

# US Action to Address Climate Change: Business Views on Policy and Market Development

BCSE COP13/CMP3 Side Event  
December 6, 2007

The Business Council for  
Sustainable Energy



# About the BCSE

- Broad-based industry coalition of energy efficiency, natural gas and renewable energy interests
- The Council's coalition includes power developers, equipment manufacturers, independent generators, green power marketers, and gas and electric utilities as well as several of the primary trade associations in these sectors



# Sample of Council Members

- **Energy Efficient Products & Retailers**
  - Insulation – NAIMA and PIMA
  - HVAC – American Standard/Trane, York International
  - Wal-Mart
- **Developers, Equipment & Service Providers**
  - GE Wind, Sun Edison LLC, PPM Energy, Solar Turbines
- **Gas & Electric Utilities**
  - Sempra Energy, NiSource, SMUD, PSEG, PG&E
- **Industry Organizations**
  - Alliance to Save Energy, American Wind Energy Association, American Gas Association, Solar Energy Industries Association, Interstate Natural Gas Association of America, National Hydropower Association



# BCSE Mission

- BCSE advocates energy and environmental policies that promote markets for clean, efficient and sustainable energy products and services
- The Council has significant expertise in the design of climate change policy and workable emissions trading systems
  - State, federal and international levels



# Why Bali Is Important

- Climate change is a global challenge
- Bali must show continued momentum in development of legally-binding international frameworks to strengthen price signals for clean energy deployment



# BCSE Recommendations for Bali

- Agree to launch a new negotiating round on a post-2012 framework;
- Agree to conclude negotiations on such a global agreement by 2009;
- Agree on elements of a stable long-term market framework for low carbon technology development and deployment; and,
- Agree to maintain continuity in the legally-binding frameworks underpinning the carbon market.



***Please contact Lisa Jacobson,  
BCSE Executive Director,  
for more information***

1620 Eye Street, NW  
Suite 501  
Washington, DC 20006 USA  
Phone: 202.785.0507  
Fax: 202.785.0514  
[www.bcse.org](http://www.bcse.org)

The Business Council for  
Sustainable Energy



# Principles on Climate Change Policy

- Federal approach is needed
- Climate change policy is energy policy
  - Energy and environmental policy should be integrated
- Clean energy deployment – energy efficiency, renewable energy and clean generation – are key to keeping compliance costs down
- Clean energy and energy efficiency should be addressed directly in the program





# Elements of a Federal Climate Change Program

- The Council supports a federal climate change policy that includes the following elements:
  - National
  - Mandatory, economy-wide and market-based approach
  - Expands the development and use of clean energy sources
  - Promotes a financial value from allocating allowances to clean energy and energy efficiency technologies
    - Output-based allocation method
    - Clean energy set-aside allowance pool or other revenue-generating mechanism



# Elements of a Federal Climate Program (cont'd)

- Expands the development and use of energy efficiency and natural gas technologies, including the direct use of natural gas, on-site generation from combined heat and power, and energy efficiency for demand reduction
- Establishes near-term and long-term targets that are consistent with investment cycles



# Elements of a Federal Climate Change Program (cont'd)

- Promotes compatibility with voluntary markets so non-capped businesses and households can continue to support markets that result in actions beyond mandatory obligations and
- Establishes linkages with international programs

