

Land of Opportunity

The American Response to Climate Change

CONFERENCE PROSPECTUS



June 25 & 26, 2008

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Land of Opportunity

The American Response To Climate Change

A Solutions-Oriented Invitation Conference of
Peers on Reducing U.S. GHG Emissions.

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Wildlife Conservation Society
World Resources Institute
Yale School of Forestry and Environmental Studies

Host

The Wild Center/Natural History Museum of the Adirondacks
Tupper Lake, NY

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A Seed Funder for the Conference.



This outline is a working document describing an invitational conference of peers that will address the role of the United States in confronting its man-made greenhouse gas emissions (GHG). The Conference will give invited participants an opportunity to explore possible greenhouse gas abatement policies, programs and private sector initiatives for the U.S.

Post-Conference communications will target a broad audience, including policymakers, on U.S. greenhouse gas mitigation strategies and related economic implications and opportunities.

BACKGROUND

Agreement is growing that human-caused climate change is having and will have profound effects on life on Earth. As time passes without significant action to reduce greenhouse gas emissions, the opportunity to manage the risks diminishes rapidly. Higher concentrations of atmospheric CO₂ and other greenhouse gases increase the likelihood of climate alteration that will severely disrupt life and reduce the capacity of the natural world to absorb and rebound from those disruptions.

That reduction in resiliency of the natural world would place escalating limits on the impact of future actions that society may take. According to the scientific community, the legacy we leave will likely be a world vastly reduced in quality and with reduced ability to support human and other life.

America has a compelling need to take leadership in combating climate change. The United States is the largest emitter of greenhouse gases on a per capita basis and it will grow markedly in emissions under a business-as-usual forecast through 2030 and beyond. The U.S. has an entrepreneurial economy with the economic, managerial and technological capacity to tackle the problem and, in so doing, find profitable opportunities both in the U.S. and abroad.

To help catalyze and crystallize a set of practical strategies to address GHG emissions, a group of partners and sponsors (in formation) will hold a two-day climate conference at The Wild Center in the Adirondack Park in June, 2008.

CONFERENCE PARTICIPANTS

The Conference will bring together more than 150 climate change leaders drawn largely from four major sectors: buildings & appliances, power generation, forestry/land use management, and carbon finance. The two emitting sectors have major impact on GHG emissions and hold large opportunities for addressing climate change (as does land use as a carbon "sink"). The financial sector will influence all aspects of the carbon marketplace and can direct investment strategies, change incentives, and reward advances. Participants will also include leaders from climate-concerned nongovernmental organizations (NGOs), academia and government. An invitation to participate in the Conference has been extended to select state and Federal government officials in the U.S.

TIMING

The Conference will occur at a time of policy debate that will likely determine whether America will ambitiously tackle climate change as an urgent national and global issue, and whether we will translate the response into a powerful economic engine and, ultimately, energy independence for the nation.

The Conference will address an issue that is rapidly gathering concern and scrutiny among the many parties at interest. Conference planners are mindful of the pace at which views on the issue are changing and will adapt the Agenda as appropriate as the date of the Conference approaches



ADVANCE INFORMATION

Participants will be provided in advance with the current fact base on the U.S. climate change outlook prepared by McKinsey & Company. In addition, a working memorandum on each of the four program topics - buildings & appliances, power generation, forestry/land use management and carbon finance -- including an analysis of current facts, constraints and abatement options, will be distributed in advance to conference participants.

PROGRAM

5:30 Reception at The Wild Center.

7:00 Dinner presentation on the Adirondacks, *Mike Carr, Executive Director, Adirondack Chapter, The Nature Conservancy*

DAY ONE

7:30 - 8:15 Sunrise Breakfast

The Conference will begin with several plenary presentations by recognized national and international experts on climate change. The first session will update the most advanced information behind projected physical impacts of global climate change. The second session will review likely economic consequences and possible future responses to climate change globally, with focus on emerging economies and on the global role of land use including deforestation. The third session will bring the issue back to the United States, looking at projected domestic greenhouse gas emissions and possible reductions and mitigation policies and their impacts.

8:30 Plenary Session 1: The Science and Physical Implications of Climate Change

John Holdren, Professor of Environmental Policy and Director, Program in Science, Technology & Policy, Kennedy School of Government, Harvard University; and President and Director, Woods Hole Research Center
Thomas E. Lovejoy, President, The Heinz Center for Science, Economics & the Environment

9:30 Plenary Session 2: Economic Impacts of Climate Change and the Global Outlook for Response

Dimitri Zenghelis, Chief Economist at the Cisco's Climate Change long term innovation group; Advisor to British Government, Senior Visiting Fellow at the London School of Economics (working with Nick Stern); Associate Fellow at the Royal Institute of International Affairs (Chatham House) in London

10:30-10:45 Break

10:45 Plenary Session 3: U.S. Outlook for GHG Emissions and the American Response

Ken Ostrowski, Director, McKinsey & Company

12:00 -1:00 Lunch

Afternoon Concurrent Sector Working Groups

The Conference will shift focus to options for greenhouse gas abatement, including specific options in three of the seven critical carbon impact areas: buildings & appliances, power generation, and forestry/land use management. Recommendations arising from these working groups will be presented in the Conference's final session. There will be a brief break during the afternoon working group sessions.

