MDE

MARYLAND DEPARTMENT OF THE ENVIRONMENT
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Larry Hogan
Governor

Boyd Rutherford
Lieutenant Governor

Ben Grumbles
Secretary

Maryland Commission on Climate Change

October 29, 2015, 2:00PM – MDE

Agenda

1. Welcome & Introductions (10 Minutes)
2. Final Action: Voting & Consensus Based Decision Making (10 Minutes)
3. Working Group Reports (10 Minutes)
    - Science
    - Adaptation
    - Mitigation
    - Education & Outreach
4. Discussion Item: 2015 GGRA Updated Report (15 Minutes)
5. Update from Report Writers Group on Recommendations (60 Minutes)
6. Wrap Up (5 Minutes)

Comments from the general public can be submitted to the Maryland Climate Change Commission at climate.change@maryland.gov

Conference Number: (605) 475-4000
Access Code: 997763#

Agenda Item #2

Maryland Commission on Climate Change

Action Item

Consensus/ Voting Procedure

Agenda Item #2:

Voting Procedures

Background/ Process

As suggested by the Commission, MDE chaired a small group to develop a voting procedures document. The small group consisted of: MDE staff, Dick DaMato, John Quinn, Michael Powell, Sue Briggam, Lynn Heller, Dana Stein.

Recommended Motion

A recommendation to approve the voting procedures document after discussion.

Voting Procedures for the Maryland Commission on Climate Change (MCCC)

- Process is consensus driven and all efforts should be made to reach consensus on a particular issue before a voting process is used
    - For the purposes of the Commission Report, consensus equates to being okay with the language in the Report
- If a vote is necessary, voting rights are limited to Commission members only (or the Commission member's proxy)
    - Any Commission member has the right to make a motion for a vote
    - A quorum of the majority (more than half of the Commission) will be required to advance a vote and to approve minutes of the Commission
    - A 2/3 majority of the Commission will be necessary to approve any measure other than approval of minutes
    - A minority report created by dissenting members will be welcomed and included during any formal vote
    - A Commissioner who is attending a Meeting via Conference Call is allowed to vote

Agenda Item 3

Maryland Commission on Climate Change

ECO Working Group Update

ECO Working Group Membership

10/26/15 Draft

Commission Liaisons: Lori Arguelles, Alice Ferguson Foundation; Liz Entwisle, Maryland Department of the Environment

Staff: Maryland Department of the Environment

Working Group Membership

Chair: Lori Arguelles, Alice Ferguson Foundation

Public Sector Representatives

- Tiffany Hartung, Maryland Climate Coalition
- Mary Kay Page, Fuel Fund of Maryland
- Allison Rich, Maryland Environmental Health Network
- Pat Harcourt, UMCES (MADE Clear)
- Kelly Trout, Chesapeake Climate Action Network
- Joelle Novey, Interfaith Power and Light
- Noah Smock, Baltimore Toolbank
- Ashley Pennington, Johns Hopkins Office of Sustainability
- Kate Dowling, Parks and People
- Dannielle Lipinski, Maryland League of Conservation Voters
- Dan Brellis, Alliance for the Chesapeake Bay
- Isaac Hametz, Mahan Rykiel Associates

Private Sector Representatives

- Steve Arabia, NRG
- Deriece Pate Bennett, Maryland Chamber of Commerce
- Louis Campion, Maryland Motor Truck Association
- Michele Mitch-Peterson, Honeywell

Government Members

- Mark Shaffer, Maryland Department of the Environment
- Dorothy Morrison, Maryland Department of Transportation
- Devan Willemsen, Maryland Energy Administration
- Kristen Peterson, Maryland Department of Natural Resources
- Julie Oberg, Department of Agriculture
- Samantha Lozano, Department of Housing and Community Development

Technical Advisors

- David Costello, UMCES
- Larissa Johnson, UMCES

- Alex Fries, UMCES
- Samantha Kappalman, The Hatcher Group
- George (Tad) Aburn, Maryland Department of the Environment
- Coreen Weilminster, Maryland Department of Natural Resources
- Crystal Romeo Upperman, Maryland Department of Health and Mental Hygiene
- Wiley Hall, Maryland Department of Housing and Community Development
- John Coleman, Maryland Department of Planning

Maryland Climate Change Commission
Education, Communication and Outreach (ECO) Working Group

The ECO Working Group has been discussing several proposals in conjunction with the Maryland Climate Change Commission's work and offers the following for consideration.

ECO Working Group Membership

The current membership of the ECO Working Group is attached. As official appointments are made to the group, please provide any additional names for consideration as soon as possible. Our goal is to engage the expertise of communication and education professionals from a diverse array of backgrounds.

Fall Outreach Meetings

In follow up to the listening sessions the MCCC conducted over the summer at multiple locations throughout the state, it has been suggested that another series of meetings take place this fall. Depending on when they take place, these additional listening sessions could feature highlights of the MDE GGRA report and/or the Commission report. Proposed dates include November 30th and December 1st, 3rd, 14th and 17th. Priority locations include Baltimore City, Montgomery County, Lusby and locations yet to be determined in western Maryland and on the eastern shore.

Legislative Briefing

Ensuring that statewide elected officials are briefed on the contents of the MCCC 2015 Report is the goal of the legislative briefing. Initially envisioned for mid to late November of 2015, this briefing may be better timed once the new legislative session begins in January 2016. Commission members would provide the briefing with assistance of MDE and DNR staff.

Media Strategy for Report Release

The ECO Working Group looks forward to additional information on the content and timing of the Commission's report in order to determine the most appropriate media strategy for the release of the document.

