

MEETING
STATE OF CALIFORNIA
AIR RESOURCES BOARD

CALEPA HEADQUARTERS
BYRON SHER AUDITORIUM
SECOND FLOOR
1001 I STREET
SACRAMENTO, CALIFORNIA

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8:34 A.M.

JAMES F. PETERS, CSR
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A P P E A R A N C E S

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Senator Dean Florez

Assembly Member Eduardo Garcia

Supervisor John Gioia

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Professor Dan Sperling

Ms. Diane Takvorian

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Mr. Richard Corey, Executive Officer

Ms. Edie Chang, Deputy Executive Officer

Mr. Steve Cliff, Deputy Executive Officer

Mr. Kurt Karperos, Deputy Executive Officer

Ms. Ellen Peter, Chief Counsel

Ms. Emily Wimberger, Chief Economist

Ms. Veronica Eady, Assistant Executive Officer

Ms. La Ronda Bowen, Ombudsman

A P P E A R A N C E S C O N T I N U E D

STAFF:

Mr. Gerhard Ahtelik, Manager, Advanced Clean Cars Branch, Emission Compliance, Automotive Regulations and Science Division (ECARS)

Ms. Barbara Bamberger, Air Pollution Specialist, Program Operations Section, Industrial Strategies Division (ISD)

Ms. Analisa Bevan, Assistant Division Chief, ECARS

Mr. Matthew Botill, Branch Chief, Climate Investments Branch, Transportation and Toxics Division (TTD)

Ms. Mary Jane Coombs, Branch Chief, Project Assessment Branch, ISD

Ms. Natalya Eagan, Air Pollution Specialist, Climate Investments Policy Section, TTD

Ms. Jessica Gordon, Senior Attorney, Legal Office

Mr. Jason Gray, Branch Chief, Climate Change Program Evaluation Branch, ISD

Mr. David Hults, Assistant Chief Counsel, Legal Office

Mr. Doug Ito, Assistant Division Chief, TTD

Ms. Alexandra Kamel, Attorney, Legal Office

Ms. Elise Keddle, Manager, ZEV Implementation Section, ECARS

Ms. Cheryl Laskowski, Manager, Climate Investments Policy Section, TTD

Ms. Shelby Livingston, Staff Air Pollution Specialist, Project Assessment Branch, ISD

Ms. Cynthia Marvin, Division Chief, TTD

Mr. Greg Mayeur, Manager Program Operations Section, ISD

Mr. Gabriel Monroe, Attorney, Legal Office

A P P E A R A N C E S C O N T I N U E D

STAFF:

Ms. Rajinder Sahota, Assistant Division Chief, ISD

Mr. Floyd Vergara, Division Chief, ISD

Mr. Mark Williams, Air Pollution Specialist, ZEV
Implementation Section, ECARS

CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY:

Mr. Matt Rodriguez, Secretary

ALSO PRESENT:

Mr. Matt Almy, California Department of Finance

Mr. Juan Altamirano, Audubon California

Mr. Lorenzo Andres Vargas Gutierrez, Gobierno del
Departamento de Cayeita - Cobabia

Mr. Jose Antonio Montero-Solano, San Cristobol de Las
Casas Chiapas, Mexico, Pronatura Sur

Mr. Alfredo Arredondo, Audubon California, California
Native Plant Society

Mr. Thomas Ashley, Greenlots

Mr. Dan Barker

Mr. Bud Beebe, California Hydrogen Business Council

Mr. Keali'i Bright, Deputy Secretary, California Natural
Resources Agency

Dr. Jonah Busch, Earth Innovation Institute

Ms. Charlotta Chan

Ms. Michelle Chan, Friends of the Earth

Ms. Zoe Cina-Sklar

A P P E A R A N C E S C O N T I N U E D

ALSO PRESENT:

Mr. Josh Cohen, SemaConnect

Mr. Jeff Conant, Friends of the Earth

Ms. Ashley Conrad-Saydah, Deputy Secretary, California
Environmental Protection Agency

Ms. Noelle Cremers, California Farm Bureau Federation

Ms. Maria Dorsey, Idle No More SF

Dr. Joanna Durbin, Conservation International/CCBA

Ms. Leslie Durschinger, Terra Global Capital

Ms. Alison Ehara Brown, Idle No More, Richmond Refiner
Town

Mr. Paul Ehara, Idle No More SF Bay

Ms. Nancy Feinstein, 1000 Grandmothers

Mr. Ignacio Fernandez, Southern California Edison

Mr. Konrad Fisher, Water Climate Trust

Mr. Tom Goldtooth, Indigenous Environmental Network

Mr. Eduardo Gonzalez, California State University, Fresno

Mr. Simeon Grant, Cleantech

Mr. Sergio Guzman, Asocianda Comunidades Forusta los da
Potan, Alianza Mesoamericana de Pueblos y Bosques

