

Regional Meeting on Fuels

October 27, 2010

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Great Plains Institute**

MGA



Midwestern Governors Association

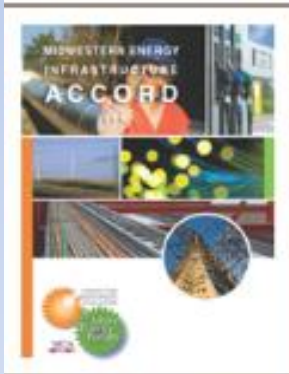
Presentation Summary

- Background on MGA and fuels
- LCFP Process overview
- Deliverables
- Timeline

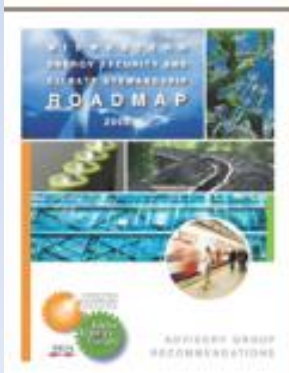
MGA Energy Agreements



Platform for Creating and Retaining
Midwestern Jobs in a New Energy
Economy



Midwestern Energy Infrastructure
Accord



Energy Security and Climate
Stewardship Recommendations
(Energy Roadmap)

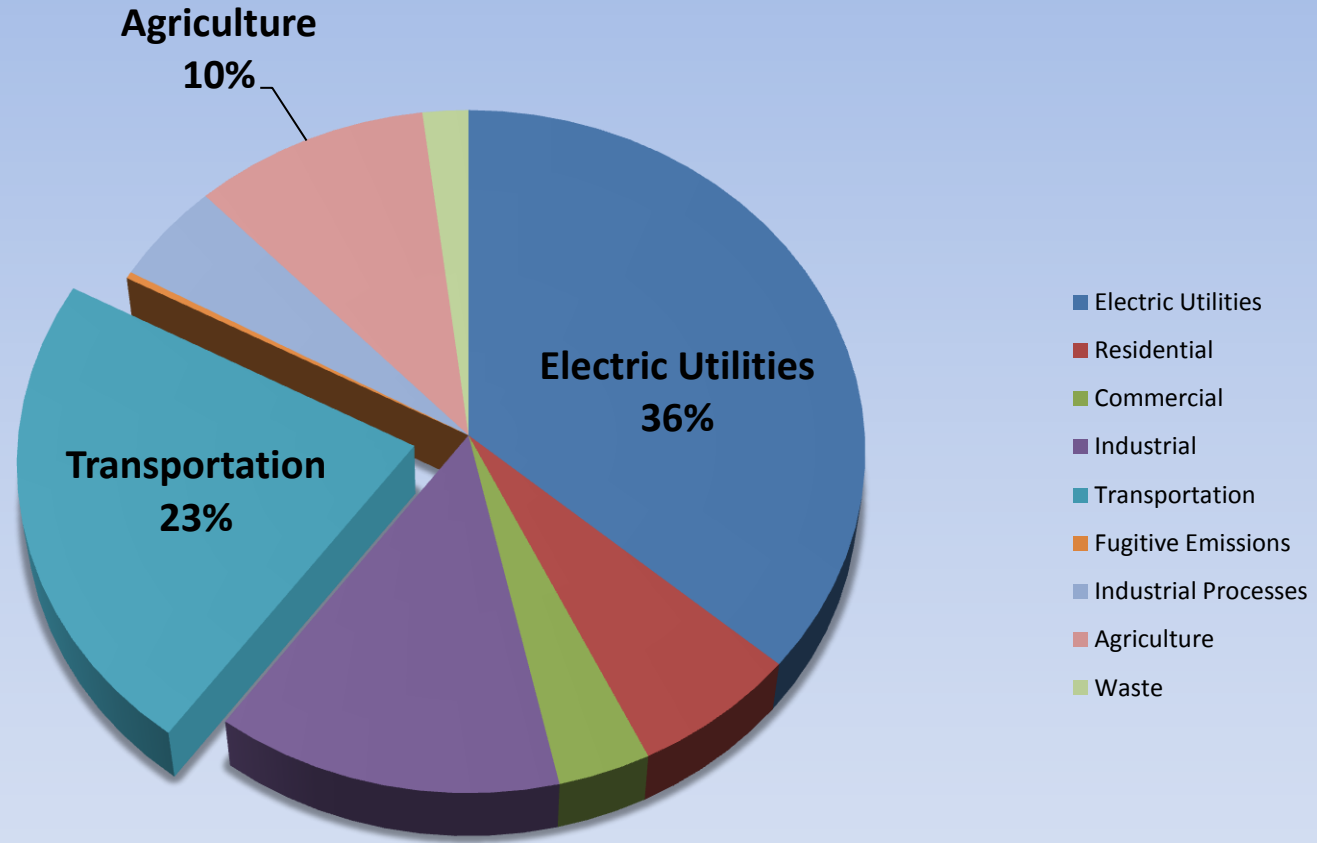
Infrastructure Accord