Agenda Item 5

Maryland Commission on Climate Change

Action Item

- **Background**
- **Concept Paper**
- **Recommendations Language**
- **2030 Language Options**
- **Comments received on 2030 Goals**

Agenda Item #5:

Draft Concept Paper/ Recommendations for Commission Report

Background/ Process

A report writing team of the Commission has developed the attached concept paper developed to drive the drafting of the Commission report. The members of the report writing team were: MDE Staff, Stuart Clarke, John Quinn, Michael Powell, Peter Zadoresky, Lynn Heller, Dana Stein, Don Boesch, Samantha Kappalman, and David Costello.

This report writing team has briefed the Steering Committee of the Climate Commission on their concept paper and the recommendations included in the paper. There are several points that the Commission will need to take action on/ come to consensus on before the paper is finalized.

Recommended Motion

A recommendation to approve the concept paper after discussion of salient points, areas where commission needs to forge agreement, and specific language tailored to the 2030 goal.

Maryland Climate Change Commission Report
Concept Paper

10/22/15 Steering Committee Draft – For Discussion at 10/29/15 Full Commission Meeting

I.

We are pleased to have the opportunity to share this first report of the Maryland Climate Change Commission (the Commission). These reports will provide us with the opportunity to identify and advance discussion and decisions on key climate action challenges and opportunities. The reports also present the opportunity to promote adaptive management of the state's climate action agenda. It is only through a clear, timely understanding of the strengths, weaknesses, successes and shortcomings of our strategies and programs that we can be best positioned for bigger and faster progress moving forward.

This first report comes in close proximity to the Greenhouse Gas Emission Reduction Act (GGRA) 2015 Update, authored by MDE, and mandated by the 2009 law. While the Commission worked with MDE on this report and has been deeply informed by the research and analysis undertaken by and included in MDE's report, the Commission report is intended to be different from MDE's report. The requirements and parameters of MDE's report are specifically delineated in the 2009 legislation, and focus very tightly on the provisions of the GGRA and the elements of the 2013 GGRA Plan.

The Commission, on the other hand, has the broader and less specific charge to report 'on the status of the State's efforts to address the causes and consequences of climate change, including future plans and recommendations for legislation, if any, for consideration by the General Assembly'. The Commission report also differs from MDE's report because the Commission is an independent voice, not a state agency. As such it is expected to bring a broad range of perspectives and insights to bear on the work of the government.

In accordance with the fact that the Commission is deeply indebted to MDE's work and also intended to be independent of it, this report both engages with MDE's work and also identifies areas where additional effort could potentially lead to continued progress on climate change in a manner that supports a strong economy in Maryland.

II.

We endorse MDE's recommendation that the General Assembly continue to implement the GGRA Plan to achieve the goals of the GGRA: a 25% reduction in GHG emissions by 2020 that also supports economic development and job creation.

We also endorse MDE's recommendation that Maryland move forward with a next step of climate change progress that sets GHG emission reduction goals for 2030 that are informed by

scientific analysis, national commitments, and innovations developed in other states. These goals should emphasize technology innovation, economic development, jobs and consumer protection, as well as public health and well-being. The Commission believes the goals and timing should be as follows:

[SEE 3 OPTIONS FROM MDE]

We also endorse MDE's recommendation to explicitly incorporate beneficial economic impacts into the set of 2030 climate action goals. We would broaden that set of goals to include the following additional items:

- The degree to which climate action strategies, policies, and programs produce economic benefits that are equitably distributed across Maryland's population;
- The degree to which climate action strategies, policies, and programs produce economic benefits that are sustainable;
- The degree to which climate change strategies, policies, and programs effectively address the economic dislocations that they may cause;
- The degree to which climate action strategies, policies, and programs produce public health benefits;
- The degree to which climate action strategies, policies, and programs reduce energy burdens in low-income households; and
- The degree to which climate action strategies, policies, and programs improve resilience in vulnerable communities.

II.

We are pleased to see that Maryland is, at this time, on track to meet the goal of reducing our greenhouse gas emissions 25% by 2020. There are several issues that the Commission believes need to be focused on in ongoing and future analyses by the State and the Commission's working groups.

We note that changes in the energy and transportation sectors, specifically more use of natural gas and less driving, have helped the State approach the 25 by 20 goal. The Commission tasks the Mitigation Working Group (MWG) with continuing to track these changes and analyzing and identifying strategies that would help to continue these positive trends. These strategies are included below in Section 3 where the Commission's recommendations on priorities for the Commission's 2016 workplan are provided.

We also note that the potential contribution of methane leakage to greenhouse gas emissions is an area of very active investigation and disagreement. The significance of this relatively new issue is incompletely understood. Accordingly, the Commission tasks its Mitigation and Scientific and Technical working groups with fully exploring the emerging science on fugitive methane gas, exploring best management practices for leakage avoidance and mitigation, and

employing best available science and analysis to determine whether or not and how to incorporate out-of-state methane leakage into our greenhouse gas emissions inventories and projections.

While the programs in the GGRA and market driven changes in the energy and transportation sectors are helping to power progress towards meeting the 2020 goal, the Commission believes that there are practical enhancements that can still be made to a number of the programs contained in the 2012 GGRA Plan. The Commission recommends that the State and the MWG continue to analyze the initiatives listed below in Section 3 to identify strategies that will further reduce GHG emissions while having a clear positive impact on the State's economy and on job creation.

