4")

Near Complete Electrification:

- Accelerated light duty ZEV sales by 2030 (same 100% by 2050 as PS4)
- Accelerated heavy duty EV and Diesel Hybrid Sales (95% by 2050)
- Electrification of non-road vehicles (50% construction EVs by 2050)
- Aggressive building electrification (95% Heat Pump sales by 2050)

Near Complete Decarbonization:

- Continued RGGI cap decline through 2050 (90% reduction 2020-2050)
- Aggressive deployment of renewable natural gas and advanced biofuels (25% biomethane by 2050 and 63% renewable diesel by 2050)
- More aggressive energy efficiency (100% efficient appliance sales by 2030; additional savings in industrial sector)

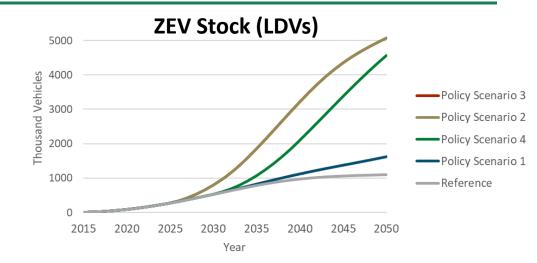


Policy Scenario 2 Measures

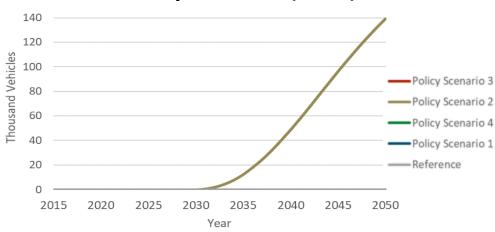
Light Duty and Heavy Duty ZEVs

Increased Sales of ZEVs

- New sales of LDV EVs and PHEVs gradually increase to 50% by 2030 and 100% by 2050
- 270,000 ZEVs by 2025, 800,000
 ZEVs by 2030, 5,000,000 ZEVs by 2050
- Combined Electric and Diesel Hybrid HDVs sales increases to 40% by 2030, 95% by 2050
- 5,700 HDV EVs by 2030, 72,000 EVs by 2050
- 5,700 Diesel Hybrid by 2030, 83,000 by 2050



EV + Diesel Hybrid Stock (HDVs)





Policy Scenario 2 Measures

Renewable NG and Advanced Biofuels

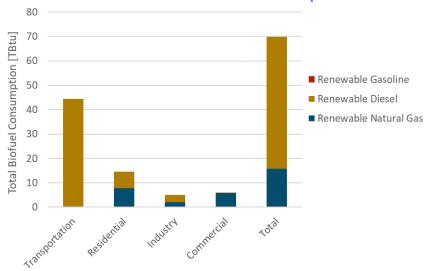
- E3 performed biofuel feedstock analysis for supply and cost of biofuels
- Deployed to reduce non-electrified transportation and building emissions to hit 80-by-50

Quantity and market-clearing price of biofuels in Policy Scenario 2

Year	Final Fuel	Projected Quantity (TBtu)	Projected Price of Biofuel (2017\$/MMBtu)	Projected Price of Fossil Fuel (2017\$/MMBtu)
2050	Renewable Diesel	56	\$42.8	\$28.1
2050	Renewable Natural Gas	17	\$16.5	\$5.1

Biofuels consumption by sector in PS2 in 2050

63% renewable diesel of total diesel consumption 25% renewable NG of total NG consumption



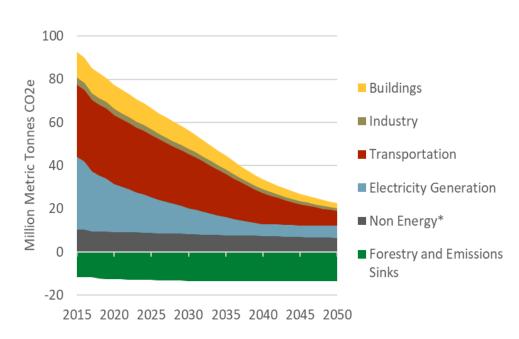


Total GHG Emissions by Sector

Draft Plan (Policy Scenario 4)

100 80 60 40 20 -20 2015 2020 2025 2030 2035 2040 2045 2050

Policy Scenario 2



- Additional efficiency, electrification, and biofuels further reduce transportation and building GHGs.
- But they violated economic impact restrictions, given current high cost of many measures (esp. new technologies).
- Some also very uncertain to achieve given currently available policies (e.g. even more LDV EVs).
- That doesn't mean we shouldn't pursue those measures in the future.