- Expansion of electric transmission capacity in support of renewable energy development and distributed generation
- Adoption of smart grid technologies and capabilities
- Commercial build-out of carbon capture and storage (CCS); and
- Deployment of refueling systems for biofuels and other advanced low-carbon transportation fuels.

Roadmap Transportation Summary

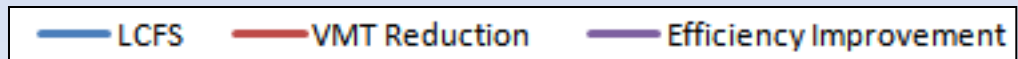
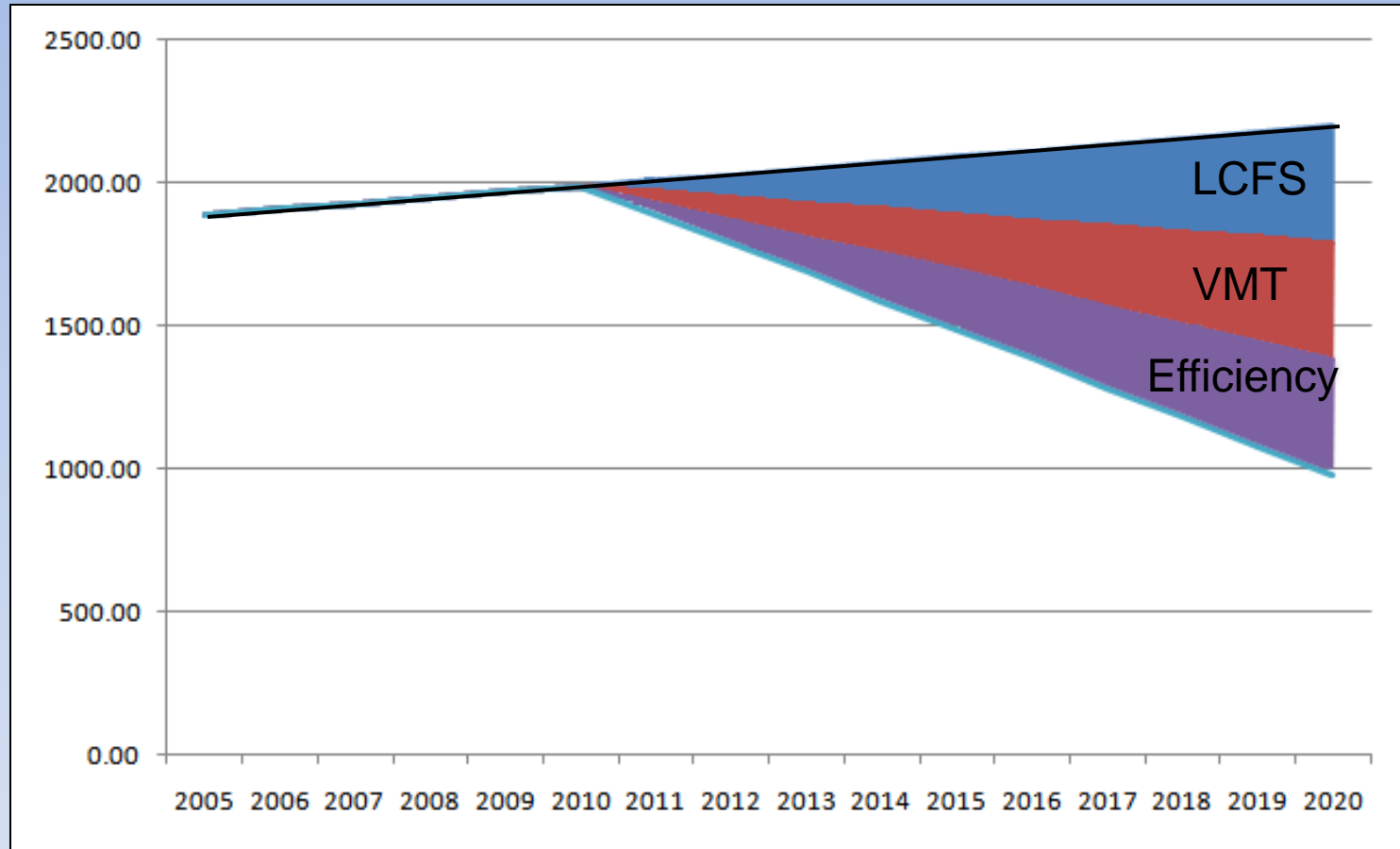
- Increase fleet fuel efficiency
- Lower the carbon content of transportation fuels
- More efficient driving
- Expand travel choices
- Advanced transportation infrastructure
- Perennial biomass supply and feedstock logistics
- More efficient freight transportation

