

ICCAG Modeling Sensitivity Runs
June 8, 2007

Planned Runs (In addition to the Reference Case)

1. All strategies approved for modeling by the ICCAG (“All-In”)
 - a. Cap and Trade auction revenues: 80% EE; 10% CCS incentives; the remaining 10% divided between worker transition training (if necessary), program administration, and low-income energy assistance.
 - b. Proposal #9: 5% CCS portfolio standard with 90% capture efficiency.
 - c. No market linkages to the RGGI states or other markets.
2. All-In with linkage to the RGGI states.
3. All-In: Assume high natural gas prices
4. All-In minus the Cap and Trade proposal
5. All-In: Adjust expenditures of Cap and Trade auction revenues to 45% EE; 45% CCS incentives; with the remaining 10% divided between worker transition training (if necessary), program administration, and low-income energy assistance.

Proposed

1. All-In minus proposal #9, CCS Portfolio Standard.
2. All-In minus cap and trade plus a modification of Proposal #5, Carbon Performance Standards, to include existing sources as well as new sources. Essentially, Carbon Performance Standards replaces Cap and Trade.
3. All-In and for Proposal #18, California Vehicle Emissions Standards, assume the auto manufacturers’ projections for increases in vehicle purchase prices.
4. All-In: Assume high oil prices.
5. All-In: Assume both high gas and high oil prices
6. All-In with Proposals #2 (Tree Planting), #21 (No-till Farming), and #11 (Methane Capture) eligible as offset projects under Cap and Trade but they are not eligible for other new incentives. In practice, this means subtracting these proposals from the All-In scenario as they will be part of Cap and Trade instead.