Conclusions from 2050 Analysis in GGRA Draft Plan

- Identified several measures and technologies to monitor as they become available & economical.
- Many should be deployed in the future.
- Many policies cannot be precisely specified multiple decades out.
- Difficult to demonstrate positive economic impacts with new or speculative technologies, whose cost is very high, and very uncertain.

Just Transition

- The draft plan includes a Just Transition report:
 - Inventories fossil fuel-dependent jobs throughout
 Maryland
 - Identifies transition opportunities for dependent job categories that have:
 - 1. Similar skill sets
 - 2. Expected future growth
 - Estimates fiscal impact from fossil fuel dependent firm closures



Adaptation and Resiliency

- Climate change impacts are already being felt in some places in Maryland, and include:
 - Increased risk for extreme events such as drought, storms, flooding, and forest fires;
 - More heat-related stress;
 - The spread of existing or new vector-borne disease or shifts in public health challenges due to climate-driven stressors; and
 - Increased erosion and inundation of low-lying areas along the state's shoreline and coast.
- Climate change raises the stakes in managing these problems by changing their frequency, intensity, extent, and magnitude.



Adaptation and Resiliency

- Climate change adaptation is an extremely complex process and there is no single means of response.
- Maryland is taking major action to address a wide range of climate impacts to multiple sectors. Programs are being implemented to address issues in the following areas:
 - Bay and aquatic environments;
 - Agriculture;
 - Human health;
 - Water resources;
 - Population growth;
 - Infrastructure;
 - Forest and terrestrial ecosystems; and
 - Coastal zone.



The Clean and Renewable Energy Standard (CARES)

100 percent Clean Electricity by 2040

- Requires that <u>100 percent</u> of Maryland's electricity come from clean sources by 2040.
- Among the most ambitious goals in the nation.

A major component of the 2019 GGRA Draft Plan to reduce GHG emissions from electricity generation.

- Requires that an increasingly large share of Maryland's electricity be generated by zero- and low-carbon resources.
- Will build upon the progress we've already made in cleaning up our electricity grid under RGGI ... Builds from the Clean Energy Jobs Act
- Steers clear of unacceptable impacts to farms, forests and watersheds

Market Based, Technology-Neutral ... Focus on Home Grown Jobs

- Would adopt a technology-neutral approach to achieving <u>100 percent</u> clean electricity at the lowest cost. Will foster greater competition among available renewable and clean energy resources
- Would reduce costs for ratepayers.
- Would focus on home grown energy and in-state job creation



Strengthened RGGI

- Under Maryland's leadership ... in 2017 ... RGGI was strengthened to achieve an additional <u>30 percent</u> reduction in power plant emissions by 2030.
- MDE (as Chair of RGGI) also led deliberations to broaden participation in RGGI to include other states
 - New Jersey finalized regulations in July 2019 and will renew participation in Jan. 2020.
 - Virginia also finalized regulations, but are unable to participate in 2020 due to budget restrictions.
 - Just a few weeks ago, Pennsylvania's Governor Wolf announced their intent to join RGGI
 - Other states have taken important steps that could lead to future participation.
- Expanding the program to new participating states in the region will also reduce pollution from power plants supplying electricity into Maryland.



