

## **Minutes of CCC Meeting, 07/05/10**

Present were Adair Turner, Jim Skea, Sam Fankhauser, Robert May, Brian Hoskins, David Kennedy

### ***1. CCC Sustainability Strategy***

The Committee agreed a three part sustainability strategy based on:

- Measuring emissions: the CCC's emissions comprise gas for heating, electricity for cooling and appliances, and transport. Previously emissions relating to Committee members travel have been excluded, but will be included going forward.
- Reducing emissions: progress has been made through installation of motion sensitive lights, purchase of efficient appliances, and introduction of recycling. Targeted further emissions reductions include from more efficient heating / cooling, very limited travel by plane / first class, and increased recycling.
- Offsetting: emissions will be fully offset for an interim period before progress reducing emissions is feasible. Offsetting will be through a scheme based on retiring EUAs.

The Sustainability Strategy will be published in the Annual Report and Accounts for 2009 /10.

### ***2. Progress reducing emissions from agriculture***

The Committee considered an assessment of progress reducing agricultural emissions and scope / the framework for reducing future emissions.

The Committee agreed:

- Given uncertainties over drivers of emissions reductions, it is important to focus on underlying measures (e.g. fertiliser application, livestock numbers, etc.).
- Increased fertiliser prices have resulted in less use and therefore less emissions from soils, suggesting the potential for a price based instrument to secure future emissions reductions.
- More generally, serious consideration should be given to a range of policies beyond provision of information / encouragement to farmers. The Committee noted that a *light touch* approach has generally not been successful in other sectors.
- The Government's target for emissions reduction appears to be conservative relative to underlying potential.
- A better evidence base is required to identify emissions reduction potential, progress implementing measures, and emissions impacts.

These key points will be reflected in the Committee's forthcoming report to Parliament.

### ***3. Low carbon RDD&D review – technology priorities***

The Committee agreed that the basis for technology priorities should be previous analysis of the path to meet the UK's 80% emissions reduction target (e.g. early decarbonisation of the power sector, extension of low carbon power to heat and transport, etc.).

The basis for support should primarily be the extent to which a technology will contribute to meeting UK carbon budgets, together with R&D / industrial capability. However, the Committee requested that the possibility of UK activity to develop technologies primarily for deployment in other countries should not be ruled out (e.g. solar PV research).

The Committee accepted the distinction between technologies where the UK will focus on innovation, versus innovation and production, versus production only / systems integration.

Evidence presented by the Secretariat suggested that the UK has research capability across a range of technologies, but currently more limited industrial capability. In future, it is likely to be desirable that further industrial capability is developed (e.g. electric cars, heat pumps, demonstration of zero carbon buildings, demonstration of smart grids).

The Committee agreed that current technology support is broadly appropriate, and that it will be important not to cut funding / reduce ambition in the context of fiscal tightening.

### ***4. The role of CCS in reducing industrial emissions, and broader industry work programme***

The Committee agreed that the report to Parliament will include assessment of latest industry emissions data, discussion of the evolving evidence base (e.g. recent updates to the Enusim model), and possible discussion of Climate Change Agreements.

The Committee noted that CCS technology may offer significant and cost effective potential for reduction of emissions from energy intensive industries in the period to 2030.

The Committee highlighted the need to reflect economy wide developments in industry emissions projections so as not to overstate scope for CCS abatement (e.g. by reducing projected activity at refineries in line with growth in electric vehicles).

The Committee noted that the work on CCS will be integrated with assessment of scope for use of biomass in industry, and requested that the starting point for a broader assessment should be mapping of industries to sources of emissions (e.g. electricity related, low grade heat, high grade heat, etc.) and options to address these emissions (e.g. electricity sector decarbonisation, biomass, CCS, other).

## ***5. Recent developments in climate science – report by the AVOID consortium***

The AVOID consortium were commissioned by the Committee to review developments in climate science since 2008 in order to inform advice on the fourth carbon budget.

The AVOID consortium presentation suggested that although there is new evidence on the carbon cycle since 2008, this would not warrant a new modelling approach by the Committee (i.e. early peaking of emissions followed by 3% / 4% annual emissions reductions would still be expected to deliver the Committee's climate objective).

Specific points made by AVOID included:

- New evidence suggests that the approach to overshooting adopted by the Committee remains appropriate.
- In describing temperature impacts, these are better presented as median temperature increase rather than probabilities of limiting temperature change to less than 2 degrees (because the gradient of the temperature cumulative distribution function is steep around 2 degrees).
- A number of uncertainties remain, for example, as regards forest and vegetation absorption, emissions from wetlands, ocean hydrates and permafrost.

The AVOID review also consider new evidence on damages from climate change. Again, it concludes that there has been no significant change in the evidence. AVOID stressed that 2 degree temperature increase should not be regarded as safe given, for example, sea level rise and impacts on low lying areas, water stress, desertification, health and ecosystems impacts.

The Committee will consider further the AVOID report at the next meeting.

## ***6. AOB***

The Committee agreed to delegate to the Audit Committee the recommendation to the Accounting Officer that the Annual Report and Accounts 2009-10 be signed.