To the extent appropriate each Sector Working Group will develop a slate of possible "proof of concept" projects based on discussions supported by materials distributed in advance to conference attendees. The projects will focus on negative cost abatement options (options that generate positive economic value). The McKinsey Report, Reducing U.S. Greenhouse Gas Emissions: How Much at What Cost? indicates that the U.S. can reduce emissions by up to 28 percent by realizing negative cost options. Working Groups will seek to create actionable pro-

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posals, including policy options, for bringing negative cost solutions to ground in the U.S. Conference organizers are working with the State of New York to develop a starter list of project ideas.

Energy Sector Working Groups

These two groups will address opportunities to reduce energy use and related greenhouse gas emissions in the U.S. They will look for ways to integrate policy and regulatory options that reflect the direct relationship between the power generation industry and the consumption of energy by buildings and appliances. The groups will collaborate in advance of the conference to define and coordinate their agendas.

1:15 Concurrent Energy Sector Working Group 1:

Residential and Commercial Building Energy Consumption

Rick Duke, Director, Center for Market Innovation, NRDC

The session will begin with a panel review of the *Working Memorandum on Buildings and Appliances* produced by the Sector Advisory Team. The session will address policies, strategies and technologies to change the ways buildings and related appliances are designed, built and retrofitted to reduce greenhouse gas emissions. Buildings, and the energy consuming activities in them, are the largest source of greenhouse gases in the U.S., producing approximately 43% of emissions. This session will examine future building and appliance innovations and recommend best policies to rationalize the building sector's energy consumption in conjunction with the Power Generation Sector Working Group.

1:15 Concurrent Energy Sector Working Group 2:

Power Generation

Jon Creyts, Principal, McKinsey & Company

Hannah Granade, Associate Principal, McKinsey & Company

The session will begin with a panel review of the *Working Memorandum on Power Generation* produced by the Sector Advisory Team. The session will address policies, strategies and technologies to reduce greenhouse gas emissions in the power generation sector. Electricity generation accounts for approximately 34% of U.S. greenhouse gas emissions. The industry is capital intensive and hampered by existing policy frameworks and pricing uncertainties. This session will examine policy choices and technology options to reduce power generation's impact on climate and understand the breadth of economic costs and opportunities.

Forestry/Land Use Management Group

1:15 Concurrent Sector Working Group 3:

Forestry/Land Use Management

Peter Stein, General Partner, The Lyme Timber Company

Brad Gentry, Yale School of Forestry & Environmental Studies

The session will begin with a panel review of the *Working Memorandum on Forestry and Land Use Management* produced by the Sector Advisory Team. The session will address policies and strategies for improving land use management to expand its carbon sink effects and otherwise reduce greenhouse gas emissions. Changes in North American forests are expected to lead to a 14% decline in the capacity of forests to act as carbon sinks by 2030. This session will look at policies and trends in land use management that have potential to play an important role in near- and longer-term greenhouse gas mitigation.

3:45-4:00 Break

4:00 PLENARY SESSION 4: Findings and Recommendations on Global GHG Abatement by the Council on Foreign Relations *Michael Levi Climate Change Staff Director, Council on Foreign Relations*
Michael Levi, Project Director, Independent Task Force on Climate Change

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5:30 Reception at a nearby Adirondack Great Camp

7:30 Dinner at a nearby Adirondack Great Camp

Dinner Speaker: Dan Esty, Director, Yale Center for Environmental Law & Policy; Author: *Green to Gold: How Smart Companies Use Environmental Strategy to Innovate, Create Value, and Build Competitive Advantage*

DAY TWO

7:30 Sunrise Breakfast

8:15 Breakfast Presentation: Overview of the Debate on the Lieberman-Warner Bill
Manish Bapna, Executive Vice President and Managing Director, World Resources Institute

9:00 Plenary Session 5: Sectors Not Covered in Conference Working Groups: Transportation, Industry, Agriculture, and Waste Management Jon Creyts, Principal, McKinsey & Company/McKinsey & Company

In order to place the Conference's findings in the larger context of climate change, this session will review other sources of U.S. greenhouse gas emissions and outline policy choices under consideration.

10:00-10:15 Break

10:15 Plenary Presentation and Panel Discussion Session 6: Rationalizing Financial Markets in Relation to Climate Change *Paul Ezekiel, Managing Director, Credit Suisse Capital Markets*

Meeting the challenge of climate change will require the decentralized mechanisms of financial markets. The scale will be enormous as markets adjust to opportunities and risks coming from climate impacts and transformations in energy, buildings, transportation and other sectors. The financial sector has played a central role in fostering advances in information technology and biotechnology. It has a similar task, and similar opportunities, in meeting the climate challenge. This workshop, composed of carbon specialists in the financial sector and business, will look at opportunities and risks and how financial markets can advance solutions across all GHG sources.