EmPOWER Maryland

- Each utility is responsible for procuring or providing programs in its service territory designed to meet the EmPOWER program goals.
- Initially established a goal to reduce per capita electricity consumption and peak demand by Maryland consumers by <u>15</u> <u>percent</u> by 2015 from 2007 baseline.
- PSC directed utilities to ramp up electricity savings to <u>2 percent</u> of each company's gross retail sales baseline based on three-year cycles, through 2023.
 - General Assembly codified the energy savings goals and cost-effectiveness measurements in PSC Order No. 87082 in 2017.
 - Savings come from a variety of sources, including equipment-based measures, "smart meter" enabled analytics, and more efficient distribution grid hardware.
- The GGRA Draft Plan proposes that utility EmPOWER investments continue beyond 2023



State Building Efficiency

- On June 25, 2019, Governor Hogan issued an executive order establishing a new energy savings goal for State government. (EO 01.01.2019.08)
- DGS, in cooperation with MEA is to manage a "Maryland Leads by Example" energy savings initiative that will oversee reducing, by the year 2029, the energy use of State-owned buildings by 10 percent compared to a 2018 baseline.
- EO outlines five specific tasks
 - These tasks include an overall inventory, energy audits, energy reduction measurement, progress reports and multi-agency collaboration on designing and implementing additional cost-effective energy saving programs



Clean Cars and Zero Emission Vehicle (ZEV) Mandate

- The Maryland Clean Cars Act of 2007 required MDE to adopt regulations implementing California's stricter vehicle emission standards.
 - First motor vehicle program to directly regulate CO₂ emissions.
 - Includes a Zero Emissions Vehicle (ZEV) mandate.
- California has since developed stricter tailpipe and GHG standards referred to as Cal LEV III.
 - Adopted by Maryland in 2012.
 - LEVIII Program will reduce GHG emissions from vehicles by <u>34 percent</u> when fully implemented in 2025.
 - LEVIII Program also strengthens the ZEV mandate, increasing the requirements beginning in 2018.
- California working on even more stringent standards
- Will discuss Maryland challenges to federal rollbacks later in this presentation



Clean Cars and Zero Emission Vehicle (ZEV) Mandate - Continued

- The ZEV mandate is a critical technology forcing component of the Clean Car Program.
- Maryland continues to be a national leader in supporting the LEVIII Program by:
 - Deploying ZEVs;
 - Supporting legislation and initiatives to remove barriers
 - Developing EV charging infrastructure; and
 - Providing incentives in support of these vehicles.
- The Clean Cars Acts of 2017 and 2019 are examples of Maryland's commitment.
- California is in the early stages of developing a regulatory update to the Clean Cars Program.
 - Will strengthen the GHG standards beyond 2025.
 - Maryland will continue to work with California and ?? other states that have adopted the California Car Program.



Public Transit Expansion

- Maryland continues to devote record levels of funding for public transportation.
 - Public transportation emits roughly 40 to 50 percent less GHG emissions per passenger mile than an average single occupancy vehicle.
- Programs in this policy category include transit initiatives that support goals of:
 - Increasing public transit ridership.
 - Increasing intercity transportation initiatives that support Maryland Area Regional Commuter and regional and national passenger rail services such as Amtrak.
- By providing alternatives to vehicle transit, these initiatives have the potential to reduce vehicle miles traveled (VMT) and GHG emissions.
- Public transportation strategies are broadly classified into two strategy groups:
 - Transition to cleaner and efficient public transportation fleets, and
 - Expansion of public transportation or intercity passenger service (new or increased capacity, improved operations).



Transportation and Climate Initiative (TCI)

- TCI is a regional effort of Maryland and 11 other Northeast and mid-Atlantic states and Washington, D.C.
- TCI is designed to:
 - Reduce GHG emissions in the region's transportation sector;
 - Minimize the transportation system's reliance on high-carbon fuels;
 - Promote sustainable growth to address the challenges of VMT; and
 - Help build the clean energy economy across the region.
- TCI will also drive investment in clean transportation infrastructure, and encourage widespread use of EVs powered by increasingly clean electricity.
- TCI is looking to apply the proven "carbon cap-and-invest" model to transportation emissions. Framework for a draft regional policy proposal released on October 1, 2019
- Maryland specific stakeholder meetings are being planned