Midwest CO_{2e} Emissions



Source: Climate Analysis Indicators Tool (CAIT US) Version 3.0. (Washington, DC: World Resources Institute, 2010).

Three Transportation Wedges



MGA LCFP Goal

“Create a uniform, regional low-carbon fuels policy – implemented at the state level as a standard, objective or incentive – and report annually on progress. **Convene affected stakeholders to develop the common policy, including reporting mechanisms and other details.**”

From: Energy Security and Climate Stewardship Platform for the Midwest, MGA, Sept 2007

MGA LCFP Objectives

- Create a framework and incentives for development of, and demand for, low carbon fuels in the Midwest;
- Decrease the GHG intensity of transportation fuels;
- Take advantage of our agricultural and industrial strengths to benefit our regional economy while protecting our natural resources; and
- Complement other policies focused on improving transportation efficiency and reducing GHG emissions in the region.

Starting point

- Goal of a 10% carbon intensity reduction over 10 years
- Use a 2005 baseline for calculating carbon intensity reductions

Subgroups

- Modeling and analysis
- Compliance
- Leakage
- Model rule (became design principles)
- Federal policy and other state programs

State Staff

- IA: Bob Mulqueen
- KS: Tom Gross
- MN: Jim Pearson
- MI: Barb Rosenbaum
- WI: Larry Bruss
- SD: Hunter Roberts
- MB: Robert Parsons

Oil Industry

- **Brent Stuart**, Suncor Energy
- **Fred Walas**, Marathon
- **Gary Schoonveld**, Conoco Phillips
- **Bob Leidich**, BP Products North America
- **Bob Elvert**, Exxon Mobil

Environmental Community

- **Pete Taglia**, Clean Wisconsin
- **Nancy Jackson**, The Land Institute
- **Steve Falck**, Environmental Law and Policy Center
- **Bill Grant**, Izaak Walton League
- **Nathanael Greene**, Natural Resources Defense Council
- **Charles Griffith**, Ecology Center

Biofuels

- **Doug Berven**, POET
- **Geoff Cooper**, Renewable Fuels Association
- **Kelly Davis**, Cogent Biofuels, LLC
- **Mike McAdams**, Advanced Biofuels Association
- **Shelby Neal**, National Biodiesel Board
- **Greg Krissek**, ICM, Inc.