Several of the enhancements to existing programs that were proposed as part of the 2012 GGRA Plan (e.g. EmPOWER Maryland, RPS, Transportation Technologies and Zero Waste) have not yet been fully achieved. We note this because, although it appears that the State is on track to meet the 25% reduction by 2020 requirement of the GGRA without these enhancements, we believe that the challenge of reducing our emissions will grow more difficult in the years ahead, and it is therefore vitally important that we develop clear and complete understandings of the strengths, weaknesses, successes, and shortcomings of the strategies and programs that we are employing. We believe that an adaptive management approach is the best way to ensure that we are conceiving, developing, and pursuing our goals in the most efficient and effective ways possible.

An adaptive management approach also requires regular information and timely feedback. Accordingly, the Commission recommends that it establish a process for all relevant state agencies to provide regular reports on their greenhouse gas reduction and program implementation progress to the MCCC and to the Governor.

Finally, the Commission believes that there are several critical new initiatives, like targeted reduction of emissions of greenhouse gases that might have near-term effects on limiting the rate of climate change, that need to be explored as the State moves toward a post-2020 goal. The Commission tasks the MWG with analyzing the emerging issues identified in Section 3 below.

III.

In accordance with the recommendations and observations above, the Commission tasks its working groups with preparing workplans for 2016 that are designed to analyze and address at least the following Commission priorities:

1) Reporting. Ensuring that Maryland is adopting the best and most comprehensive practices in measuring, tracking, and reporting on its progress in addressing the causes and impacts of climate change.

2) Methane leakage. Analyzing and generating recommendations to determine whether or not and how to incorporate out-of-state methane leakage into our greenhouse gas emissions inventories and projections, employing the best available science and analysis.

3) Additional strategies. Identifying additional climate strategies, goals, policies and/or programs that would put Maryland on a path of leadership towards greenhouse gas emissions reductions by 2050, informed by science and international agreements, that would:

- have the potential for significant near-term reductions in greenhouse gas emissions ("fast-acting climate changers");
- produce economic, environmental, and public health benefits that are equitably distributed across Maryland's population (including addressing the economic dislocations that they may generate); and
- effectively address the impacts climate change will have on the state's most vulnerable populations and communities.

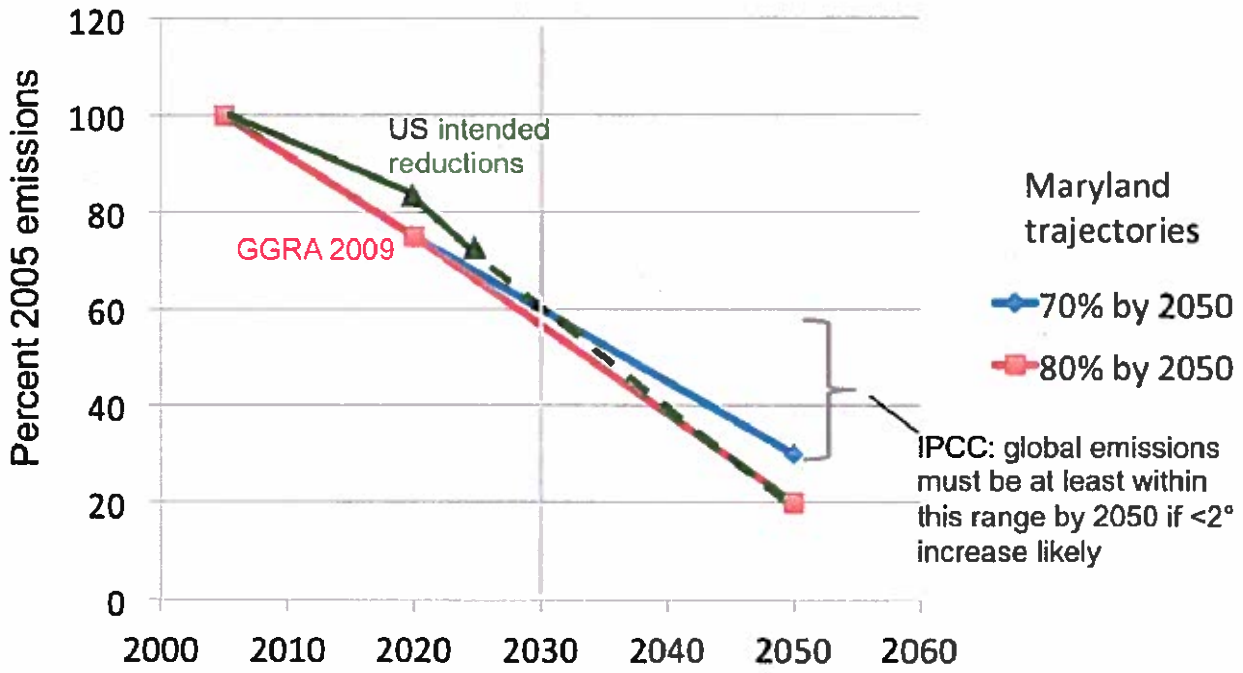
In particular, the Commission's priorities for 2016 include an analysis of possible additional climate strategies, goals, policies and/or programs in:

a. renewable energy;
b. energy efficiency and conservation; and
c. zero emission vehicles and transportation; and
d. interstate compliance with federal standards; and
e. creative financing.

4) Building Resilience. In order to cultivate resilience to known threats and to reduce future vulnerability, the Commission's priorities for 2016 include a commitment to:

- Identifying strategies that reach across disciplinary and sectorial boundaries;
- Bringing new voices and local perspectives into the resiliency conversation that represent a diverse range of communities;
- Increasing the capacity of low income or vulnerable communities to anticipate, plan for and mitigate the risks associated with environmental change already underway or anticipated.

The Commission will task and support its working group leadership with developing detailed workplans for pursuing these priorities by December 31, 2015. The Commission is also continuing to develop outside resources to supplement the efforts of the State agencies and the Commission's working groups.



