

Midwest Governors Association (MGA) Greenhouse Gas Accord Model Rule

GCF Aceh, May 2010



Midwest Governors Association

- 2007 Greenhouse Gas Accord Group
Comprised of: Wisconsin, Minnesota,
Michigan, Iowa, Illinois, Kansas, Manitoba





Model Cap and Trade Rule

- Released May 2010
- Intent to advocate for ideal elements of a federal system
- 2020 target of 20% of 2005 levels
- 2050 target of 80% of 2005 levels
- Offsets are included



Scope

- Electricity, Industrial and Transportation fuels are included
- Biomass, Biofuels and Biogenic emissions are excluded from regulation



Linkages

- System linkages would be examined with:
 - Western Climate Initiative
 - Northeast Regional Greenhouse Gas Initiative
 - European Emissions Trading System



Offsets

- <20% of compliance
- International offsets can be allowed by petition after initial compliance period (3 years)



Types of Offset Projects

- Offset project types are not specified in the proposal
- Technical and Science committees will recommend offset types to the regulatory agency



Summary

- MGA proposes allowing international forest offsets as part of cap and trade program
- Details are not yet worked out
- Discussions on-going within MGA and with other U.S. regions and federal agencies

Thank you.

Terima kasih.

