SIERRA CLUB CALIFORNIA

April 10, 2017

Mary Nichols, Chair
and Members
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Electronically submitted to: https://www.arb.ca.gov/lispub/comm/bclist.php

Re: Comments on Scoping Plan Update for 2030

Dear Chair Nichols and Board Members:

The 2030 Scoping Plan Update is an essential document for planning how to meet climate pollution reduction targets set out in SB 32. But actions taken in this document can and should have the additional benefit of reducing ground-level, health-threatening criteria pollution. Hence, this document carries a heavier weight than any other planning document you consider.

It is with this document's important dual purpose in mind that Sierra Club California offers these comments. Our goal is to help ensure that your agency, and other state agencies involved in meeting the SB 32 targets, achieve your goals in time to help avert the worst effects of climate change while also protecting public health and the environment.

These comments are in addition to our comments submitted in a separate coalition letter regarding de-carbonization of buildings. Our positions on that issue are discussed in that coalition letter.

Also, the issues addressed in this letter are listed below in no particular order.

Key Reduction Tools

The Scoping Plan recommends a proposed scenario that continues the existing cap-and-and trade program with some enhancements to ensure greater controls on the refinery sector. As we have seen with the existing cap-and-trade program to date, cap-and-trade comes with its own uncertainties and risks, including the risks of localized air pollution that under a direct regulation system would be avoided.

We prefer Alternative 1, which will garner greater emissions reductions from the refinery sector. This alternative relies on direct regulation, a method that has been proven successful for decades

as California regulators have attacked air pollution in its various forms. This alternative would require a 30% reduction in emissions from the refinery sector, and would rely on achieving a number of goals—e.g. an enhanced RPS, greater reductions in diesel emissions, more zero emission vehicles—that are technically achievable and necessary to bring California's air pollution levels into compliance with national ambient air quality standards.

We urge the Board to direct staff to proceed with Alternative 1 as the foundation for the Scoping Plan update.

Transportation

Generally, the transportation section of the Scoping Plan covers the field of possibilities and needs. However, a few items need greater acknowledgement or emphasis:

- Given the recent backpedaling in recent transportation funding legislation on in-use heavy-duty truck emissions regulation, the final update of the Scoping Plan should analyze and suggest alternative options to force accelerated adoption of zero-emission technology in the trucking sector.
- The opportunities for accelerating adoption of zero-emission buses have dramatically increased in recent years. It will be up to CARB to take advantage of the technology acceleration and cost reduction to regulate a fast adoption of zero-emission buses, however that is not clearly called out in the Scoping Plan.
- It is essential that zero-emission vehicles replace most, if not all, of the current fleet of passenger vehicles if we are to adequately reduce transportation sector greenhouse gas emissions. It is unclear how CARB will be able to increase ZEV adoption if automakers and auto dealers continue to do a poor job of marketing and making the vehicles available to consumers. CARB and other California agencies need to consider available tools to motivate auto makers and dealers to use best marketing and sales practices to genuinely comply with zero-emission vehicle rules. The Scoping Plan should encourage such consideration.
- Under clean fuels goals, the Scoping Plan encourages greater research and deployment of renewable natural gas (RNG). It is important that the Scoping Plan acknowledge that despite its renewable nature, RNG fundamentally remains a methane gas and the state must reduce its methane consumption. Given that, it is more appropriate for the Scoping Plan to recommend focusing limited state actions and resources on motivating a more rapid transition to zero-emission technologies and fuels that do not depend up on carbon fuels.
- The Scoping Plan notes that certain pricing strategies are among the measures that will be considered within this sector. Such strategies have been very effective in reducing behaviors that increase emissions in the transportation sector. An example is appropriately priced parking. We commend the inclusion of this element in the Scoping Plan.

Industrial Emissions

The Scoping Plan notes in the section on industry sector emissions that one of the measures is to

"Promote procurement policies that value low-carbon production to delivery options, including at the State and local government levels." This is an important option that addresses influencing emissions at the manufacturing level and within the supply chain through government procurement policies.

The world of supply chain emissions reporting, including by construction materials manufacturers, has matured to a point that it now makes sense for mandatory incorporation of greenhouse gas reductions into government procurement policies. The Scoping Plan should recognize this maturing area and provide greater detail on how the state can assertively embrace its ability to use purchasing power to reduce industrial emissions and recognize those market players who have already invested in emissions reductions.

Health

Certain measures in the Scoping Plan will have direct well documented co-benefits by improving the health of California residents: decreasing diesel emissions, increasing physical activity through active transportation, and decreasing air pollution from refineries and vehicles.

The Sierra Club strongly urges CARB to include direct cost savings of health co-benefits in the Scoping Plan economic analyses, including Pathways.

We concur with and echo the American Lung Association, et. al., comment letter of March 7, 2017, calling for an independent health impacts analysis of the measures within the Scoping Plan for the reasons stated in that letter.

Forest Carbon

One of the Scoping Plan's proposed measures to track progress is to complete and implement the Forest Carbon Plan. While the latter should indeed be finalized, the Scoping Plan must not rely on the Forest Carbon Plan as currently drafted.

