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environmental defense

finding the ways that work

June 18, 2007[1]

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California Air Resources Board
1001 "I" Street
Sacramento, CA 95812

Catherine Witherspoon
Executive Officer
California Air Resources Board
1001 "I" Street
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Re: Public comment on proposed early action measures to mitigate climate change in California

Dear Dr. Sawyer and Ms. Witherspoon,

Thank you for your tremendous efforts to implement AB 32, the Global Warming Solutions Act of 2006. We especially appreciate the hard work of CARB staff as they launch the implementation of this groundbreaking new program and work to achieve the ambitious goals and timelines of AB 32.

We appreciate this opportunity to comment on the list of proposed early action measures developed by CARB pursuant to AB 32. The early action process established in AB 32 provides a critically important framework for immediately embarking on measures to reduce emissions even as the architecture of the overall program is still in development. In addition to reducing greenhouse gas emissions, early action measures also provide important co-benefits such as improvements in air quality. For these reasons, Environmental Defense strongly supports aggressive action to identify and implement early action measures both by CARB and the Climate Action Team (See Attached letter to Secretary Adams dated May 7th).

General comments on the early action list:

Environmental Defense recognizes the valuable stakeholder process and staff work that has gone into the creation of the Early Action Measures report dated April 20, 2007, and we appreciate CARB's willingness to think more broadly than the statutory definition of "discrete early action measures" technically requires. At the same time, however, we are concerned that

[1] An identical version of this letter was submitted to CARB on May 7, 2007

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there are only three measures in Group 1, the list of statutory "discrete early action measures", largely because the statutory language contains specific deadlines and deliverables that are absent for Group 2 and Group 3 in CARB's Early Action Measures report. We request that CARB consider reviewing Group 2 and Group 3 items such as diesel reduction measures, port and truckstop electrification, and electrification of stationary agricultural engines for possible re-categorization as discrete early action measures. Our concerns on this point would be reduced if CARB provided specific timelines and milestones for Group 2 and Group 3 items. We have made a similar point in our comments to the Climate Action Team.

We would also like to emphasize the importance of close coordination between CARB, Cal EPA and Climate Action Team members which are committing to their own early action measures. There is no question that, as AB 32 states, focused effort by all state agencies will be necessary to achieving the broad goals of AB 32. Environmental Defense encourages CARB to work closely with other California agencies to ensure accurate measurement and accountability in their early action efforts.

While we generally support all of the measures on CARB's early action list, we have made specific comments on a number of measures as follows.

Comments on specific measures:

Low Carbon Fuel Standard

We strongly support the inclusion of the low carbon fuels standard on the discrete early action list. The low carbon fuels standard has great potential to reduce the greenhouse gas content of the fuels that Californians use while creating market incentives for businesses to develop and deploy low-carbon alternative fuels and where necessary, the vehicles and infrastructure that may be needed to realize the potential of some promising low carbon fuels.

Of course, some alternative fuels, while reducing greenhouse gas emissions, may worsen air quality if put in place without appropriate safeguards. AB 32 takes this issue very seriously, putting in place important safeguards for air quality and environmental justice, including a requirement that measures to implement AB 32 complement and not interfere with efforts to achieve and maintain federal and state air quality standards and to reduce toxic air contaminant emissions. In addition to the applicable substantive and procedural safeguards of AB 32, we look forward to learning more about how CARB staff will approach the issue of implementing the low carbon fuels standard while avoiding any backsliding on criteria pollutants and incorporating life-cycle analysis standards into its rule making effort.

Recognition of Voluntary Early Action

We strongly support the inclusion of recognition for voluntary early action on the early action list. Immediate action is needed to address global warming. As such, it is crucial that CARB create clear incentives for early action, both for entities that will have emission reduction requirements in the program and to encourage voluntary action from entities that are not likely to be directly regulated under AB 32.

CARB proposes to focus on two major work items in this area: development of protocols and standards for quantifying and documenting voluntary emission reductions and the initiation of a process to determine how to provide "appropriate credit" for voluntary actions under AB 32. We agree that it is important to move forward on both fronts. It is also important, either in the scoping plan process or the early action process, to put entities that will have reduction obligations under the cap on notice as soon as possible so that they will be motivated to make early reductions consistent with protocols that CARB is developing.

