Session 3 summary:

Developing a pathway to achieve net zero

Net Zero Leader presenters:

Washington State and São Paulo State

Watch the session <u>here (English)</u> and <u>here (Español)</u>.



Key takeaways

Insights from the Pathways Framework toolkit

- The <u>Pathways Framework</u> is a 9-step process that supports state and regional governments to develop a 'pathway' to reducing emissions.
- The Climate Group presented on steps 4 to 6 during this webinar, looking at how to design actions and model scenarios to guide the development of your pathway. If you missed the previous steps you can catch up by listening to <u>dialogue session 1</u>.
- The distinction between actions and impacts is particularly relevant the impact of policies can be divided into GHG-effects (decreased emissions or increased removals) and non-GHG effects (social and macroeconomic benefits). Modelling to determine the effects of your policies is highly recommended.
- We also introduced the <u>Pathway Accelerator</u>, a package of tailored expert support to initiate or expedite development of a decarbonisation pathway. For more information on this service, please contact Henry Quintana at hquintana@theclimategroup.org



Key takeaways

Washington State's 2021 Energy Strategy

 Washington's energy decarbonisation strategy was informed by targets outlined in the 2019 Clean Energy Transformation Act.

 Together with a 27-member advisory committee and external consultants, Washington developed deep decarbonisation pathway models that explored the emission reduction potential of:

• Electrification • Gas in Buildings • Transport Fuels • Constrained Resources • Behaviour Change.

 The models helped guide the development of recommendations in each sector. External experts identified specific actions for more hesitant sectors and added legitimacy to the recommendations.

 Managing the different stakeholder groups was a mammoth task, particularly getting the advisory committee to understand modelling outcomes.



Q&A with Washington State

1) Washington State is embarking on quite a transformational journey. How will you make sure local communities are with you?

We use the State Energy Strategy as a resource in advocating for policy changes at the Legislature. It is also available for other advocates, such as local climate action groups, to use in developing plans and advocating for change.

2) How are you raising resources to implement your netzero vision?

The cap-and-trade mechanism passed by the Legislature in 2021 will be the largest source of funding for energy transformation programs. These programs must be used primarily for projects that benefit people in overburdened communities. Electric utilities also play a significant role in financing the transformation, through direct investments in renewable-generating resources, transmission, and grid modernization and through financial incentives to their customers. Washington also uses taxpayer funds to support innovative programs intended to accelerate clean energy projects in the state.



3) How can a state identify what the Race to Zero calls "emissions that are not feasible to eliminate", the only category that should be neutralized rather than reduced to absolute zero?

The State Energy Strategy does not make a formal determination about emissions that are not feasible to eliminate. However, it is limited to energy-related emissions and assumes for analytical purposes that non-energy emissions will be difficult to eliminate. It also identifies bunker fuel used in international shipping as a source of emissions that would require offsets rather than elimination.

4) What challenges did you face on achieving buy-in to pass the 2030 target and how did you overcome them?

The adoption of emissions reduction limits, including the 2030 target, occurred with the state Legislature over several years. The Legislature first adopted state-wide emissions limits in 2008 and 10 years later directed the state environmental agency to recommend updated standards based on current science. The Legislature included the agency's recommended standards in the 2021 State Energy Strategy and enacted them in statute in 2020.



Key takeaways

São Paulo's <u>decarbonization pathway and green</u> <u>recovery</u>

- The biggest challenge identified by São Paulo in developing a pathway is continuity. Governments must foster understanding and management of pathway tools through the help of outside experts. Where experts aren't available, 3rd party auditing can be used to verify tools.
- If pathways aren't available, São Paulo recommends employing existing sectoral GHG inventories to identify which sectors are the highest emitters and develop decarbonization strategies accordingly.
- The development of pathways must involve engagement from everyone. Local communities must feel a sense of ownership over the tools early on.
- Pathways represent a medium-term strategy towards a green recovery. Long-term green recovery strategies require a wholesale transformation in infrastructure.





Net Zero Futures.

Cities and regions are the frontlines of climate action. So it's essential that we show that net zero targets are not only achievable, they're necessary. We must set the bar high and be bold to address the scope of this crisis.

Jay Inslee, Governor of Washington