As we detailed in our comments to the Draft Forest Action Plan, the draft is woefully inadequate; its assumptions lack a sound scientific basis, and its proposed management strategies will likely cause substantial damage to California's forests. In those comments we urged the Forest Climate Action Team to withdraw the current draft plan and revise it to incorporate the best available science and alternatives for managing our state's forests. Given its reliance on the Forest Carbon Plan, the Scoping Plan update section on forest lands should be deferred until an adequate Forest Carbon Plan is completed.

The Forest Carbon Plan and the Scoping Plan's specific focus on managing forests will fail to meet the state's goal of maintaining our forests as a net carbon sink. Here we focus on three proposed measures.

First, the Scoping Plan calls for enhancing carbon sequestration through forest management, and the Forest Carbon Plan calls for increased thinning which, according to the best available

science, not only reduces current carbon stocks but also decreases forests' ability to store carbon in the future by removing trees that would otherwise have continued to grow and capture carbon dioxide. Even dead trees, which the Forest Carbon Plan treats as a hazard, have a role in preserving forests health as they continue to store carbon for decades after they die. The Scoping Plan (and the Forest Carbon Plan) must provide for clear carbon sequestration goals and concrete actions focused on conservation rather than removal, such as an increase in the number of large and old growth trees, and increase the age at which trees are harvested, and the elimination of clearcutting.

Second, both plans encourage "innovative" ways of utilizing the woody biomass generated from thinning, including burning it in bioenergy facilities for the production of electricity. At the plant level, however, biomass generates more carbon emissions than even coal. When considering emissions at the stack, biomass is far from a low-carbon energy source.

The claims made in favor of biomass as a low-carbon energy resource depend on the life-cycle carbon balance of biomass combustion, namely, that the growing of biomass materials sequesters carbon from the atmosphere, rendering it a carbon-neutral fuel. But even if these net carbon cycle effects are considered, emissions from biomass plants can increase atmospheric CO2 concentrations for decades, and multiple studies show that it will take a long time to discharge this "carbon debt" through future sequestration from replanting. EPA's Scientific Advisory Board, which is currently revising the federal agency's Framework for Accounting Biogenic CO2 Emissions from Stationary Sources, recognized that biomass is not carbon-neutral and a life-cycle analysis is needed. Thus, CARB should not encourage wood cutting to advance California's renewable energy requirements. Our state forest agencies have not been concerned with developing a reliable accounting mechanism that documents carbon emissions and sequestered carbon from state forests. CARB should develop such a methodology.

Third, as we noted, Sierra Club California supports CARB's proposed Alternative 1, which is focused on direct regulation of polluting sources in lieu of the cap-and-trade program. However, to the extent that CARB decides to continue the cap-and-trade program after 2020, the agency must no longer allow covered facilities' compliance through the use of offsets. Allowing regulated sources to purchase offsets enables them to continue emitting carbon dioxide and also increase emissions of conventional air pollutants from these sources without a corresponding decrease in emissions from other polluting facilities, which harms environmental justice communities in particular. In addition, the use of forest offsets (coupled with the lack of a robust emissions' accounting mechanism) undermines the entire program as it is extremely difficult to verify the validity of those emissions reductions. As EPIC's comment letter to this Plan notes, although forestry projects must undergo some sort of third party certification, the Scoping Plan update is disconnected from existing timber harvesting laws for private lands, which require replanting in logged areas without regard on emissions. Again, CARB should undertake a major role in proper emissions' accounting.

The Scoping Plan's update section on natural and working lands should also be deferred until CARB completes its Natural and Working Lands inventory. The 2014 Scoping Plan update, which provided for the creation of the Forest Carbon Plan, directed CARB to continually

maintain these assessments to support this effort. At the moment, however, the agency appears to have only an initial analysis of natural lands' emissions in 2010. The Scoping Plan states that CARB will update the forest component of the inventory next year to account for 2012 emissions. Based on outdated information, the Scoping Plan states that wildfires may be a major cause of stored carbon reversal, and the Short Lived Climate Pollutant Strategy suggests that bark beetle infestations are causing increased fire activity. These issues have led CARB (and relevant state forest agencies) to delineate actions to actively manage forests, when in fact the best available science indicates that wildfire is a natural component of California forests and bark beetle outbreaks have not increased the severity of fires, so that these agencies should seriously assess the role of wildfires in forest health and resilience. The inventory must therefore be updated with the most recent information available.

The relevant agencies also must conduct a detailed review of the science in order to properly inform the measures needed to increase carbon storage in California forests. This will also help inform the California Natural Resources Agency/Lawrence Berkeley Laboratory forecasts of carbon sequestration rates in 2030 and 2050, currently under development.

Water

We commend CARB for including among the specific additional or supporting actions that must be taken in the water delivery sector the following:

"Local water and wastewater utilities should adopt a long-term goal to reduce GHGs by 80 percent below 1990 levels by 2050 (consistent with DWR's Climate Action Plan), and thereafter move toward low carbon or net-zero carbon water management systems where technically feasible and cost-effective."

This measure is specific, technically achievable (given the availability of renewable energy and efficiency measures), robust and necessary.

Thank you for the opportunity to comment on the latest final draft of the Scoping Plan.

Sincerely,

Kathryn Phillips
Director