Ms. Barbara Haya

Mr. Tim Hayden, Yurok Tribe

Mr. Pedro Hernandez, Leadership Counsel for Justice and
Accountability

Mr. Robert Hrubes, SCS Global

A P P E A R A N C E S C O N T I N U E D

ALSO PRESENT:

Mr. Seth Hubbert, Tech Exchange

Mr. Gary Hughes

Mr. Toby Janson-Smith, VERRA

Mr. Thomas Joseph, Hoopa Valley Tribe

Mr. Nat Keohane, Environmental Defense Fund

Mr. Tom Knox, Valley Clean Air Now

Ms. Jennifer Laughlin, United Nations Development
Programme

Ms. Jenny Lester-Moffitt, Undersecretary, California
Department of Food and Agriculture

Ms. Alex Leumer, The Nature Conservancy

Mr. Ludovino Lopez, Civil Society

Mr. Robinson Lopez, COICA

Ms. Ana Luz Valadez Ortega, Centro De Estudios para el
Cambio en el Campo Mexicano Ceccam

Mr. Jonathan Levy, EVgo

Mr. Bill Magavern, Coalition for Clean Air

Mr. Kevin Maggay, SoCalGas

Mr. David Marvin, Salo Sciences

Mr. Paul Mason, Pacific Forest Trust

Mr. Candido Mezua Salazar, Alianza Mesoamerican de Pueblos
y Bosquez, Nacion Embera

Ms. Kathy McAfee

Ms. Magaly Medeiros, Instituto De Mudancas Climaticas -
Governor de Acre - Brazil

A P P E A R A N C E S C O N T I N U E D

ALSO PRESENT:

Ms. Jessica Melton, Pacific Gas & Electric

Ms. Erica Meta Smith, TERRA

Mr. Colin Miller, Oakland Climate Action Coalition

Mr. Chuck Mills, California ReLeaf

Dr. Amy Moas, Greenpeace

Ms. Diana Mouri Gonzalez

Mr. John Nickerson, Climate Action Reserve

Chief Ninawa Huni Kui, Federacion de Pueblo Huni Kui del Acre

Mr. Brian Nowicki, Center for Biological Diversity

Ms. Opal Plant, Idle No More SF Bay & Refinery Communities

Ms. Tracey Osborne

Mr. Isaac Osuoka, Social Action

Ms. Michelle Passero, The Nature Conservancy

Mr. Giovanni Palazzo, Electrify America

Ms. Sayda Rodriguez Gomez, Gobierno del Estado de Yucatán

Ms. Mari Rose Taruc, California Environmental Justice Alliance

Mr. Rocky Rushing, Coalition for Clean Air

Mr. Alberto Saldamando

Mr. Juan Salvador Camacho, Deputy of the Congress of Chiapas

Mr. Marlon Santi, Nacion Kichwa de Pastaza

A P P E A R A N C E S C O N T I N U E D

ALSO PRESENT:

Dr. Colleen Scanlan Lyons, Governors' Climate and Forests Task Force

Mr. Steve Schwartzman, Environmental Defense Fund

Mr. Thomas Sheehy, Air Conditioning, Heating and Refrigeration Institute

Mr. David Silberfarb, BTC Power

Ms. Sister Who Walks with Bear, Grandmothers of the White Buffalo Council

Ms. Anne Smart, Chargepoint

Ms. Pamela Tall Lee, International Coalition for Human Rights in Philippines

Ms. Emily Tibbott, Senior Program Advisor for Environmental Science and Policy, Strategic Growth Council

Ms. Kimberly Todd, United Nations Development Programme

Ms. Vedis Vik, Norway's Ministry of Climate and Environment

Mr. Basilio Velasquez Chi, Produccion Comunitaria de la Zona Maya, Quintana Roo, Mexico

Ms. Chelsea Walterscheid, Sierra Business Council

Dr. Matthew Warren, Earth Innovation Institute

Ms. Lauren Whitney

Ms. Shaye Wolf, Center for Biological Diversity

Ms. Sunne Wright McPeack, California Technology Fund

Ms. Isabella Zizi, Idle No More SF Bay, Stand.Earth

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P R O C E E D I N G S

CHAIR NICHOLS: All right. Good morning, everybody. We're going to start the meeting. And by the time we get to any action item, we will have full quorum with us. We do now. Okay. Great.

