

Mary Nichols
Chairman, California Air Resources Board
Policymaking is a Patchwork Quilt
CAPCOA Climate Change Forum
Aug. 30, 2010
San Francisco

Program

8:30 a.m. Highlighted Speaker

- Alec Loorz, Founder, Kids vs. Global Warming

8:45 a.m. Plenary Session, Opening Panel - ***“Setting the Stage - The Harmonization of California and Federal Climate Programs”***

Moderator: Jack Broadbent, Executive Officer/Air Pollution Control Officer, Bay Area Air Quality Management District

- **Mary D. Nichols**, Chairman, California Air Resources Board, *“AB32 Scoping Plan and Its Integration with Federal Policy”*
- Jared Blumenfeld, Administrator, U.S. Environmental Protection Agency, Region IX, *“The Federal Perspective: The Importance of Harmonization”*
- James Boyd, Commissioner and Vice Chair, California Energy Commission, *“Meeting California’s Climate Change Goals through Collaboration on Renewable Energy and Alternative Fuels”*
- Snuller Price, Partner, Energy Efficiency and Climate Policy, E3: Energy + Environmental Economics, *“Reaching for 2050: The Path for California”*
- Bruce Riordan, Founder, Elmwood Consulting & Climate Bay Area, *“Success Stories from Local Governments”*
- Felicia Marcus, Western Director, Natural Resources Defense Council, *“A Historical Perspective on the Challenge of Harmonizing State and Federal Programs”*

Usually I wait until after I speak to ask for a standing ovation. But this time, I want you to stand up right now, and I'll tell you why.

I am not going to speak until you stand up. You don't have to clap. Just stand up. Stand up, please, for one second.

Alright. I am going to see you all on Mother's Day at the iMatter March.¹

This may be a forced march, but it's a tough job to follow somebody like Alec (Loorz). It really is. And I'll do it at my peril. I agreed to go first, so I'm going to do it.

As Jack² indicated, I'm here on behalf of the California Air Resources Board to report a little bit on what's going on at the state level and try to give you some perspective on how we're looking at this issue of harmonization.

Let me start out by saying that harmonization is a tricky word. Depending on how you look at it, and how you are situated in terms of your work, you may think that it's either a goal to be sought for or a threat to your ability to do what it is that you're already doing.

I have been recently thinking a lot about a term that is frequently used to describe what many people seem to think is a chaotic situation in which we have local districts like Jack's that are out there raising money and doing things to try to reduce greenhouse gases.

We have the federal EPA moving forward, using its authority under the Clean Air Act. We have Congress assessing a lot of different views on how we can possibly address it. We have Copenhagen and the resolutions to have more resolutions, but not quite achieving any consensus between major emitting countries and those at the losing end of climate change. People always refer to efforts to deal with the problem in place as a "patchwork quilt."³

So, I am here this morning in defense of the patchwork quilt.

¹ The preceding speaker, Alec Loorz, is planning a "million kid march" called the iMatter March on Mother's Day 2011. Alec, 16, is founder of Kids vs. Global Warming. www.kvgw.org

² Jack Broadbent is the panel moderator and Executive Officer of the Bay Area Air Quality Management District.

³ See www.nada.org/patchwork

Please note: Portions of this transcript have been edited for clarity.

Any of you have one? If you don't own one, you've certainly seen them around. They are objects of collectors. We have seen them on display in places like the Smithsonian and major museums because they are works of art.

A patchwork quilt was invented by our ancestors a few hundred years ago at least, as a way to both recycle and reuse scarce commodities, and as a way to provide warmth and beauty in a place where there wasn't either one of those things. A patchwork quilt is made up of lots of small pieces carefully stitched together making a pattern. And the pattern itself is a thing of beauty. Sometimes they are perhaps just ordinary. But many are objects of extreme care and brilliant designers.

Now, with respect to our country's air pollution and the climate laws, we are in the process of making a patchwork quilt.

Perhaps you may think it would be better if there were a single designer somewhere at the top of the heap who was designing it all, and controlling it all, and every piece of it looked identical. But it's not going to happen. Even if Congress were to pass a comprehensive piece of climate legislation, that legislation is going to be built on the actions of hundreds of millions of individuals, businesses, local governments and state governments. Every one of us in this room is going to be involved. There will be different approaches.

Nevertheless, our job is to try to make something harmonious out of it.