Science to Inform Post-2020 Greenhouse Gas Emissions Reduction Goals

- Using extensive computer projections the IPCC concluded that global GHG emissions would have to be reduced by at least 41% and as much as 72% by 2050 in order to keep the increase of global average temperature below 2°C, the "do not cross" boundary for the planet. As a large per capita emitter, U.S. emissions would have to be reduced to or beyond the upper range of this range of uncertainty in order for this to be achieved, e.g. at least in the 70 to 80% range.
- Maryland's GGRA of 2009 would reduce GHG emissions by 25% below 2005 levels by 2020. To be on a steady (linear) trajectory to 70% reduction by 2050, a 40% reduction from 2005 levels would have to be achieved by 2030. For a trajectory to an 80% reduction by 2050 the line crosses about 43% in 2030.
- In May 2015 the U.S. government announced that the U.S. had taken steps to reduce GHG emissions in the range of 17% below the 2005 baseline by 2020 and its intention to achieve an economy-wide target of reducing emissions by 26-28% in 2025, making best efforts to reduce emissions by 28%. If one linearly projects the rate of reductions intended between 2020 and 2025, this would result in a 40% reduction by 2030 and an 80% reduction by 2050.
- Of course, one could take the position that the trajectory could be non-linear, with greater reductions coming between 2030 and 2050, but such a postponement would increase the risks of not being able to achieve the 2050 reductions that are necessary.

NAIOP
MARYLAND CHAPTERS
THE ASSOCIATION FOR COMMERCIAL REAL ESTATE

October 23, 2015

Mr. Michael T. Richard
Deputy Chief of Staff
State House, Room H202
State Circle, Annapolis, MD 21401

Climate Commission – Commercial Real Estate Comments and Recommendations on 2030 Goals

Dear Mr. Richard:

The Maryland Chapters of NAIOP (NAIOP) represent more than 700 companies involved in all aspects of commercial, light-industrial, office, and mixed-use real estate. On behalf of our member companies I am writing with recommendations and preliminary observations after the first six months of service on the Mitigation Working Group of the Maryland Commission on Climate Change.

NAIOP member companies build and own commercial real estate across Maryland. Our members are involved in transformational mixed use re-development projects in Baltimore City, Rockville and White Flint. They are building for BRAC at Aberdeen, Fort Meade and Fort Dietrich, providing critical logistics and supply chain facilities that support the Port of Baltimore, BWI-Thurgood Marshall Airport as well as the Interstate 95 and Interstate 81 transportation corridors. From mixed use, office, bio tech and cyber to flex warehouse facilities that provide both storefronts and light manufacturing facilities NAIOP members are providing a full ecosystem of services that revitalize communities and support business innovation.

In 2014 commercial real estate development generated $4.1 billion in total output and supported more than 28,500 jobs in Maryland. Just over half of that annual economic activity, $2.2 billion, can be attributed to the use of high performance "green" construction and building management techniques. Commercial real estate's commitment to high performance building techniques is a driving force behind Maryland's 2nd in the nation rank for the rate at which green buildings are brought to market and plays a complementary role in Maryland's impressive reduction of greenhouse gas emissions.

Maryland Is Making Strong Progress Toward 2020 Emissions Reduction Goals

United States Energy Information Administration (USEIA) statistics show that by 2012 Maryland had reduced C02 by 29% from 2005 levels, a clear indication that Maryland is on track to achieve the 2020 goals established by the General Assembly in the 2009 Greenhouse Gas Reduction Act. To put this progress in to perspective, between 2005 and 2012 Maryland reduced emissions at twice the rate of the nation as a whole and by 2012 had surpassed the nation-wide goals recently established by President Obama who set a target of a 26%-28% reduction from 2005 levels by 2025. Maryland's 2012 reductions are greater than all of the up-wind U.S. states that transport their emissions to Maryland except for the District of Columbia which reduced by 33% vs. Maryland's 29%. Beyond that, Maryland's 2012 reductions

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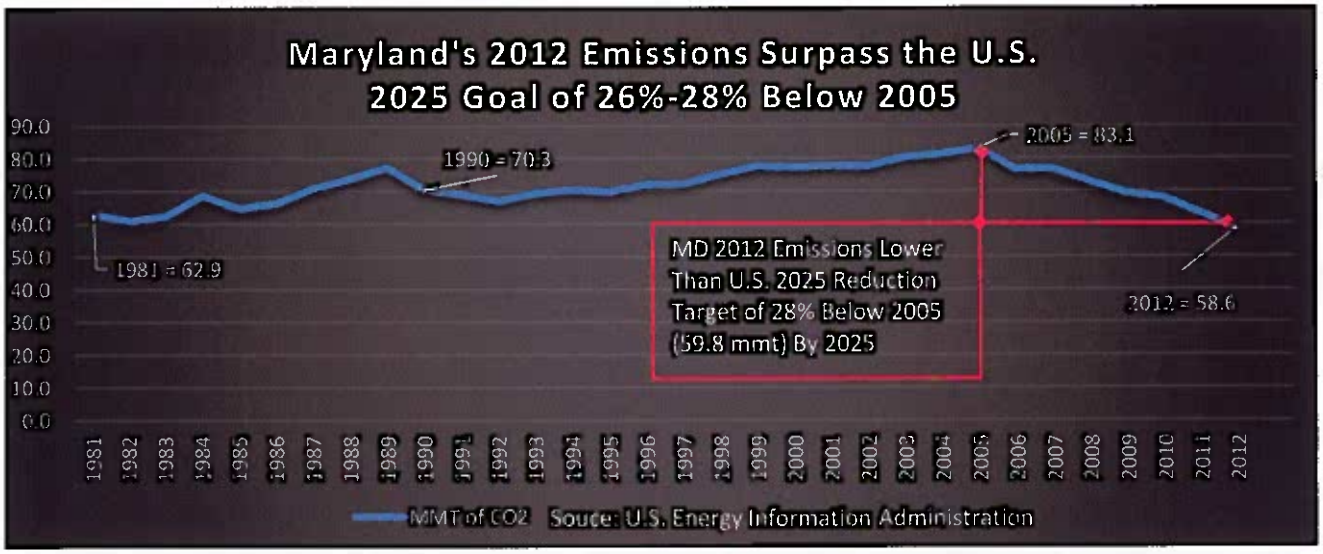
were within 1% of Canada's 30% by 2030 goal, already surpassed what Mexico pledged to achieve by 2030 and already far exceed bell weather state California's most recent pledge to meet 1990 emission levels by 2020.