So I want to welcome you all to the November 16th 2018 public meeting of the California Air Resources Board. And we will begin with the Pledge of Allegiance to the flag, which is the customary way we start meetings here. So if people will please rise. Thank you.

(Thereupon the Pledge of Allegiance was recited in unison.)

CHAIR NICHOLS: A couple of announcements to make before we get started. We have interpretation services available this morning in both Spanish and Portuguese. We have on the cap-and-trade auction proceeds, sorry only for Spanish, but in Spanish and Portuguese for the tropical forest standards item. And there's headsets available outside the hearing room. And our translator will now read the Span -- read the sentence in Spanish and Portuguese.

(Thereupon the interpreter translated in Spanish and Portuguese)

CHAIR NICHOLS: Thank you.

For safety reasons, I need to make sure everybody

1 knows that there are emergency exits at the rear of the
2 room. And in the event of a fire alarm, everyone will
3 need to leave the room immediately, and go downstairs, and
4 out of the building until the all-clear signal is given.
5 And then we will return to the hearing room and resume the
6 hearing.

7 I have to say that I sincerely hope there is not
8 a fire drill today, because being outdoors is not the
9 place you want to be. Yesterday, we had a good warning
10 from our physician Board member John Balmes about that.
11 And I need to make sure that people understand that our
12 advice is that you stay inside the building if you
13 possibly can, and spend as little time as possible
14 outdoors, because the smoke from the fires is very bad.

15 Anyone who wishes to testify should fill out a
16 request to speak card. They're available in the lobby
17 outside, and they need to be turned into the clerk or the
18 clerk -- Board assistant prior to the item beginning.

19 Also, we will be imposing a time limit on
20 speakers for each of these. Given the numbers of people
21 who want to speak, dependent on how many there are, it
22 could be either three or two minutes. But for people who
23 need a translator, that time will be doubled, so that the
24 translator has time to also deliver the remarks in their
25 language as well.

1 So other than that, I think we always tell people
2 that if at all possible, they should put their comments as
3 simply as possible, and to submit written comments for the
4 record.

5 Okay. So the first item on this morning's agenda
6 is a report, item number 9 -- 18-9-8, which is an update
7 to the Board on California's natural and working lands and
8 their role in the climate change program. This is the
9 first of two items today that are dealing with land
10 related issues. This one we'll discuss what we're doing
11 domestically, and the next item we'll discuss how we can
12 encourage more substantive action globally. California
13 continues to be a leader in climate policy and air
14 quality, putting us on a path to exceeding our 2020 target
15 as well as defining a path to achieve our 2030 goals, and
16 to stay on track for reducing greenhouse gas emissions to
17 avoid the most catastrophic impacts of climate change.

18 But as we move forward, it becomes clear that we
19 need to be much more active in protecting our natural and
20 working lands as they become an increasingly important
21 part of our climate change strategy.

22 In September, Governor Brown signed Executive
23 Order B 55-18 committing California to carbon neutrality
24 by 2045 and net negative emissions after that. We are not
25 headed in the right direction on this goal. The latest

1 IPCC report predicts that we will experience the impacts
2 of climate change sooner than previously thought. And
3 that in order to avoid the worst impacts, we must be
4 carbon neutral no later than 2045.

5 Both of these goals, or metrics, really point up
6 the need to find a path to zero emissions in all of our
7 energy and industrial sectors, while at the same time we
8 increase our ability to enhance the climate mitigation and
9 resilience of our natural and working lands through
10 technologies, such as carbon capture and sequestration.

11 Because it takes a long time to change the
12 landscape, action now is critical to achieving the
13 long-term gains that this sector, if we call it that, our
14 natural environment, can provide. So this is a really
15 important update. And I hope it will also provide an
16 opportunity for some discussion and some direction on the
17 part of the Board.

18 Mr. Corey, would you please introduce this item.

19 I'm sorry?

20 CHIEF COUNSEL PETER: Madam Chair, even though
21 this is not action item, I think it might good for the
22 record to take the roll now.

23 CHAIR NICHOLS: I'm sorry?

24 CHIEF COUNSEL PETER: The clerk to take the roll
25 now.

1 CHAIR NICHOLS: Oh. Yes. Okay. Fine.

2 (Laughter.)

