South Coast Air Quality Management District 21865 Copley Drive, Diamond Bar, CA 91765-4178 (909) 396-2000 • www.agmd.gov

October 31, 2013

Richard Corey, Executive Officer California Air Resources Board 1001 "T" Street Sacramento, CA 95814

Re: Climate Change Scoping Plan – First Update (Discussion Draft)

Dear Mr. Corey- Richard

The South Coast AQMD staff appreciates the opportunity to provide comments on the discussion draft of the Updated Scoping Plan. We would like to congratulate CARB on the efforts made to date since the adoption of AB32 and the measures put in place since the first Scoping Plan. It is quite an achievement to see the declining GHG emission trends coming closer towards GHG emission levels not seen for over twenty years in California.

We appreciate the process that CARB has taken during the development of the Updated Scoping Plan. The regional workshop held at our headquarters this past June had several participating agencies and was collectively planned by CARB, SCAQMD and SCAG. This regional workshop for Southern California provided a great opportunity for CARB to hear local area concerns and needs from stakeholders during the initial development of the document. As the measures in the Scoping Plan are further developed and implemented, we look forward to continue working with CARB, other agencies, and stakeholders.

The long term planning efforts presented in the Updated Scoping Plan has outlined new and continued efforts that bring together the synergies of GHG reductions with the air quality needs of the South Coast Basin. Meeting the GHG target for 2050 will be challenging and the Updated Scoping Plan demonstrates the states leadership in charting a "new pathway" forward. Unfortunately, even more challenging will be achieving the federally mandated deadline for ozone attainment in the South Coast Basin. The ozone federal deadlines must be met in 2023 and 2032 which are twenty to twenty five years earlier than the 2050 target of achieving 80% GHG emission reductions below 1990 levels. Achieving the air quality deadlines requires the South Coast Basin to achieve reductions of 65 and 75% of NOx beyond all adopted regulations for the 2023 and 2032 federal deadlines respectively.

In particular, we are supportive of several areas within the Updated Scoping Plan that bring together these synergies of GHG reductions with criteria pollutant and air toxic air quality needs of the South Coast Basin. Briefly discussed below are areas that are also beneficial to helping us meet our nearer term air quality needs. We provide further detailed information on these topics and suggestions within Attachment A.

- <u>Short Lived Climate Forcers</u> The addition of black carbon will provide further efforts to help reduce toxic diesel emissions, lower PM levels, and provide much needed NOx reductions.
- <u>Establishing a 2030 Midterm Goal</u>- Integration of midterm GHG goals with South Coast's 2023 and 2032 ozone attainment dates can provide for aligned planning and implementation efforts that can reduce compliance costs and the possibility of stranded investment in pollution control technology.
- <u>Statewide Energy Plan</u>- We are supportive of the state's goals to focus energy agencies efforts on achieving a cleaner, more reliable energy future along with transforming changes to cleaner and more efficient transportation.
- <u>Education and Outreach</u>- the choices consumers and businesses make on a day to day basis can have a significant impact on emissions. Information that helps with decision making when purchasing vehicle or the availability of incentive programs can help with faster implementation of zero or near-zero emitting technologies along with attaining faster benefits through building efficiency measures.

Problems we are addressing here in California and the solutions being implemented will provide numerous benefits to our region, the rest of the nation, and other countries. Expanded collaborative efforts are also needed to help reduce global GHGs along with further protecting public health on a national and international level.

Thank you for the opportunity to comment on the Updated Scoping Plan and the SCAQMD staff looks forward to working collaboratively on these critical efforts. If you have any questions about these comments or need additional information, please contact Elaine Chang, Deputy Executive Officer, at (909) 396-3186.

Sincerely,

Barry R. Wallerstein, D.Env Executive Officer

Attachment A

The following recommendations summarized below are Updated Scoping Plan Actions that SCAQMD staff is supportive of that will help achieve GHG and air quality targets along with protecting public health:

Short Lived Climate Forcers

The additional focus on the short lived climate forcers black carbon, methane, and hydrofluorocarbons helps provide a quicker path forward to reducing large radiative forcing values. Of the short lived compounds, the inclusion of black carbon as a climate forcing agent provides a significant synergistic effect in reducing toxic and criteria pollutants. The South Coast Basin's largest source of black carbon and NOx are the result of diesel exhaust.

As mentioned in the Updated Scoping Plan, there are many current efforts being undertaken to control emissions of black carbon from diesel engine sources. Levels of black carbon have decreased in the South Coast Basin over the years but there are still many areas, particularly, from off-road emission sources that need large reductions. The impact of these reductions would not only be beneficial to climate but also hugely beneficial towards improving public health along with helping meet ozone standards. SCAQMD staff would like to participate in the efforts of developing the statewide inventory along with implementing and developing control strategies for black carbon sources in Southern California.

Within the discussion of short lived climate forcers and to further strengthen the climate and air quality synergies, we suggest including a discussion on the positive radiative forcing from ground level ozone. In the most recent AR5 IPCC release there were additional GWP adjustments made due to the formation potential of ground level ozone. Additionally, the sulfuryl fluoride (SO_2F_2), which is commonly used as a fumigant for termites, should be considered as a short lived climate forcer.

