

September 20 2017

Principles for policy packages for Deep (80-100%+) Decarbonization

Low Emissions Solutions Conference 2017

Dr. Chris Bataille

Associate Researcher / Adjunct Professor

IDDRI-SciencesPo (Paris) / SFU (Vancouver)

chris.bataille@iddri.org







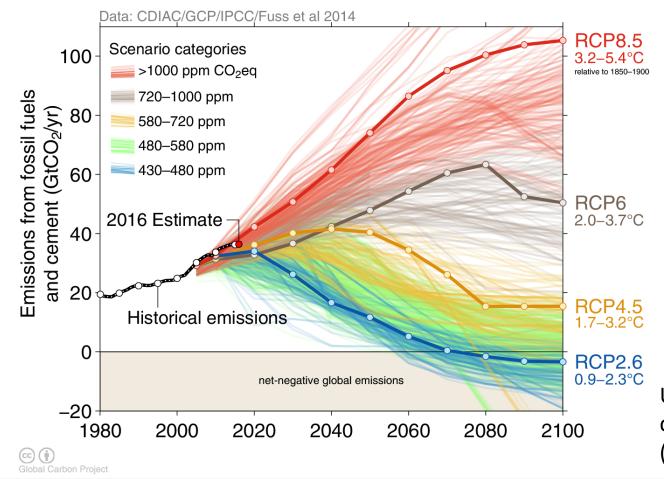
Key points and assumptions

- +1.5-2°C requires zero global emissions by 2060-2080
- The technology exists to do this for all sectors, but needs development, piloting support, and regulations or carbon pricing
- What we need is well designed policy packages, built on well informed jurisdictional consensus/functioning majorities, that reflect national and regional capacities, politics, resources, and other key circumstances.
- This talk is about what needs to go into making those policy packages, with some (at one time unlikely) success stories from Canada

The global carbon budgets & what the 2015 Paris Agreement « well below 2°C » means



- ☐ Total GHGs >/2
- ☐ GHGs/capita >/3
- ☐ GHGs/unit GDP
 - > /~ 10
- ■Net-zero ~2070
- ☐Global peaking ... now



Updated with data from Fuss (2016)

It is technically possible: the pillars of decarbonization

- Efficiency (min 50% improvement)
- Decarbonization of energy carriers (electricity, hydrogen, biofuels, synthetic hydrocarbons (e.g.NG))
- Switching to decarbonized energy carriers
- Direct emissions reduction
 - Management of all land in consideration of carbon emissions
 - CCS to eventually allow net-negative emissions
- Domestic and international institutions to carry out policy, allow emissions trading, and conduct shared R&D projects

Principles for building policy packages

- **Policy 101:** Effectiveness (coverage and stringency), efficiency, political survivability & administrative feasibility
- 101+: The need to reduce fear and build a working majority consensus of stakeholders, ideally through visioning/pathways exercises
- Policies must reflect the behaviour of the decision maker
 - Performance orientated regulations for less price-sensitive sectors (households), e.g. for buildings, transport, fugitive, land use emissions.
 - -Carbon pricing for price-sensitive sectors (firms), and to drive innovation.
- **Policies that support:** R&D and prototyping; infrastructure planning and investment (e.g. municipal land use, transit finance,).
- Institutions to monitor sectoral progress, and to adjust policy if necessary.

The Canadian DDPP policy package

- Best-in-class mandatory energy and GHG intensity regulations requiring the use of zeroor near-zero emission technologies in the buildings and transport sectors (& potentially electricity), applied to all new & retrofits:
 - Net-zero-energy homes starting in 2025, & commercial buildings in '35
 - All new personal vehicles zero GHG energy by early 2030s, and heavy freight by 2040.
- Hybrid carbon-pricing, for heavy industry & the rest of the economy:
 - A general carbon price starting at \$10/tonne CO₂e increasing \$10/yr, adjustable to tech.
 progress, revenues used to reduce taxes & fund R&D and piloting
 - Cap & trade for heavy industry, designed to address competitiveness, leakage & linkage.
- Mandatory controls for all landfill and industrial methane sources.
- Land-use policy that values the net carbon flows of large parcels.

The upshot – most of the policy "architecture" is in place, but needs to tighten

- Ontario phased out coal 2007-'14, and joined the Western Climate Initiative WCI along with Quebec, which is affectively an upstream general carbon price.
- BC has had a text book carbon tax since 2007, stuck at \$30/tonne CO₂e. Finally rising.
- Alberta has, as of 2016, constructed a complete policy package, with efficiency regs, coal
 phase out, RPS for electricity, full cap & trade w/ OBA for all emitters & ... a carbon price
- Pan Canadian Framework: The federal government has a minimum carbon price of \$10/t in 2018 rising \$10/year for 5 years, & working on a national cap & trade based on Alberta's system. Homes, commercial buildings and transport codes are aligned with eventual decarbonization. Methane regs under negotiation. Some reluctant provinces ...
- Land use management and "arms-length" monitoring institution missing
- Questions? cbataill@gmail.com or Twitter DM me at @bataille_chris