3 CHAIR NICHOLS: But we're here, why do we have to
4 take the roll.

5 CHIEF COUNSEL PETER: For the video, but for the
6 court reporter.

7 CHAIR NICHOLS: For the video. Okay. All right.
8 Fine. Fair enough. Thank you very much, Ms. Peter.

9 Clerk -- Madam Clerk, please call the roll.

10 BOARD CLERK DAVIS: Dr. Balmes?

11 Mr. De La Torre?

12 Mr. Eisenhut?

13 BOARD MEMBER EISENHUT: Here.

14 BOARD CLERK DAVIS: Senator Florez?

15 Assembly Member Garcia?

16 Supervisor Gioia?

17 BOARD MEMBER GIOIA: Here.

18 BOARD CLERK DAVIS: Senator Lara?

19 Ms. Mitchell?

20 BOARD MEMBER MITCHELL: Here.

21 BOARD CLERK DAVIS: Mrs. Riordan?

22 BOARD MEMBER RIORDAN: Here.

23 BOARD CLERK DAVIS: Supervisor Roberts?

24 Supervisor Serna?

25 BOARD MEMBER SERNA: Here.

1 BOARD CLERK DAVIS: Dr. Sherriffs?

2 BOARD MEMBER SHERRIFFS: Over here again.

3 (Laughter.)

4 BOARD CLERK DAVIS: Professor Sperling?

5 BOARD MEMBER SPERLING: Here.

6 BOARD CLERK DAVIS: Ms. Takvorian?

7 BOARD MEMBER TAKVORIAN: Here.

8 BOARD CLERK DAVIS: Vice Chair Berg?

9 VICE CHAIR BERG: Here.

10 BOARD CLERK DAVIS: Chair Nichols?

11 CHAIR NICHOLS: Here.

12 BOARD CLERK DAVIS: Madam Chair, we have a
13 quorum.

14 CHAIR NICHOLS: Thank you. Thanks very much.

15 Okay. May we now begin, Mr. Corey.

16 EXECUTIVE OFFICER COREY: Yes. Thanks, Chair.

17 As you noted, the '27[SIC] scoping plan update
18 recognized that our natural and working lands are a
19 critical component of the State's climate strategy. The
20 scoping plan carries forward the objective of maintaining
21 California's natural and working lands as a resilient
22 carbon sink.

23 We've been working closely with our sister
24 agencies who are here at the staff table with us today
25 model potential paths to make our lands more sustainable,

1 and to develop an implementation plan describing State
2 actions to make immediate progress on natural and working
3 lands. These efforts are critical as we move to integrate
4 California's land base into our comprehensive climate
5 change response strategy and lay the groundwork for the
6 sector's role in subsequent scoping plan updates.

7 Since we know natural and working lands will need
8 to play a larger role in our climate policy, we expect to
9 come back to the Board regularly to describe how we're
10 making progress in this sector. Today gives us an
11 opportunity to begin a deeper conversation between the
12 Board, staff, and interested stakeholders.

13 I'll now ask Shelby Livingston of the Industrial
14 Strategies Division to begin the staff presentation.

15 Shelby.

16 (Thereupon an overhead presentation was
17 presented as follows.)

18 STAFF AIR POLLUTION SPECIALIST LIVINGSTON:

19 Thank you Richard. And good morning, Chair
20 Nichols and Board members. I'm here today to discuss the
21 importance of natural and working lands to the State's
22 climate strategy and our plan to tackle this challenge.

23 We're joined today by representatives from our
24 interagency group on natural and working lands. We've
25 worked closely together over the last several years

1 examining the opportunities and risks to our natural and
2 working lands and how they can contribute to our long-term
3 climate goals.

4 Joining us today, we have Keali'i E. Bright,
5 Deputy Secretary for Climate and Energy at the Natural
6 Resources Agency; Jenny Lester-Moffitt, Undersecretary at
7 the California Department of Food and Agriculture; Emily
8 Tibbott, Senior Program Advisor for Environmental,
9 Science, and Policy at the Strategic Growth Council, and
10 Ashley Conrad-Saydah, Deputy Secretary for Climate Policy
11 at the California Environmental Protection Agency.

12 This item is an informational update on the
13 status of our joint agency effort. We'll describe the
14 natural and working lands, what natural and working lands
15 are, how they can contribute to or impede our efforts to
16 achieve California's climate goals, and our proposed
17 short-term goals and long-term objectives for this sector.

18 The key message we want to communicate today is
19 that California's natural and working lands play an
20 import -- provide an important opportunity in California's
21 climate strategy.

