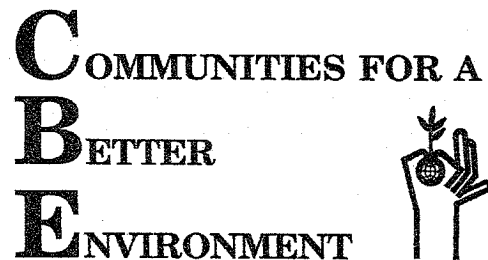


Greg Karras  
11-6-1

SUBMITTED AT HEARING

24 August 2011

California Air Resources Board  
Members of the Board of Directors  
Mary Nichols, Chair  
1001 I Street  
Sacramento, CA 95814



**24 August Item 11-6-1: Public Hearing to Consider the AB 32 Scoping Plan and the Final Supplement to the AB 32 Scoping Plan Functional Equivalent Document**

Dear Chair Nichols and Members of the Board of Directors,

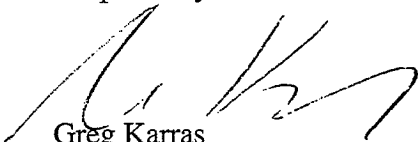
Instead of controlling oil refinery emissions California's Air Resources Board (ARB) proposes to give refineries free permission to pollute.<sup>1</sup> Refining is the biggest industrial polluter statewide.<sup>2</sup> ARB's own former advisors show that refineries cause disparately high exposures to poisonous GHG copollutants like particulate matter in low-income communities of color.<sup>3</sup> ARB itself finds that this localized air quality impact could be significant.<sup>4</sup>

ARB's theory that California refineries will shut down before they clean up and that this will increase total emissions from increased production by dirtier refineries elsewhere<sup>5</sup> is not even *possible*. Refineries elsewhere are *not* dirtier. In fact, ARB Staff does not even attempt to rebut clear and convincing evidence that the average emission intensity of California refining is substantially higher than that of any other major U.S. refining region.<sup>6</sup> By refusing to disclose or address facts that disprove its "leakage" theory ARB threatens to base its proposal to violate environmental rights on a cover up.

Allowing oil refineries to pollute steals our health *and* jobs. ARB Staff blatantly ignores evidence straight out of the U.S Economic Census that shows oil refining is next to last in jobs and the sectors refiners would spend on to clean up create at least *ten times* as many jobs per dollar in the California economy.<sup>7</sup> Repeatedly Staff's findings reject feasible refinery emission reduction measures based on perceived costs to oil companies while ignoring this clear evidence that the measures would restore desperately needed jobs.<sup>8</sup>

Please reject your staff's flawed environmental analysis and direct your staff to focus instead on developing alternatives to its harmful "cap-and-trade" scheme for your consideration.

Respectfully submitted with the attached annotated references, 24 August Hearing.



Greg Karras  
Senior Scientist

Attachment: Annotated references cited above (one page)

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**Attachment to 24 August 2011 Hearing comments of Greg Karras, CBE:**

**Annotated references cited above**

(page two of two)

<sup>1</sup> *Attachment D, Final Supplement to the AB 32 Scoping Plan Functional Equivalent Document*, California's Air Resources Board: Sacramento, CA. Released 19 August 2011 ("Supp. FED") at 68–84, esp. 68, 78.

<sup>2</sup> Supp. FED at 67.

<sup>3</sup> Pastor, M.; Morello-Frosch, R.; Sadd, J.; Scoggins, J., 2010. *Minding the Climate Gap: What's at stake if California's climate law isn't done right and right away*. <http://dornsife.usc.edu/pere/documents/mindingthegap.pdf>; CBE's 28 July Exhibit AA.

<sup>4</sup> Supp. FED at 54.

<sup>5</sup> Supp. FED at 68–84, esp. 68, 78.

<sup>6</sup> *Responses to Comments on the Supplement to the AB 32 Scoping Plan Functional Equivalent Document*, California's Air Resources Board: Sacramento, CA. Released 19 August 2011 ("Supp. FED RTC"). Compare 106-47 through 106-48 with 106-67 through 106-69. In this same passage ARB concedes a potential for emissions reduction (106-68) but commits additional egregious errors. ARB falsely asserts that CBE's analysis does not consider refinery process complexity and product slate impacts on emissions (106-68): CBE's comments explicitly summarize how we considered these factors and prominently cite and incorporate peer reviewed research that shows these factors do not confound our analysis (106-49 through 106-53). Further, ARB's conclusory statement of higher costs for emissions reductions (106-68) is not supported by any reference to data, ignores substantial evidence for a smaller crude price spread that CBE presents and references (106-56), and misleadingly represents this ongoing subsidy of extreme-high refinery emissions intensity as a "new" cost. Finally, ARB's conclusory assertion that other existing regulations prevent these excess emissions (106-69) is not supported by any reference to data *and* is rebutted by the simple fact that these other existing rules *allowed* the extreme-high refinery emissions intensity observed statewide.

<sup>7</sup> Compare Supp. FED RTC at 106-42 with 106-64 through 106-69.

<sup>8</sup> Supp. FED RTC at 106-64 through 106-69; Supp. FED at 68, 69, 75–84, 110–113.