There is also tremendous potential in California for achieving significant reductions in emissions through voluntary actions on the part of businesses, local governments, and individuals. Californians have demonstrated a tremendous desire to take actions themselves to reduce global warming pollution, and this can be an important complement to CARB's regulatory program. That said, it will be vital to provide clear standards for accounting for such action so that Californians are not confused or misled by an unregulated voluntary carbon market that offers "offsets" or "credits" of varying quality. In order to avoid the experiences like those documented in a recent Financial Times article,[2] rigorous standards must be developed and enforced to ensure that credits for voluntary actions are real, quantifiable, verifiable, and the like. It is equally important to provide easily accessible guidance on direct actions that Californians can take themselves or through their businesses or communities to contribute to this effort. Finally, it is important to recognize the efforts of members of the California Climate Action Registry, many of which have done pioneering work in protocol development and taken important steps to reduce their climate footprint.

Diesel Reduction Measures

We support the inclusion of diesel reduction measures on the early action list. As the Early Action Measures report notes, some conventional air pollutants such as tropospheric ozone and black carbon contribute to global warming. The exact CO2 equivalent emissions reduction from these measures is not yet quantified, yet these measures are very likely to have significant global warming and air quality benefits, particularly for low-income communities and communities that are disproportionately impacted by air pollution.

We also support measures to strengthen light-duty vehicle standards and enact heavy-duty vehicle emissions and efficiency improvements (smart-ways program). These proposed measures reduce emissions and open the door to new technology and innovative thinking in transportation.

Improved Landfill Methane Capture

Establishing standards for methane capture at landfills is an important step that is very appropriate as an early action measure. It is also important to proceed expeditiously with development of a reporting protocol for emissions from landfills, and to develop the standards in such a way that this sector can be incorporated into an overall cap.

[2] Financial Times, April 25, 2007, "Industry Caught in Financial Smokescreen."

Forestry Protocol Adoption

Preservation and proper management of current forestry resources coupled with potential for reforestation in the state of California provide significant opportunities to sequester carbon from the atmosphere. Environmental Defense supports CARB's proposal to adopt the Climate Registry's forestry protocol. Sound science and thoughtful planning will be necessary to achieve sustainability, accurate counting of protected forest stocks, and robust participation of both public and private landowners in climate-friendly forest management.

Electrification of Ports, Truck Stops and Stationary Agricultural Engines

Electrification of high polluting sources such as ports and truck-stops is an important strategy to reduce greenhouse gas emissions while greatly improving air quality. In addition to being an environmentally superior strategy, electrification can also be a net-positive economic approach to reducing serious regional air quality problems.

Reducing High Global Warming Potential Emissions

Reducing emissions of pollutants with high global warming potentials is another environmentally beneficial strategy that is appropriately placed on the discrete early action list. These pollutants represent some of the most harmful yet easily identifiable sources of global warming gases. Banning certain sales of HFC's, setting specifications for commercial refrigeration, and adding A/C leak tightness tests and repair standards to the Smog Check program represent great first steps to ending this source of pollution.

Improving Energy Efficiency in Energy Intensive Industries

Refineries are the most energy intensive businesses in the US, and California refineries are the most energy intensive in the country. Early reductions in energy use by refineries could be achieved through, among other things, hydrogen conservation and leakage prevention (hydrogen pinch analysis), heat and steam transfer efficiency analysis through process integration, and water conservation, recovery and efficiency (water pinch analysis). Similarly, other industrial processes such as cement manufacturing are also very energy intensive.

Environmental Defense believes CARB should take early actions to increase the energy efficiency of all energy intensive industries through standards, credit for early action, incentives, or other policies. Energy efficiency measures provide a sound way of getting cost-effective early greenhouse gas reductions and should be aggressively promoted.

Conclusion:

Thank you again for providing this opportunity to comment on the Early Action Measures report. We would, of course, be very happy to follow up by providing more detail on any of these points, especially including our suggestions of new additions to the list.

Again, we thank you for your hard work and dedication to achieving the goals of AB 32.

Sincerely,

Karen Douglas
California Legislative Director

Cc:
Linda Adams, Secretary, California Environmental Protection Agency
Don Perata, President pro Tem, California State Senate
Fabian Nuñez, Speaker, California State Assembly