22 --o0o--

23 STAFF AIR POLLUTION SPECIALIST LIVINGSTON: So
24 what do we mean when we say natural and working lands?

25 California's natural and working landscapes cover

1 approximately 90 percent of California. They include
2 rangelands, forests, wetlands, grasslands, farms, riparian
3 areas, seagrass, and urban green space.

4 They support multiple benefits from water and air
5 to food, to wildlife, and to recreation. As we plan our
6 climate strategy for natural and working lands, we must
7 balance our efforts on climate with the many other
8 benefits that these lands provide.

9 --o0o--

10 STAFF AIR POLLUTION SPECIALIST LIVINGSTON:

11 California has recognized the importance have
12 natural and working lands in our climate strategy since
13 the first scoping plan in 2008. The latest scoping plan,
14 adopted by the Board in 2017, calls for near-term action
15 to achieve the long-term goal of maintaining our natural
16 and working lands as a net carbon sink.

17 The Governor has supported these activities with
18 a range of executive orders calling for improved
19 management of the state's forests, actions to enhance
20 biodiversity, and most recently a mandate to achieve
21 carbon neutrality by 2045.

22 In October this year, the Intergovernmental Panel
23 on Climate Change weighed in noting that dangers to the
24 planet, if temperatures increase more than 1.5 degrees
25 Celsius above pre-industrial levels. In order to keep

1 temperature rise to less than this, we must achieve carbon
2 neutrality in the 2040 to 2045 time frame.

3 Since we know that some sectors will have
4 greenhouse gas emissions in 2045, and natural and working
5 lands can be a sink, this highlights the importance of
6 resilient natural and working lands both in California and
7 globally, as you will hear about in the next Board
8 presentation.

9 --o0o--

10 STAFF AIR POLLUTION SPECIALIST LIVINGSTON: So
11 are California's lands a source or a sink?

12 Our natural and working lands are on the
13 forefront of climate change, and are often the first to
14 experience its impacts. Historically, our lands have
15 helped regulate our climate by removing carbon dioxide
16 from the atmosphere and storing it as carbon in soil and
17 wood.

18 In 2014, California's natural and working lands
19 contained and estimated 5.5 billion metric tons of total
20 ecosystem carbon in above- and below-ground biomass and
21 soils. However, the effects of climate change,
22 development pressure and other threats, including the rise
23 of catastrophic wildfire, pests, invasive species, and
24 drought are resulting in our land base being a source of
25 greenhouse gas emissions, rather than the large potential

1 sink that they could be.

2 CARB's inventory data indicate that California's
3 lands are losing carbon with a net carbon loss of
4 approximately 170 million metric tons from 2001 to 2014.
5 The majority of these losses are due to wildfire. It's
6 important to note here that these numbers reflect carbon.

7 To help put this opportunity and risk into
8 perspective, the 170 million metric ton carbon loss from
9 2001 to 2014 is equivalent to a cumulative 635 million
10 metric ton of CO2 equivalent emissions over the same time
11 frame. For added perspective, this is roughly equivalent
12 to all of the estimated greenhouse gas emission reductions
13 from all of the measures in the 2017 scoping plan.

14 --o0o--

15 STAFF AIR POLLUTION SPECIALIST LIVINGSTON:

16 While this comparison helps to illustrate the
17 magnitude of the potential benefit that these lands can
18 provide, as well as illustrating the risk of inaction, it
19 is important to note here that not all of this carbon is
20 lost -- is emitted into the atmosphere as CO2. Some of
21 this carbon leaves the land, but persists in wood
22 products. And other losses are natural. They are a
23 normal part of ecosystem function. Trees die and fires do
24 happen.

25 Fire is an integral part and -- is an integral

1 and natural part of California's landscape, but fire
2 suppression activities in the past century have resulted
3 in a large amount of fuel build up leading to landscapes
4 that are very different from their natural state.

5 Climate change is exacerbating this problem. In
6 recent years, we've seen unprecedented tree mortality and
7 some of the largest and most destructive wildfires in
8 California's history. Between 20 -- 2010 and 2017, over
9 129 million trees were killed by wildfire, bark beetles,
10 and drought.

11 And sadly, this year, we're seeing more of the
12 same. With the Camp Fire and Woolsey Fire ripping through
13 forests, grasslands, chaparral, and farmland destroying
14 homes and businesses and tragically taking precious life.

15 Like extreme wildfire, land conversion presents a
16 serious threat to California's ability to store carbon.
17 When natural and agricultural lands are transformed to
18 more intensive uses, the sequestration potential of that
19 land is lost.

