

July 28, 2011

California Air Resources Board  
1001 I Street  
Sacramento, CA 95812

**Re: Comments on the Supplement to the AB 32 Scoping Plan Functional Equivalent Document (FED)**

Dear CARB Board Members and Staff:

Thank you for this opportunity to comment on the revised alternatives analysis (henceforth referred to as “the Analysis”).

We believe that this new document is a sufficiently thorough project level analysis of the environmental impacts of alternatives to the Proposed Scoping Plan. We note that this is not the end of the necessary assessment of the program’s environmental effectiveness: this is a program level FED and that each of the measures included in the Scoping Plan the Board ultimately adopts will undergo their own more detailed environmental analysis. In addition, we urge CARB to commit to periodic review and update of the Co-Pollutant Emissions Assessment (Assessment) included in the initial statement of reasons. An ongoing, updated assessment of criteria pollutant emissions using real data from facilities included in the cap and trade program is important in order to get a clearer picture of how the cap and trade program is actually impacting pollution emissions in communities as the implementation process rolls out and to capture any localized impacts not included in the initial analysis.

Given the alternatives to the Proposed Scoping Plan detailed in the Analysis, we believe the Proposed Scoping Plan is the best option for achieving AB 32’s goals (described in pages 4-6 of the Revised Alternatives Analysis), and we urge the Board to move forward with on-time implementation of the Proposed Scoping Plan.

In particular, we support these aspects of the Proposed Scoping Plan which are not all found in any of the alternatives.

**We support inclusion of a hard cap**

As the analysis notes, intensity-based regulations do not provide a hard cap and therefore do not guarantee emission reductions (P.61). Intensity-targets limit pollution per unit of production, but not for total production-related emissions. We believe it is essential that the program guarantee that the cap goal will be met.

**We support including fuels in the cap.**

As the Analysis notes, transportation is the largest source of GHG emissions in California (P.64.). Capping emissions from fuel providers is an important step in de-carbonizing transportation fuels that will work in harmony with the Low Carbon Fuel Standard, the Clean Cars Initiative and regional transportation demand planning. Excluding it from the cap undermines much of the benefit of putting a hard cap on emissions thereby guaranteeing overall emission reductions.

### **We support inclusion of the Advanced Clean Cars Program**

As noted about, the transportation sector is the largest source of GHG emissions in California, so we must use every strategy we can to reduce those emissions. The advanced clean cars program is a key part of this strategy and should not be left out of the plan that CARB adopts and pursues in order to meet AB 32's goals.

### **We still urge improvements to the Proposed Scoping Plan**

Our support for adopting the Analysis and moving forward with the Proposed Scoping Plan as the best alternative does not signify that we believe that plan is perfect. To the contrary, we will be actively participating in continuing regulatory process to implement the various programs under the Proposed Scoping Plan. At this time, many of the undersigned groups are preparing comments in the 15-day process to advocate for important improvements to the cap and trade program.

### **Conclusion**

We believe the Analysis is a sufficient program level FED, and urge the Board to adopt it and to move forward with implementation of the Proposed Scoping Plan.

Sincerely,

Bonnie Holmes-Gen  
American Lung Association in California

Andy Katz  
Breathe California

Susan Stephenson  
California Interfaith Power and Light

Betsy Reifsnider  
Catholic Charities, Diocese of Stockton

Jane Valentino  
Center for Resource Solutions

Barry Vesser  
Climate Protection Campaign

Tyson Eckerle  
Energy Independence Now

Timothy O'Connor  
Environmental Defense Fund

Kristen Eberhard  
Natural Resources Defense Council

Michelle Passero  
The Nature Conservancy

Paul Mason  
Pacific Forest Trust

Jasmin Ansar  
Union of Concerned Scientists