Considerations Before Setting An Appropriate Interim Emissions Reduction Goal

This kind of comparative look at progress is important to consider before establishing goals beyond 2020 because Maryland's size and geographic situation mean that long term solutions depend on, and should be tied to progress by national and global partners. In 2012 Maryland's C02 emissions represented only 1.1% of the total for the United States and The Maryland Department of Environment has well documented that Maryland's air quality is significantly impacted by upwind states which have not cut emissions to the extent that Maryland has.

A 45% reduction by 2030 which has been suggested by some would be far outside the norm in the U.S. and internationally making it a *"Maryland – only"* goal. A review of State targets and federal legislation compiled by the Center for Climate and Energy Solutions showed no states had adopted a 45% by 2030 goal and the overwhelming majority of federal legislative proposals call for less aggressive reductions. Washington State's goal of 25% below 1990 levels by 2035 at first seemed closest but Maryland's emissions were already approaching equivalent levels by 2012. Minnesota's target of 30% below 2005 by 2025 also seemed close but again Maryland was already nearly at that level in 2012. A review of international 2030 emissions reduction goals leading up to the December United Nations Conference on Climate Change compiled in the World Resources Institute's *"Paris Contributions"* interactive world map does not show any reduction goals equivalent to the 45% by 2030, certainly none from the G-7 nations with advanced economies.

This is not to suggest that the state stand down its emissions reduction efforts but does argue strongly against adopting a *"Maryland-only"* goal of 45% by 2030. Utilizing Maryland's existing 2009 policy framework and setting a 2030 of 35% would be a reasonable alternative given the information available to MDE and the Commission at this stage. A 35% reduction by 2030 would be within the reduction targets made by the world's developed economies. A 35% by 2030 goal would be slightly more

aggressive than the United States, Canada and Japan but below the 40% commitments made by European Union countries.

Even at 35%, selecting and refining the suite of tactics that might deliver reductions expected by 2030 will be challenging and should not be rushed. Numerous new and amended tactics have been suggested during various Commission meetings. At this stage no comprehensive list of these options has been distributed to the Commission workgroups and no evaluation of their relative merits has taken place. The challenge that we must meet is to arrive at the right combinations of cost-effective tactics that will take state through 2020 and beyond; this will take time.

Various alternative dates ranging from 2016 to 2019 have been suggested as the year for the 2030 plans to be finalized and for the General Assembly to reevaluate the out year targets. While the current framework has worked well, given the uncertainty associated with reductions in the out years it is our recommendation that these plans be finalized and the goals revisited in 2020. This would not prevent continuing work on near term issues to optimize progress toward the 2020 reduction goals or lay the foundation for the step up toward 2030 but the additional time would allow for important coordination with other states, allow time for emerging technologies to be identified and for the difficult task of discerning between laudable ideas and cost effective solutions.

A Cautionary Note about Underestimating the Difficulty of Reaching Goals Beyond 2030

It is reasonable to expect continued near term benefits from the demographic trends and the tactics that have combined to reduce carbon emissions in recent years. However, it is important for policy makers to keep in mind that the tactics that have delivered recent results, such as fuel conversion, have an undefined but limited future and are unlikely to yield benefits indefinitely.

References to "low hanging fruit" and warnings that reductions will become more difficult in later years are sometimes used to convey this message. To be more direct it should be emphasized that there is no clear path to generate the deeper 40%-70% reductions that are expected for the years beyond 2030. The current thinking seems to be that reductions to these levels can only be met by drastically decarbonizing Maryland's energy supply and disconnecting major segments of the economy from carbon based fuels. This is a turn of events that might only be met by capabilities and technologies that have not yet manifested themselves. It is in the nature of commercial real estate developers to be optimistic and our members believe that technology will make meaningful advancements in the years to come. Commercial real estate remains committed to bringing high performance buildings to market and to the continued upgrade of existing buildings. Nevertheless we are concerned that overestimating our ability to disconnect from carbon fuels could lead to aggressive targets that cannot be met - certainly not in ways that are cost effective and benefit the state economy.

Sincerely;

Tom Ballentine, Vice President for Policy
NAIOP – Maryland Chapters, *The Association for Commercial Real Estate*

Michael T. Richard
Deputy Chief of Staff
State House, Room H202
State Circle
Annapolis, MD 21401

October 21, 2015

Re: Maryland Citizens for Strong Climate Policy – Pending Reports and Ongoing Work of the Maryland Department of Environment (MDE) and the Maryland Commission on Climate Change (MCCC)

Dear Mr. Richard:

We are writing to share our views on the upcoming climate change status reports of MDE and the MCCC and prospective climate change related efforts in Maryland. We represent a broad cross section of Maryland stakeholders, including Maryland's faith leaders, public health professionals, scientists and environmental activists. Many of us have participated in the MCCC's recent public and working group meetings.

