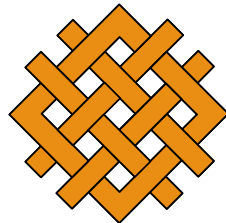


# Modeling Potential Policy Recommendations



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# Reference Case Construction Complete

- Approved by Task Force at February 5th meeting
- Reasonable forecast of the future suitable for Task Force needs
- Point of comparison for policy runs
- Key caveats and context will be documented going forward

# Process for Policy Case Runs

**Approved Templates  
for modeling**  
(in packages)

**Winrock**  
Results from  
analysis

**Assumptions  
Book**  
Informed by TAG  
and workgroup  
co-chairs

*TAG oversight  
throughout process*

**ENERGY2020  
+  
REMI**

**Policy Case  
Results**  
Emission reductions  
Cost of reductions  
Macroeconomic  
changes

**Approved Templates  
not modeled**

**Task Force  
Recommendations**

# Analytical Approach

## Policy package scenarios

- Account for policy overlap and interactivity
- Maximize time, resources and useful information
- 10-12 scenarios will be analyzed
- Provide a manageable amount of information
- Focus on more complex options (cap and trade, CA cars)
- Data and key assumptions will be compiled by TAG with input from Workgroups

# Draft Policy Package Scenarios List

1. All policies except Cap and Trade (C&T)
2. All policies except C&T and CA cars
3. All policies and C&T (100% auction)
4. All policies and C&T (100% free allocation)
5. All policies and C&T (10% cap on offsets)
6. All policies and C&T (No cap on offsets)
7. All policies and C&T without CA cars
8. All policies and C&T (high cost sensitivity)
9. All policies and C&T (low gas prices)

# Modeling will show changes in WI under different policy package scenarios

Results will include changes in:

- Energy costs
- Emissions
- Economic output
- Electric generation
- Fuel demand
- Jobs
- Income
- Several other indicators

***All results will be:***

- ***Directional not definitive***
- ***Relative to the Reference Case***
- ***Used to inform Task Force recommendations***

# Policy Modeling Timeline

## End of February

- Finalize remaining templates to be modeled
- Finalize policy package scenarios
- ICF characterizes policies in ENERGY2020 with TAG and Workgroup input

## March

- Policy runs initiated and reviewed by TAG

## April

- Policy run results finalized and approved by TAG
- Results reported to Task Force

## May

- Results are approved by the Task Force and used to inform final recommendations to the Governor

Questions? Comments?