Transportation Investments Modeling

Funded Strategies	2030 Impacts			
Strategy	Approx. Reductions (MMT CO2e)	VMT Reduction	Fuel reduction (g gasoline)	Fuel reduction (g diesel)
2018 MPO Plans & Programs yield lower annual VMT growth (1.4%/yr)	1.06	3,158,758,638	-	-
On-Road Technology (CHART, Traveler Information)	0.163	-	16,165,665	1,326,297
Freight and Freight Rail Programs (National Gateway and MTA rail projects including new locomotive technologies)	0.072	26,431,915	-	-
Public Transportation (new capacity, improved operations/ frequency, BRT)	0.033	84,137,696	-	-
Public Transportation (fleet replacement / technology)	0.024	-	-	2,367,995
Transportation Demand Management	0.142	486,499,923	-	-
Pricing Initiatives (Electronic Tolling)	0.018	-	2,241,454	209,554
Bicycle and Pedestrian Strategies (Provision of non- motorized infrastructure including sidewalks and bike lanes)	0.004	79,504,966	-	-
Land-Use and Location Efficiency	0.318	979,733,809	-	-
Drayage Track Replacements	0.005	-		590,523
BWI Airport parking shuttle bus replacements	0.001	-	-	150,000



Transportation Investments Modeling

Emerging Strategies	2030 Impacts			
Strategy	Approx. Reductions (MMT CO2e)	VMT Reduction	Fuel reduction (g gasoline)	Fuel reduction (g diesel)
Freeway Management/Integrated Corridor Management (I-270 example, SHA I-95/MD 295 pilot)	0.052		5,209,998	3 427,449
Arterial System Operations and Management (expanded signal coordination, extend CHART coverage)	0.049		5,546,896	402,247
Limited Access System Operations and Management (other management technologies including ramp metering)	0.023		2,319,544	190,305
Managed Lanes (Traffic Relief Plan Implementation)	0.053		5,231,211	429,189
Intermodal Freight Centers Access Improvement (Strategic Goods Movement Plan)	0.017			415,997
Commercial Vehicle Idle Reduction (Maryland's Idling Law)	0.050		1,676,878	3 137,578
Medium/Heavy Duty Vehicle Low-Carbon Fleet/Fueling Incentives and Programs (inc. dray trucks)	0.005			42,823
Eco-Driving (informal implementation underway)	0.042		4,136,469	339,373
Lead by example - Alternative Fuel Usage in State/Local Govt Fleet	0.004		10,301	374,635
Truck Stop Electrification	0.007			150,000
Transit capacity/service expansion (fiscally unconstrained)	0.069	251,126,400	D	
Expanded TDM strategies (dynamic), telecommute, non-work strategies	0.314	1,142,326,291	1	
Expanded bike/pedestrian system development	0.081	293,542,659	9	
Freight Rail Capacity Constraints/Access (Howard St. Tunnel)	0.072	46,253,740)	
MARC Growth and Investment Plan/Cornerstone Plan completion	0.052	206,630,615	5	



Transportation Investments Modeling

Innovative Strategies	2030 Impacts			
Strategy	Approx. Reductions (MMT CO2e)	VMT Reduction	Fuel reduction (g gasoline)	Fuel reduction (g diesel)
Autonomous/Connected Vehicle Technologies (Transit/Passenger/Freight Fleet)	0.647		72,765,759	5,276,787
Speed Management on Freeways (increased levels of enforcement)	0.083		9,353,658	678,303
Zero-Emission Trucks/Truck Corridors	0.059			482,152
Ridehailing / Mobility as a Service (MaaS)	0.256	995,937,400		
Pay-As-You-Drive (PAYD) Insurance	0.062	223,902,645		
Freight Villages/Urban Freight Consolidation Centers	0.023			186,396



Enhanced Forest Management

- Maryland forests on both public and private lands are managed to capture carbon through sustainable forest management practices.
- Enrolling unmanaged forests into management regimes will:
 - Increase rates of carbon sequestration in forest biomass;
 - Increase amounts of carbon stored in harvested, durable wood products;
 and
 - Result in economic benefits and increased availability of renewable biomass for energy production.

Goals are to:

- Improve sustainable forest management on approximately <u>30,000 acres</u> of private land annually;
- Ensure third-party certified sustainable forest management on approximately <u>200,000 acres</u> of State Forests;
- Support forest markets that keep land in forest use; and
- Provide sustainable management for multiple benefits on other DNR lands when possible.