First, we would like to thank Governor Hogan for supporting the formal establishment of the MCCC and recognizing the growing risks and costs associated with climate change. We believe that these hazards are very real, as clearly documented in studies such as the *Intergovernmental Panel on Climate Change (IPCC) Assessment Report 5* and the *Environmental Protection Agency's Climate Change in the United States: Benefits of Global Action*, and we believe that Maryland will be required to do a lot more in the years ahead to address them. These reports cogently lay out the disruptive consequences of climate change – from rising property damage costs and falling agricultural output to declines in public health, including increases in Lyme disease and respiratory ailments – as well as the cost-effectiveness of mitigating and preparing for these impacts in the very near term.

Second, we ask that the Governor support the prospective recommendations of both MDE and the MCCC to renew Maryland's 2009 Greenhouse Gas Reduction Act (GGRA) and to increase the State's greenhouse gas reduction goal to 45% by 2030. A 45% reduction target in 2030 is in line with the IPCC's 2050 recommendation for developed states and nations. Moreover, such a goal is not extraordinary. California recently committed to a 50% renewable energy goal by 2030 and in May, California, Vermont, Oregon and Washington joined the "Under 2 MOU" (under 2 degrees Celsius) with states and regions in Germany, the United Kingdom, Brazil, Mexico, Spain, Columbia and Canada that have committed to either reducing their greenhouse gas emissions by 80% - 95% by 2050 or achieving a per-capita annual emissions target of less than 2 metric tons per year by 2050. Science has demonstrated to an overwhelming degree of certainty that the risks of climate disruption become high, conceivably untenable, for many if the global mean temperature exceeds 2 degrees Celsius (3.6 degrees Fahrenheit).

We believe that a 45% greenhouse gas reduction goal by 2030 is achievable, particularly if Maryland acts soon to:

- Better educate Maryland residents about the urgency of acting to address climate change;
- Enhance its renewable portfolio standard (RPS) by increasing it to 40% by 2025 and by removing black liquor and other inefficient biomass fuels as qualified Tier 1 sources;
- Complement the PSC's decision in Order No. 87082 to strengthen and extend EmPOWER Maryland, encourage strong natural gas and low-income/multi-family building energy efficiency goals;
- Support projects and initiatives that markedly increase public transportation ridership in the State;
- Prioritize the electrification of motor vehicle transportation in the State through the implementation of existing EVIC recommendations;
- Require net forest and tree canopy gains in the State by 2020 through various forest management and tree planting programs and initiatives;
- Zero out methane leakage in the State though stricter accounting and regulation;
- Give higher priority to transportation projects in the State that integrate transportation and land use planning to achieve greenhouse gas emissions reductions and other benefits;
- Require that all new commercial buildings in the State be carbon neutral by 2030;
- Facilitate the establishment of a "green bank" in the State, similar to those operating in New York and Connecticut, to aid in the financing of innovative "green" start-up businesses and projects;
- Support a long-term moratorium on unconventional natural gas development in the State to allow for a greater understanding of the climate and health risks posed by production, distribution and use of natural gas;
- Implement the State's existing Zero Waste executive order;
- Support more aggressive compact development, ride sharing and travel demand management programs and policies;
- Support universal solar access for low-income households;
- Ensure a just transition for workers displaced by climate actions;
- Better assess the impacts that climate change will have on the State's economy;
- Facilitate the rapid deployment of climate "game changer" technologies, policies and programs that markedly mitigate and sequester greenhouse gases as they are identified; and
- More effectively measure, track and report on the status of the State's efforts to address climate change.

Not only do we think that a 45% reduction in greenhouse gases is achievable by 2030, we believe that achieving it will ultimately lower energy costs, enhance air quality, improve public health, and generate billions of dollars in economic output, while bolstering the creation of thousands of jobs in Maryland.

Recent analysis, undertaken by MDE and Towson University, has demonstrated that Maryland's current GGRA policies, programs and goals are expected to generate $2.5 to $3.5 billion in

added economic output and support up to 33,000 jobs in Maryland in 2020. An expanded GGRA would surely induce considerably more jobs and prosperity by 2030.

Third, to realize these important benefits, we ask the Governor to support the climate program additions and enhancements mentioned above. While we are pleased that Maryland is making progress, we are concerned that the State's current greenhouse gas reduction efforts are likely to prove insufficient. Much of Maryland's (and the USA's) emissions reduction progress to date is the result of market changes, not climate action, and considerably more action will be required to achieve higher science-based reduction targets in the years ahead. We note that recent opinion surveys indicate that 74% of Marylanders support more action to combat climate change. The costs of investing in these enhanced actions now will pale in comparison to the ever increasing costs and risks associated with inaction. Maryland's agricultural, shipping, seafood and tourism industries will be significantly impacted by sea level rise, ocean acidification, and extreme weather. So will Maryland governments, businesses and taxpayers, as we all pay substantially more to protect and sustain critical infrastructure, economic prosperity and public health.

Finally, there has been little discussion of the disproportionate impacts of climate change on vulnerable populations in Maryland and we ask that the Governor do all that he can to ensure that the economic, environmental and public health benefits associated with climate action are equitably distributed across the State. Pope Francis's recent encyclical offers a compelling case for why climate action is synonymous with addressing poverty and rampant inequality in our increasingly connected world – and how adequately and equitably dealing with climate change will improve everyone's economic standing.

