

EMA's 15th Annual Fall Meeting Recap

(November 3, 2011) Last week's 15th Annual Fall Meeting saw resurgence in interest and activity for environmental markets. With the recent adoption by California of regulations to implement a cap-and-trade program as part of AB 32 and the introduction of EPA's Cross State Air Pollution Rule (CSAPR), over 130 attendees from utilities, banks, law firms, government agencies, and NGOs packed the meeting rooms for panel discussions and presentations on how these new rules could impact trading.

Platinum Sponsor GreenX opened the meeting with CEO Tom Lewis' remarks on the state of the markets. Gary Guzy, counsel for the White House Council on Environmental Quality, followed up with the administration's focus on increasing the use of renewable energy and meeting its international commitments. A roundtable moderated by author and Vice President of EDF, Eric Pooley, followed. Additional panelists included Commissioner Nancy Ryan, California Public Utilities Commission; John Melby, Managing Director, North America, GreenX; and Gary Guzy.

Following a short break, the Cross State Air Pollution Rule session, moderated by EMA Board Member and ICAP Market Analyst, Gary Hart, dug into the legal issues surrounding EPA's recent rule. With the last minute cancellation of Sam Napolitano from EPA, the panel made up of Chairman Bryan Shaw, Texas Commission on Environmental Quality; Karl Karg, Latham & Watkins; Gary Helm, PJM Interconnection; and Steve Fine, ICF International, explained critical issues with the rule. (See AirDaily from October 27th and 28th for their full analysis).

After a networking break and lunch, Eric Pooley presented a summary of his book, "The Climate War," and highlighted the need for concrete examples to push the environmental agenda to a higher priority. The next session was a roundtable of key issues regarding the implementation for California's AB 32. The session was moderated by Clare Breidenich, Director of GHG Committee, Western Power Trading Forum. Panelists included Frank Harris, Manager of Corporate Environmental Policy, Southern California Edison; Greg Greener, Manager, Environmental Trading and Analysis, Calpine; Daniel Lieberman, Carbon Asset Advisor, Chevron; Malcolm Weiss, Partner, Hunton & Williams; and Patrick Pfeiffer, Senior Broker, BGC Environmental Brokerage Services.

The final session on the first day addressed California's Renewable Portfolio Standard and its aggressive targets. This session was moderated by Steve Fine, VP, ICF International. Presenters included Nancy Ryan, Commissioner, California Public Utilities Commission; Laura Beane, Manager, Policy and Regulatory Group, Iberdrola Renewables; and Harry Singh, Vice President, Goldman Sachs & Co.

The second day of the conference was kicked off by Linda Adams, Chairman of Climate Action Reserve and Former Secretary of California Environmental Protection Agency, who then participated on a roundtable discussion on the regional markets including California, the Western Climate Initiative, and the Regional Greenhouse Gas Initiative. This session was moderated by Ethan Ravage, IETA. Additional panelists included Jean-Philippe Brisson, Senior Counsel, Linklaters LLP; Kristin Eberhard, Legal Director of Western Energy and Climate Projects, NRDC; Kyle Danish, Partner, Van Ness Feldman; and Michael Gibbs, Secretary, California EPA.

The next session included two break outs: (1) New Trends in Environmental Credit Products and (2) Project Finance Workshop: The Future for Environmental Assets in Energy, Efficiency and Infrastructure Finance. New Trends in Environmental Credit Products covered how new environmental credits are being offered in the markets. The session was moderated by Shawn Severn, Bluefield Holdings. Panelists included Tiffany McCormick Potter, Founder, EcoAnalytics; Paul Marchetti, Executive Director, PENNVEST; and Scott Deatherage, Partner, Patton Boggs. Project Finance Workshop: The Future for Environmental Assets in Energy, Efficiency and Infrastructure Finance was moderated by Cameron Prell, McGuire Woods. Panelists included Susan Wood, Consultant; Jeff King, Managing Director, Environmental Markets, Scotia Capital; and Adam Raphaely, Director of Environmental Markets, Karbone.

The final session of the conference was “Offsets: Will California Have Enough?” This session covered compliance strategies for California Utilities given the current supply issues of the existing offset program. This session was moderated by Adam Diamant, EPRI. Panelists included Derik Broekhoff, Vice President for Policy, Climate Action Reserve; Morgan Hansen, Associate, CE2 Capital Partners; and Srikanth Venugopal, Director, Environmental Risk and Trading, TransCanada.

Presentations from these sessions are available to members only at the following link:<https://netforum.avectra.com/eweb/DynamicPage.aspx?Site=EMA&WebCode=Presentations> (Login is required)

The next meeting for the Environmental Markets Association is slated for April/May of 2012. The specific date and location have yet to be determined.