Enhanced Healthy Soils Incentives

- Agronomic and conservation practices used by Maryland's farmers have the potential to:
 - Sequester carbon and other GHG emissions.
 - Reduce nutrient and sediment flows into the Chesapeake Bay and it's tributaries.
- The 2017 Healthy Soils Act charged MDA to develop a healthy soils program to improve the health, yield, and profitability of Maryland's soils.
 - Also promote the further adoption of conservation practices that foster soil health while increasing sequestration capacity.
- MDA collaborated with stakeholders from the Healthy Soils Consortium to identify practices that are most effective in improving soil health and building soil carbon stocks.
- Just last week, the Soil Health Advisory Committee was announced
- This group will help to determine the metrics and tools used to:
 - Quantify soil carbon;
 - Provide incentives to encourage the additional implementation of climate-friendly soil practices; and
 - Find ways to capitalize on co-benefits for both water quality and carbon sequestration.



Hydrofluorocarbon (HFC) Regulation

- The Clean Air Act requires use of alternatives to stratospheric ozone-depleting substances. HFCs are among most common alternatives.
- HFCs are extremely potent GHG emissions.
 - 1 pound of certain HFCs is potentially as potent as <u>1,400 pounds</u> of CO₂.
- After efforts have stalled at the federal level, states have begun their own phase out initiatives.
 - MDE will develop regulations similar to those being developed by other U.S. Climate Alliance states ... California, Delaware, New York, Massachusetts, Connecticut, and other states.
 - Would phase out the use of certain HFCs in multiple end uses.
 - Supported by private sector and environmental advocates
- Maryland regulations going to Air Quality Advisory Council on December 16th



Methane Regulations

- MDE is working on programs to reduce methane leakage from natural gas compressor stations and related infrastructure, landfills, waste water treatment plants and the natural gas distribution system
 - Transmission and Storage sector regulations expected to be presented to the Maryland Air Quality Advisory Council on December 16th
- Coordinating with U.S. Climate Alliance states
- Also working with University of Maryland researchers to use recent research to enhance inventories
- MDE initial analysis of "upstream" methane emissions associated with natural gas use in Maryland posted on the MDE/Climate Commission web site



Maybe not "Core Programs" But Still Important

- The Draft Plan includes numerous "non-traditional" emission reduction programs. Some through partnerships, some through voluntary and outreach efforts. Examples include:
 - The Climate Champions initiative
 - The Climate Ambassadors effort
 - The U.S. Climate Alliance partnership
 - Partnerships with local government
 - Idle Free MD
 - The Port Partnership
 - The VW Mitigation Plan
 - More
- Many will help reduce emissions
 - None used as reduction in the Draft Plan for now.



Core Programs

PROGRAM I.D.	PROGRAM NAME	LEAD AGENCY	
4.3.1	EmPOWER Maryland	MEA	
4.3.1.1	EmPOWER Maryland: Utility Responsibility	MEA	
4.3.1.2	EmPOWER Maryland: Combined Heat and Power	MEA/MDE	
4.3.1.3	Other Energy Efficiency Efforts	MEA	
4.3.2	The Maryland Renewable Energy Portfolio Standard (RPS)	MEA	
4.3.2.1	Fuel Switching	MDE	
4.3.2.2	Incentives and Grant Programs to Support Renewable Energy	MEA	
4.3.2.3	Offshore Wind Initiatives to Support Renewable Energy	MEA	
4.3.3	The Regional Greenhouse Gas Initiative (RGGI)	MDE	
4.3.4	Other Energy Programs	-	
4.3.4.1	GHG Power Plant Emission Reductions from Federal Programs	MDE	
4.3.4.1.1	Boiler Maximum Achievable Control Technology (MACT)	MDE	
4.3.4.1.2	GHG New Source Performance Standard	MDE	
4.3.4.1.3	GHG Prevention of Significant Deterioration Permitting Program	MDE	
4.3.4.2	Energy Financing for Housing and Communities (formerly Main Street Initiatives)	DHCD	
4.3.4.3	Energy Efficiency for Affordable Housing and Limited Income Families (formerly Energy Efficiency for Affordable Housing)	DHCD	
4.3.5	Transportation Technologies	MDE/MDOT/MEA	