So, let's start out with what ARB's role is in all of this. ARB is moving inexorably forward on implementing AB 32. Just to refresh you, AB 32 requires that the state of California rollback (greenhouse gas) emissions to 1990 levels by 2020. At the time the law was enacted (2006), the rollback would have represented a 30 percent reduction. But it's about 17 percent below where we actually are today. That really shouldn't be much of a surprise to anybody. California moved out early in this area because our actions build on a series of things we have already done – including years of work at the (state) Energy Commission in monitoring, measuring and assessing what we're actually emitting in our state and what the impacts of global warming are going to be on our state.

But AB 32 was indeed the first comprehensive piece of climate legislation anywhere in the country. And the first thing that it required the Air Resources Board to do – after we certified the (emissions) inventory and required the largest stationary emitters of greenhouse gases to begin monitoring – was to produce something called the “Scoping Plan.” ... It provides a framework for action without binding the Board to any specific set of reductions or measures.

The first action that we’re taking – which actually preceded the (December 2008) adoption of the Scoping Plan, is the adoption of the “Pavley standards,” named after (then-Assembly member) Fran Pavley, who authored the nation’s first law setting (greenhouse gas) emission standards for motor vehicles.

And I’d like to say that one of the proudest moments of my life was when I was able to represent California at a ceremony in Washington, D.C., where the President announced that he was ordering the federal Environmental Protection Agency and the federal Department of Transportation to adopt a set of standards for greenhouse gas emissions from passenger cars that were the equivalent of the California standards.⁴ I was proud not only at the recognition of California’s leadership but also for the fact that we were actually beginning to see movement forward on this critical issue at the federal level. I was proud also because to me, this represented a real triumph of the kind of harmonization that can be achieved when you have the state and federal government working together.

It took California agreeing that we would hold back on enforcement of our standards for a period of time while the federal standards came into effect – and while the auto industry, admittedly, was not in good financial shape to be a bully. Nevertheless, it was a very big move for them to agree that greenhouse gases were going to be a metric that would be used to evaluate their performance for the first time ever.

Of course, it also took the willingness of the Obama to acknowledge California’s leadership and to work with us in a kind of partnership. That has not always been the case in the numerous

⁴ May 19, 2009, President Obama Announces National Fuel Efficiency Policy.
www.whitehouse.gov

efforts in the past on clean air. So this was a total win, and I think it ought to give us confidence in other areas where we can do the exact same thing.

Now, sometimes, California does have to move out ahead of the federal government. We are fortunate that we have both the legal authority and, historically, the political will under the administrations of both political parties – in times that were good for the economy and in times that were bad for the economy...

This is the case for the cap-and-trade program, which we'll be rolling out by the end of this year. We have every expectation and hope that our cap-and-trade program will be merged successfully into a federal program. That's what we want. We do not want to run duplicate or inconsistent programs. But where there is a vacuum, we as Californians have the ability and, indeed, a responsibility to fill that vacuum.

We've done this even in an area where California has not been noted in the past for leadership: namely...measures to combat sprawl.

Thanks to the leadership of Senate President Pro Tem Darrell Steinberg and a tremendous coalition of developers and cities and environmental organizations – I'm sure you're going to be hearing more about this later – we have a California law that requires the Air Resources Board to set greenhouse gas reduction targets for the state's 18 metropolitan areas for 2020 and 2035.⁵ It encourages and rewards – but does not require – local governments to adopt sustainable community strategies to achieve those targets – strategies that for the first time will link together their transportation, land use and housing plans.

There's a little bit of money at stake here and, again, an example of terrific partnership with great minds working together. The Obama administration has been working hard on measures that parallel our efforts and provide money for California communities using the same kind of strategies envisioned under the Steinberg legislation.

⁵ California Senate. http://info.sen.ca.gov/pub/07-08/bill/sen/sb_0351-0400/sb_375_bill_20080930_chaptered.pdf

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So we're believers that we can work together. It's not always easy. It can be pretty contentious between us and the Feds, and between us and the local (air pollution control) districts. Sometimes I feel like we're squeezed in the middle of those entities. But when you step back from the fray, the seemingly disjointed pieces of climate policy are actually coming together – perhaps not quite seamlessly or uniformly – but in a pattern. And you can see that we have been creating a very lovely and effective patchwork quilt. [END]