The following will be addressed: Carbon trading and certification schemes (voluntary and compliance markets, offsetting credits, spillover issues, inter-year carbon banking, etc.) and carbon finance (all forms of financing carbon abatement projects, both privately and in cooperation with public agencies, including needed economic incentives), among other topics. In addition, the issue of "imported carbon" will be addressed as part of examining trading schemes (the U.S. imports carbon imbedded in products of up to an additional 20% to 50% of the carbon equivalents it generates).

12:00-1:00 Lunch

1:15 Sector Working Groups reconvene to finalize recommendations from Day One Sector Sessions.

2:15-2:30 Break

2:30 Plenary Session 7: Toward the American Solution

*Co-Moderators; Rob Socolow, Professor; Co-Director, The Carbon Mitigation Initiative, Princeton University
Carter Bales, Conference Co-Chair*

The afternoon session will look at ways the collective potential solutions to climate change can be practically addressed in the United States in a coherent and systematic way. The session will begin with a review and discussion of a suggested overall policy framework for abating U.S. GHG emissions.



Leaders from each of the three concurrent sector working group sessions will then present the results of their deliberations. The session will close with a discussion of the role of possible federal and state initiatives in addressing GHG emissions in order to move the American economy away from carbon reliance.

5:00 Concluding remarks Ross Whaley, Conference Co-Chair

5:15 A Matter of Degrees (optional)

Premiere of a film showing the dramatic impact climate change has had on the last 150,000 years on Earth, narrated by Sigourney Weaver.

5:30 - 7:30 BBQ Dinner at The Wild Center for those staying over until Friday.

Optional Adirondack Day Post Conference:

Participants and guests can choose among a number of Adirondack explorations or other recreational activities the day following the Conference. The Adirondack Chapter of The Nature Conservancy will offer tours of protected areas and a range of sporting options (canoeing, hiking, fishing, float plane trips). Details and options for this day will be supplied in advance to all participants.

POST CONFERENCE INFORMATION DISTRIBUTION

Conference proceedings:

Document detailing Conference proceedings will be published.

Website:

www.usclimateaction.org. The website offers information on the conference and, after the conference, will contain conference findings, podcasts of plenary presentations and other conference follow-on information.

Movie:

A traveling version of the climate movie, *A Matter of Degrees*, produced by Chedd-Angier-Lewis Productions, will be created for broad public viewing. The movie will help people understand how small changes in climate have shaped life on Earth, capitalizing on awareness of ice ages and other climate-related phenomena to illustrate the true power of climate.

Regional Follow-On Conference:

A follow-on conference on climate change in the Adirondacks will occur in fall 2008, building on *The American Response to Climate Change* Conference. It will be part of a larger effort to transform the 10,000 square mile Adirondack Park into a best practices rural model for mitigating GHG emissions.

Curriculum:

The Wild Center will develop a course on climate change for distribution in New York school systems. The curriculum program will include a component in advance of the Conference involving a statewide student climate change competition designed to raise awareness and generate ideas about concerns that matter most to students. The curriculum will include an adapted version of the movie, *A Matter of Degrees*.

ABOUT THE HOST

The Wild Center is a natural history museum set on a 31-acre campus in New York's Adirondack Park. The Museum was designed by Hellmuth Obata + Kassabaum, one of the world's foremost architectural firms. The Wild Center facility includes a range of indoor spaces and the technological infrastructure ideal for conference use. The Wild Center recently achieved Silver LEED Certification, the first museum in New York State to receive this designation.

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THE ADIRONDACK LOCATION

The Adirondacks are a land of magnificent lakes, mountains, over 30,000 miles of rivers and streams and a wide variety of habitats, including globally unique wetland types and old growth forests. The blend of private and public lands, including 105 towns and villages within the Park, give the Adirondacks a diversity found nowhere else - a diversity of open space and recreational lands, of wildlife and flora, of mountains and meadows, and people of all walks of life. As the largest park in the lower 48 states, it provides a natural setting and positive precedent.

It is appropriate to look seriously at climate change in the Adirondacks -- a place once stressed by human activity, and then allowed to recover before the wilderness and its ecosystem services were severely diminished. The first policies protecting American forests came from botanists working in the Adirondacks. The voters of New York created the setting for the largest effort in American history to manage lands when they voted to make nearly one fifth of the state a park after extractive industries threatened the Adirondack ecosystem. The legislation that created the first cap-and-trade policies was spawned when acid rain threatened Adirondack lakes and forests.

The Adirondacks are often cited as a model for the future of natural places, where nature and people coexist in the same geography. The challenge of climate change is a challenge of people and nature, the same challenge that defines the modern Adirondacks, played out on a global scale.



Sunrise at The Wild Center. The museum will be the host for the Conference.