Agriculture

- **Mark Calmes**, Archer Daniels Midland
- **Dave Miller**, Iowa Farm Bureau Federation
- **Pam Porter**, Wisconsin Farmers Union
- **Martha Schlicher**, Monsanto Corporation
- **Gary Herwick**, Minnesota Corn Growers Association

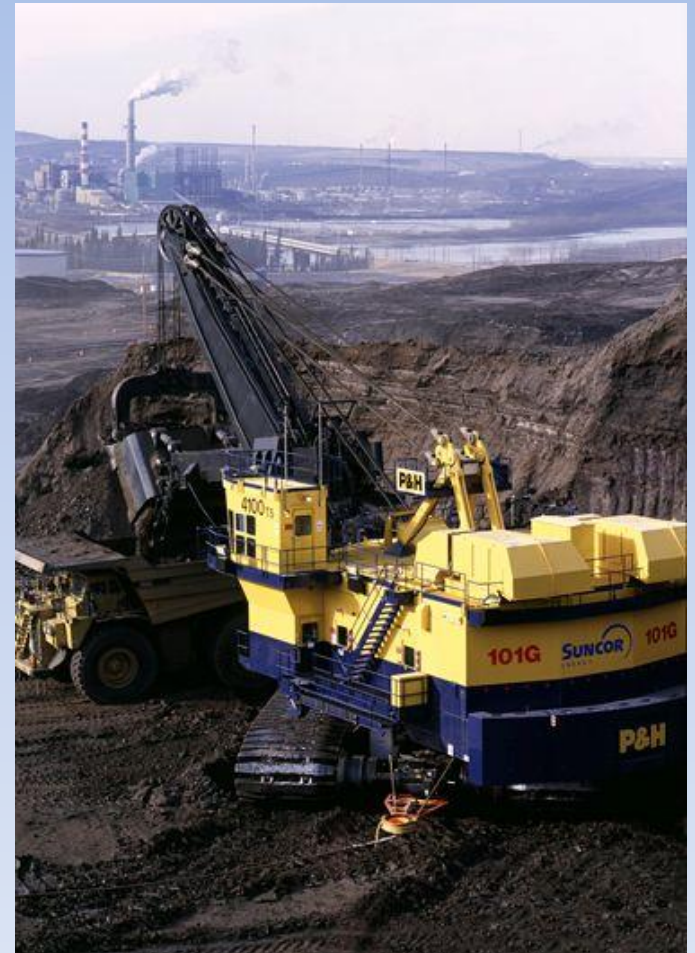
Academic, Utility, Auto

- **Bruce Babcock**, Iowa State University
- **Skiles Boyd** , DTE Energy
- **Mary Culler**, Ford Motor Company
- **Randall Fortenbery**, University of Wisconsin
- **Adam Liska**, University of Nebraska Lincoln
- **Dan Weiss**, Duke Energy

Oil Sands Delegation to Alberta

Supported by:

- Province of Alberta
- Canadian Consulate
- Suncor
- Shell



Process Timeline

- Spring/Summer 2009: Appointments by Govs
- August 2009: First conference call
- November 2009: Alberta meeting
- February 2010: Chicago meeting
- May 2010: Minneapolis meeting
- June 2010: Review of final LCFP report by MGA Steering Committee
- Current Status: Awaiting final ballot from governors offices.

Elements of a final report

- Design recommendations for a regional LCFP
- Recommendations for a federal LCFP
- Alternative policies
- Assessment of the potential of Midwestern resources for achieving intensity reductions
- Technical report

Thank you

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