

## Minutes of CCC Meeting - 20/03/09

Present were Adair Turner, Bob May, Brian Hoskins, Julia King, Michael Grubb, Jim Skea, Sam Fankhauser, David Kennedy

### **1. The Copenhagen Science Conference [March 10<sup>th</sup>-12<sup>th</sup>]**

The Committee noted the key findings presented at this conference, and agreed that these had in large part been considered in recommending a minimum 80% emissions reduction target for 2050. The Committee agreed therefore that the target should not be reconsidered at the current time.

The Committee agreed that the scientific evidence base should be reviewed periodically, with adjustment of the target to reflect new scientific evidence as appropriate. The Committee will review the scientific evidence base in the context of providing advice on the level of the fourth budget, due at the end of 2010.

### **2. Tyndall Centre report on CCC Advice**

#### **Global emissions trajectories**

The Committee discussed the recent Tyndall Centre report on CCC advice, noting that this proposes more ambitious emissions reduction targets than were recommended by the CCC.

The Committee agreed that the difference in trajectories largely reflects different climate objectives:

- The Committee's objective is to keep central estimates of global mean temperature change by 2100 at or close to 2 degrees C above pre-industrial levels and to keep the probability of temperature increase more than 4 degrees C at very low levels. Based on analysis using the MAGICC model, trajectories consistent with meeting this objective involve peaking of CO<sub>2</sub> eq concentrations at around 500 ppm.
- The Tyndall Centre analysis was aimed at achieving stabilisation at 450 ppm CO<sub>2</sub> eq without allowing concentrations to overshoot beforehand.

The Committee requested the Secretariat to prepare a short note on differences in the two approaches.

#### **UK carbon budgets**

The Committee noted the Tyndall Centre proposal that the Intended budget be adopted straight away and that this should be met only through domestic emissions reductions.

The Committee reaffirmed its position that meeting the Interim budget through domestic action would put the UK on track to meet the 80% target to 2050, and that transitioning to the Intended budget through purchase of credits would be an appropriate contribution to global emissions reduction following a post 2012 deal.

### **3. Government proposals for policy covering residential buildings, presentation by the Office of Climate Change**

The Government's Office of Climate Change presented a summary of proposals set out in its recent consultation on policies for reducing emissions in the residential buildings sector.

The focus of the presentation was proposals for design of the Supplier Obligation to come into force from 2013. The Committee noted in its December report that design of the Supplier Obligation will be key to delivering residential emissions reductions through more insulation, and that this will have a significant impact on delivery of the Current, Extended and Stretch ambition emissions reduction scenarios.

Key aspects of Supplier Obligation design are:

- The whole house approach: is there an energy audit with follow up? What measures are covered by the whole house approach (e.g. loft / cavity wall / solid wall / under-floor insulation, thermostatic radiator valves, early boiler replacement, glazing, microgeneration of renewable heat, etc.)?
- The neighbourhood approach: what does this mean? To what extent can energy companies lead a neighbourhood approach, or will other bodies (national / local government, new independent coordinating bodies) have a leading role to play?
- Financing: what is the appropriate balance between socialising costs versus charging individual households, given the need to balance incentives for uptake with distributional considerations.

The Committee will return to these issues and take a position for the September report.

### **4. Carbon budgets: reconciling CCC and Government proposals, presentation by the Office of Climate Change**

The Office of Climate Change compared the CCC's budget proposals with Government numbers and confirmed that these are largely the same.

Some small differences occur because:

- Official emissions projections for the non-traded sector in the first budget period have been adjusted:
  - Some of the emissions reductions previously envisaged under the Climate Change programme policies are now not expected to ensue in the first budget period.

- Allocation of industrial emissions has been changed to allocate slightly more of these to the non-traded sector.
- Under the EU framework, changes in emissions projections for the first budget period will have implications for the emissions ceilings in the period to 2020.
- The agreed traded sector cap for Phase III of EU ETS was tighter than had been proposed in the January 2008 package from the European Commission.

The Government will hold a cabinet sub-committee meeting to decide whether to accept the CCC's advice on Interim versus Intended budgets and the use of credits to meet these.

**5. Aviation review, update on approach to efficiency improvements, presentation by CCC Secretariat**

The broad approach to the Committee's review of UK aviation emissions was agreed at the previous meeting in February.

The presentation by the CCC Secretariat provided an update on the agreed approach, and more detail on the proposed approach to assessing efficiency improvements.

The Committee noted the range of assumed annual average fleet efficiency improvements from around 1%-2.5%. These improvements are driven by assumptions on:

- Improved efficiency of planes over time.
- The rate at which more efficient planes are absorbed into the fleet.

The Committee agreed an approach that would develop a view on improved efficiency of planes building on the work done by QinetiQ for the December 2008 report, to be fed into a fleet model which will be developed by outside consultants.

**6. Transport demand: areas for further analysis, Presentation by Phil Goodwin (Special Adviser on transport to the Committee)**

Phil Goodwin presented the summary of an expert workshop on how the CCC can develop its preliminary analysis on potential for emissions reductions through consumer behaviour change.

The presentation identified four areas where further work is needed:

- The use of levers to change the generalised cost of car travel, including price levers (e.g. fuel duty, road pricing), and network management measures.
- Emissions reductions that may ensue through implementation of Smarter Choices measures, including new evidence emerging from sustainable travel town pilots.
- The role of ICT in changing travel behaviour (e.g. more remote working as ICT infrastructure improves).
- The role of in-car speed limiting devices in supporting enforcing the existing 70 mph speed limit.

The Committee agreed to consider the evidence in these areas in more detail. The Committee also agreed a proposed expert workshop on the role of land use planning in changing location decisions / travel patterns.

**7. Lead indicators for energy use in residential buildings, presentation by the CCC Secretariat**

The CCC Secretariat presented a framework for lead indicators with an application to the use of energy in residential buildings. The framework included four levels of indicators:

- Residential sector emissions
- Energy demand / carbon intensity of supply
- Penetration of measures (e.g. number of cavity walls and lofts insulated, number of properties with biomass boilers)
- Policy milestones (e.g. date by which high powered incentives need to be in place given constraints on pace at which measures can be implemented).

The proposal was that indicators of penetration and milestones should be grouped according to three baskets of measures:

- Improved energy efficiency
- Renewable / low carbon energy sources
- Changes in lifestyle.

Data on indicators for measures in these baskets is available in a timely manner from a number of sources (e.g. national statistics, CERT monitoring data, the Energy Savings Trust's Home Energy Efficiency Database, etc.).

The Committee agreed the proposed framework in principle, with further discussion required as indicators and milestones are developed.

The Committee requested that the Secretariat return with proposals for frameworks to apply to power and transport sectors.