It is clear that climate change is putting the health and well-being of many Marylanders at risk. Governments worldwide – including Maryland's – need to act now to avoid the worst-case scenarios of climate disruption. To mitigate these risks and to better protect and sustain Maryland's collective health and prosperity, all jurisdictions and economic sectors must participate. We are on board and we strongly support the expansive mission of the MCCC and we look forward to continuing to work with its members, the Hogan Administration, and the Maryland General Assembly as everyone labors to strengthen Maryland's climate action efforts.

Thank you for considering our comments.

Sincerely,

Rev. Dr. John Deckenback
Chair
Maryland Ecumenical Leader's Group

Jessica Ennis
Sr. Legislative Representative
Earthjustice

Margery Knight
Coordinator
Unitarian Universalist Legislative Ministry of Maryland

Julie Lawson
Director
Trash Free Maryland

Jen Mihills
Associate Director
National Wildlife Federation Mid-Atlantic Regional Center

Joelle Novey
Director
Interfaith Power & Light (MD.DC.NoVA)

Alison Prost
Maryland Executive Director
Chesapeake Bay Foundation

Karla Raettig
Executive Director
Maryland League of Conservation Voters

Rebecca Ruggles
Director
Maryland Environmental Health Network

Barbara Schnackenberg and Nancy Soreng
Co-Presidents
League of Women Voters of Maryland

Joe Uehlein
President
Labor Network for Sustainability

Tim Whitehouse
Executive Director
Chesapeake Physicians for Social Responsibility

Sparrows Point Terminal, LLC
1600 Sparrows Point Boulevard
Baltimore, Maryland 21219

September 29, 2015

VIA EMAIL AND U.S. MAIL

Michael T. Richard
Deputy Chief of Staff
State House, Room H202
State Circle
Annapolis, MD 21401

Re: Maryland Climate Change Commission-Recommendations of the MD Climate Change Commission, and the MDE Report

Dear Mr. Richard:

I am writing on behalf of Sparrows Point Terminal, LLC (SPT), the owner and developer of the former Bethlehem Steel property located in Sparrows Point. We have been following with interest the proceedings of MDE, the MD Climate Change Commission (the "Commission" or "MCCC"), and its workgroups, particularly the Mitigation Workgroup. We would like to share with you our views on upcoming reports and recommendations of MDE (due October 1, 2015) and the MCCC (first report due November 15, 2015), given the fact that the workgroup will be making recommendations to the full Commission.

First, some background on the SPT project. The area, some 3100 acres, was used as a steel manufacturing facility for over 100 years. During the height of its operations, it employed thousands of workers. Over time it became uncompetitive, and ceased steel making operations. In recent years, it was subsequently acquired by other firms hoping to revive steelmaking operations, but these were unsuccessful.

In September, 2014, SPT acquired the property. It did this not to revive steelmaking, but to redevelop the property for a number of commercial, manufacturing, industrial and shipping operations. When the property is fully developed, and marketed, it is our intent that numerous businesses locate on the property, creating potentially thousands of jobs, and reinvigorating the local and state economy.

These goals are not quick, or inexpensive. Before attracting manufacturing and other businesses to the site, SPT has entered into cleanup agreements with MDE and EPA, and has committed $50,000,000 (fifty million dollars) for environmental evaluation and cleanup. In addition to the financial commitment on environmental clean up, SPT is preparing to make significant investments in onsite port and rail infrastructure to bring them up to 21st century standards.

Once marketing can proceed in earnest, the site is ideally suited to attract manufacturers and other industries, and the jobs that will accompany those businesses.

At the present time, Maryland has pledged to reduce greenhouse gas emissions in the state by 25% by 2020, pursuant to the Greenhouse Gas Reduction Act of 2009 (the "GGRA"). The October 1 report by MDE to the General Assembly as required by the GGRA will include a recommendation to keep, change, or sunset the current 2020 goal, and whether a goal beyond 2020 is warranted.

In addition, there is also the separate November 15 report by the Commission to the General Assembly. There are many potential recommendations that have been made for this report and suggested by members of the workgroup, including a beyond 2020 plan, and various "emerging" issues that have been mentioned in the Mitigation Workgroup meetings.

Full comment on all of those potential issues in these reports is well beyond the scope of this letter, however, we would like to offer several preliminary comments at this time based on discussions occurring in the workgroup.

First, consistent with the GGRA, we believe that any future percentage goal in reductions beyond 2020 must ensure a net economic benefit to the state's economy, and a net increase in jobs. But it is also important that any further actions should concentrate not only on a net increase in jobs, but also on the quality of those jobs, in terms of wages, skills and other factors. Economic benefits to the state do not accrue if lower paying jobs are created at the expense of lost opportunities to create higher paying manufacturing or industrial jobs.

Second, as in the GGRA, any additional reductions in emissions recommended beyond 2020 should not come from the state's manufacturing sector. As noted by MDE in numerous workgroup meetings, the manufacturing sector contributes very little to greenhouse emissions overall, somewhere in the area of 4% of total emissions.

It is our understanding that the MDE report will recommend keeping the manufacturing exemption in its October report. We believe the manufacturing exemption must also continue and be a part of any Commission recommendation in the event any greenhouse gas reduction goals are extended beyond 2020. Failure to keep that exemption in further years out beyond 2020 could negatively impact SPT's marketing efforts to attract new industries, an already difficult task under current conditions.

Third, it is premature at this time to recommend any specific percentage reduction goal beyond 2020. There are many issues to consider, as outlined in the draft policy options of the Commission. For the most part, these emerging issues have not been studied by the Commission or by the Mitigation Workgroup to any degree, and particularly with respect to economic impacts. At this point, we urge considerable caution for any recommended actions on these issues and reduction goals until adequate studies are made.