Establishing Midterm 2030 GHG Target

Establishing a midterm target not only helps provide certainty with the existing GHG programs, provides goals for the development and implementation of interim technologies, but also establishes a target in line with the South Coast Basins 2023 and 2032 ozone attainment dates. The midterm target should be set at a level that benefits the nearer term air quality goals, as well as a successful pathway forward to reducing GHG emissions prior to reaching the 450 ppm CO₂ global threshold.

Energy

To integrate the rapid development of new technologies while developing a low emission infrastructure can be best achieved through coordinated planning efforts around a statewide energy plan. In Southern California the electricity generating infrastructure is undergoing rapid changes under existing regulation, unplanned events, and increased integration with transportation. As we implement needed infrastructure to secure a reliable system the electricity grid will need to be adaptable to changing technology and electricity generation needs. The process of building peaker fossil power plants to help with grid infrastructure has become extremely expensive, hard to permit for many reasons (one being lack of emission offsets), and a resource for the utility that has a low utilization factor. Fossil powered plants will be needed to some degree into the foreseeable future but the way that preferred resources are being integrated into the grid is rapidly changing and the costs for these technologies/strategies are becoming on par or better than fossil powered generation in many cases. The implementation of AB2514 will show the benefits energy storage can provide on large scale grid systems along with micro grids. As storage requirements are added under AB2514 the full benefits and associated costs of storage systems will be realized and become part of the grid infrastructure planning process. This will likely make it possible to expand the renewable portfolio standard, provide easier interconnections, and make our electricity grid closer to a near zero emitting resource that can further accommodate increasing needs from the transportation sector.

Also, simplifying commercial and household utility bills could be very beneficial towards increasing efficiency, distributed generation and demand response programs. For instance, many businesses are not fully aware of the time of use electricity structure along with seasonal power demand prices and the structures of certain utility bills are not outlined to be easily understood.

Transportation

As shown in "A Vision for Clean Air", the transportation sector is the largest emission category for GHGs in California and air pollutants in Southern California. This sector needs rapid technological transition to zero and near-zero emission technologies to meet GHG, criteria, and toxic air pollution goals. Failure to meet the federal criteria pollutant mandates will continue to provide health risks to our residents but also result in losing federal transportation funding.

The progress to date through the advanced clean car and ZEV regulations, LCFS, phase I engine standards, and shore power are providing emission reductions in GHG emissions. However, to achieve the significant GHG, criteria and toxic pollutant reductions needed, new technologies need to be implemented in the transportation sector. We currently appear to be on a significant path towards a rapid technology transition. Plug-in hybrids and battery electric vehicles are becoming more cost competitive with standard internal combustion engines.

As fast as technology is progressing with passenger vehicles, we need to see significant progress in new technology development within the goods movement sector. The Ports of Los Angeles and Long Beach will see a doubling of container shipments within the near future. Servicing this activity expansion will be increased shipping, train, truck, and other intermodal activities. Emission sources from the goods movement sector needs increased attention on how zero and near zero technologies can be developed and implemented to reduce existing emissions and projected growth.

The initial scoping plan presented a few efficiency measures for the transportation sector. The tire pressure regulation was adopted but others such as the low rolling resistance tire and lower friction synthetic engine oil measures were never developed. These two efficiency measures should be further investigated since they provide a quick and potentially cost effective way to improve efficiencies on the existing fleet. The Updated Scoping Plan mentions that NHTSA is currently reviewing rulemaking for lower rolling resistance tires but a small outreach and

education program on these efficiency benefits would provide immediate benefits within the tire replacement market.

Education and Outreach

One of the most important aspects of the Updated Scoping Plan should be conducting education and outreach on the choices residents can make that help reduce GHG emission, reduce criteria and toxic emissions, and also can help save on their energy costs. Simple measures for existing homes such as adding insulation has shown to have a very quick payback period in reduced energy costs. Additionally, there are several rebates available through the utility programs to help pay for efficiency upgrades. Many residents still are not aware of these available incentive programs whether they are for efficiency upgrades or clean vehicle purchases. Further advertising on these programs is necessary and can be conducted at both the state and local levels.

Funding Recommendations - Cap and Trade Revenues

As shown in the Auction Proceeds Investment Plan released last spring, a large fraction of our population lives within designated disadvantaged communities. This designation is, in part, due to the "burden of pollution" from the Basin's air quality exceedances in not meeting the federal ozone and fine pollutant standards along with exposures to toxic air contaminants. As mentioned earlier, a large portion of our localized toxic hotspots are from diesel emissions resulting from goods movement. The Cap and Trade revenues are set up to be allocated to help provide multiple benefits. It is essential to local public health and future climate of these communities to start utilizing these proceeds within these areas. It is recommended that the Updated Scoping Plan lay out a clear commitment for the eventual investments of these revenues for further GHG reductions with criteria pollutant and air toxic reduction co-benefits.