December 16, 2016

Dear colleagues,

350 Bay Area is submitting the following comments on the current draft document for the updated CARB Scoping Plan, and we look forward to further discussion and input as the Plan is developed.

It is clear that achieving the 2030 target will be substantially more challenging than achieving the 2020 targets. CARB is to be commended for looking at various scenarios for achieving the 2030 goals, and for incorporating the recent legislative input, including AB197.

All model scenarios under consideration include 20 to 30% reductions in refinery emissions, consistent with the legislative direction of AB197. We strongly support these decreases in refinery emissions, both for decreasing Greenhouse Gas emissions and also for the Environmental Justice objectives of the Scoping Plan, since disadvantaged communities located close to refineries have borne the burden of health hazards from toxic air pollutants. Our recommendations in this area include:

* The refinery reductions should be based **on reductions from a baseline of actual current facility wide refinery emissions**, not for example from permitted capacity.   The measurements of refinery emissions should also be based on **independent measurements**, and when calculations are required (eg per barrel) **calculations used should be transparent, and readily verifiable** by independent sources.
* The Scoping Plan should explicitly state that reducing refinery emissions based on, for example, **local air district action can coexist with the cap and trade program.**  This appears to be the case in the current draft document, but is currently an issue with Bay Area refineries.
* Also consistent with AB197, economic analyses of the scenarios should incorporate accurate measurements of the **direct costs of fossil fuel combustion including health impact of criteria and other toxic air pollutants,** in addition to an appropriate range of values for the cost of carbon, reflecting GHG damages.

Another overarching issue for this update to the plan is to **assure better coordination of action to accomplish California targets across all California partner agencies**. This is critical for a number of areas in the plan. In these comments we highlight the plan update section on Low Carbon Energy, looking at the goals to decrease use of fossil fuels and accelerate use of distributed energy resources and renewable power generation where certain approaches by CEC and CPUC may be counter-productive for meeting the state’s goals.

For example, the Energy Commission has been consistently over-estimating growth in electricity demand for at least the past decade. They have made important changes in the past few years to help correct some errors, especially by placing "additional achievable energy efficiency" into the official forecast. However, the inaccurate forecast has been a major factor in the gross over-procurement of natural gas generation in California. An example is Carlsbad, where the "need" for a 600 megawatt power plant was established using the 2012 demand forecast. Subsequently, the next two forecasts reduced projected demand in SDG&E's service territory by at least 800 megawatts, more than canceling out the need for that $2 billion plus power plant.

**CARB working with partner agencies should move beyond the high level policy goals to establish processes which assure these policy goals are incorporated into agency actions.** In the above example, one could assert that the default approach in California should be **no further approvals of new fossil fuel generating and/or storage capacity without a required review** to assure projects fully incorporate updated demand forecasts and the latest information on Distributed Energy Resources that could meet the accurately estimated demand. Such a proactive approach could both avoid unnecessary fossil fuel generation emissions, and save ratepayer funds.

Similarly the plan update should provide that **the CPUC take the state policy goals as their operating assumption, and insist their regulated investor owned utilities invest in a modernized grid that can readily incorporate the state targets for Distributed Energy Resources.** Currently the multiple proceedings compare DER’s to business as usual in that proceeding, undervaluing DER’s by looking at only that part of the value provided to the grid relevant to the specific proceeding instead of looking at the “value stack” provided in multiple areas of grid need. In addition of course, the current analyses by the CPUC do NOT incorporate the direct costs of fossil fuels to the health of Californians or the environment. Hence policy decisions are biased against renewable energy resources

Should the scenario involving a **carbon tax** proceed, revenue from the tax should be used for Greenhouse Gas reduction measures as currently occurs with the Cap and Trade program.

The urgency of the Scoping Plan is even greater since we may not be able to continue to rely on the federal government to pick up their responsibilities for climate policy given the recent election results.

With regards,

Claire Broome MD

For 350 Bay Area