As noted, the Mitigation Workgroup has suggested various topics to consider regarding greenhouse gas reduction that include issues which may have significant impacts on the cost of energy in the state. Clearly the cost of energy is a key factor in the ability to attract new manufacturing or industry. Examples of suggestions of emerging issues have included changes to the requirements of the state's renewable portfolio standard, and potential controls on natural gas. The details of any recommended potential changes in these areas are not known at this point. Again, there has been no evaluation on how changes in these areas would affect energy costs in this state, and what the economic impacts may be, a critical but unknown impact on the development of projects such as SPT's.

Finally, and consistent with our remarks, should there come a time in the future to specify further greenhouse gas emissions, it is important that these reductions be a goal, and not a mandated requirement. This would be totally consistent with the successful GGRA, which established a goal of a 25% reduction. And as MDE has noted, it is highly probable that the state will meet that goal. On the other hand, new requirements that may be considered in the future could certainly have a negative impact on new business development if they impose mandated requirements regardless of impacts. Goals have worked with the GGRA, and should continue to be the norm.

SPT thanks you for the opportunity to consider its comments. We would appreciate it if MDE could forward our comments to the members of the Commission and the Mitigation Workgroup. We look forward to working with MDE, the Commission and its workgroups, and the General Assembly, and sharing our views on specific proposals as they are brought forward.

Sincerest Regards,

Aaron Tomarchio
Vice President, Corporate Affairs
Sparrows Point Terminal, LLC

cc: Ben H. Grumbles, Secretary, MD Department of the Environment
George (Tad) S. Auburn, Director, MDE Air and Radiation Management

SIERRA CLUB

October 22, 2015

Michael T. Richard
Deputy Chief of Staff
State House, Room H202
State Circle
Annapolis, MD 21401

Re: Forthcoming Recommendations from Maryland Department of Environment and the Maryland Commission on Climate Change

Dear Mr. Richard:

The Sierra Club appreciates the opportunity to engage in the ongoing work of the Maryland Department of the Environment (MDE) and Maryland Commission on Climate Change (MCCC) on responding to the consequences of climate change, and is writing to encourage the Hogan administration to act forcefully on both their recommendations and those in this letter.

The growing risks and costs for Maryland residents, businesses, and communities associated with the harmful impacts of climate change are becoming more apparent, and we are thankful for the Hogan administration's continued dedication to finding and supporting solutions to these challenges through bodies like the MCCC. Commerce leaders such as Hank Paulson and Michael Bloomberg have joined together through the *Risky Business* project[1] and cogently laid out the consequences of climate disruption across the nation and in our region. They accurately describe the opportunity ahead of us to address these challenges, which will ultimately protect our communities, economy, and natural environment. Maryland is facing risks of increased coastal flooding that causes rising property and infrastructure damage, declining agricultural output, and serious public health issues, including but not limited to increased prevalence and severity of respiratory conditions and the spread of Lyme disease and other vector-borne diseases to new areas. However, it is apparent that, as a state, we have the exciting opportunity to benefit in the near term and the future from smart and cost-effective mitigation measures and proactive adaptation efforts.

To help reduce these costs and grow Maryland's economy, we ask that the Governor support renewing Maryland's 2009 Greenhouse Gas Reduction Act (GGRA) and establish the State's next goal of at least a 45% reduction of greenhouse gases from 2006 levels by 2030. A 45% target in 2030 is in line with the commitments of your fellow governors in New England[2] and New York[3]. Maryland has demonstrated that meeting such a goal through efforts like the Regional Greenhouse Gas Initiative will create business opportunities, boost jobs, and lower energy bills, as the state is on track to achieve the original 25% reduction by 2020.[4] Recent

[1] http://riskybusiness.org/
[2] http://www.cap-cpma.ca/data/Signed%2039-1En.pdf
[3] http://energyplan.ny.gov/
[4] http://rggi.org/docs/ProceedsReport/Investment-RGGI-Proceeds-Through-2013.pdf

analysis, undertaken by MDE and Towson University, has demonstrated that Maryland's current GGRA policies, programs and goals are expected to generate $2.5 to $3.5 billion in added economic output and support up to 33,000 jobs in Maryland in 2020. Achieving a new 2030 target will similarly lower energy costs, enhance air quality, improve public health, and generate billions of dollars in economic output, while bolstering the creation of thousands of jobs in Maryland.

As a volunteer-led organization with members across the entire state, we firmly believe that it is also important for Maryland's current and future climate programs to provide equitable benefits for our overburdened communities, which are already impacted by and will continue to be the most vulnerable to the disruptive nature of climate change. As Maryland continues to improve upon our efforts to combat climate disruption, we will all benefit socially and economically by actively engaging all communities and populations in Maryland to ensure just solutions to these issues.

The public health and economic risks associated with climate disruption are clear, and Marylanders are excited for further action and leadership. Recent opinion surveys reflect that 74% of Marylanders support more action to reduce the worst impacts of climate change. Some of Maryland's most important economic structures like shipping, tourism, agriculture, and even the seafood industry, will face significant challenges in the face of sea level rise, prolonged heat waves, ocean acidification and extreme weather. Without action, Maryland governments, businesses and taxpayers will all pay substantially more to protect critical infrastructure, sustain economic prosperity, and promote public health.

We can and must act now to avoid the worst-case scenarios of climate disruption. The Sierra Club strongly supports the mission of the MCCC and the goals of the Hogan Administration to better protect and sustain Maryland's collective health and prosperity, and we look forward to continuing to work with Commission members, the Governor and his Administration, and the Maryland General Assembly to advance Maryland's efforts to address climate disruption.

Thank you for considering our comments.

Sincerely,

Maryland Chapter, Sierra Club

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