20 We are seeing 40,000 acres of farmland lost per
21 year to urbanization. The factors contributing to
22 conversion are many, but notably include drought and
23 development pressures. If we are to depend on
24 agricultural lands for benefits, including carbon storage,
25 it's important that farming and ranching remain robust,

1 and that rates of conversion are slowed.

2 We expect to continue to lose carbon from the
3 land base because of climate change, drought, and
4 development. To meet our climate goals, we need a
5 concerted and ambitious effort to change our lands from a
6 net greenhouse gas source to a net carbon sink.

7 --o0o--

8 STAFF AIR POLLUTION SPECIALIST LIVINGSTON:

9 While there are significant risks facing our
10 natural and working lands, there is also significant
11 opportunity.

12 Several model and research efforts, shown here on
13 this slide, have attempted to quantify the total potential
14 climate benefits we might get from different activities on
15 our natural and working lands. While these efforts have
16 modeled different practices, baselines, assumptions, and
17 have achieved different results, they all point to the
18 untapped potential this sector has to offer.

19 Our State agency group is also looking at this
20 untapped opportunity. We were looking at a smaller piece,
21 specifically the climate benefit potential of a suite of
22 State-supported activities.

23 --o0o--

24 STAFF AIR POLLUTION SPECIALIST LIVINGSTON: So
25 what can we do to realize this potential?

1 For the implementation plan, we are modeling the
2 projected estimated climate impacts and benefits of a
3 suite of land management, restoration, and conservation
4 activities that can change the current trajectory and move
5 the sector closer to net sequestration.

6 A sample of the activities this interagency group
7 has explored and modeled are shown on this slide. They
8 include restoration of wetlands, reforestation, forest
9 fuel reduction treatments, less intensive forest
10 management, and agricultural practices -- soil
11 conservation practices such, as adding compost to
12 agricultural and rangelands, reduced tillage, and cover
13 cropping.

14 Almost all of the activities we are assessing
15 provide both near-term and long-term benefits as
16 indicated -- I'm sorry, they provide both near- and
17 long-term climate benefits as indicated by the upward
18 facing arrows.

19 Others, specifically forest fuel reduction
20 treatments, involve removing material from our overstocked
21 forests resulting from decades of fire suppression. This
22 activity results in near-term emissions that reduce the
23 potential for catastrophic wildfire, currently the primary
24 cause of carbon loss.

25 In the long term, these efforts result in

1 healthier, more resilient forests, as well as significant
2 gains in carbon sequestration.

3 --o0o--

4 STAFF AIR POLLUTION SPECIALIST LIVINGSTON: For
5 decades, State programs for land management, restoration,
6 and conservation have been implemented for resource
7 management objectives to provide numerous benefits shown
8 on that earlier slide. Other more recent programs have
9 the objective of climate mitigation and adaptation. These
10 separate objectives are not mutually exclusive, and in
11 most cases, they are complementary and synergistic.

12 For example, the State has committed about 800
13 million of California's climate investment funds, which is
14 about nine percent of the total greenhouse gas reduction
15 appropriations to date for climate mitigation on natural
16 and working lands. Although only ten percent of these
17 funds have been implemented so far, 172 projects will
18 reduce an estimated 4.3 million metric tons of carbon
19 dioxide equivalents over their project lifetimes, and
20 result in 258,000 acres of land treatment, restoration,
21 and conservation with over 20,000 urban trees planted.

22 These are also some of the most cost effective
23 greenhouse gas reduction activities with the greenhouse
24 gas -- the Greenhouse Gas Reduction Fund costs as low as
25 \$7 per ton.

1 Historically, California has been a global leader
2 in public funding for natural and working lands through
3 State bond initiatives as well. Natural resource bonds
4 have funded billions in conservation and restoration work
5 since 2000, Proposition 68 being the most recent voter
6 approved initiative.

7 With the Natural and Working Lands Implementation
8 Plan, the State is aiming to integrate these two
9 objectives wherever possible, with a more ambitious scope
10 that coordinates all natural and working lands programs
11 under a united approach that will move us towards our
12 combined goal of net sequestration and improved water
13 quality, wildlife habitat, recreation, and other benefits.

14 --o0o--

15 STAFF AIR POLLUTION SPECIALIST LIVINGSTON:

16 Though we already invest in our natural and
17 working lands, we can and must do more. With greater
18 efforts and increased investment, the State needs to at
19 least double the emissions reduction benefits from
20 managing our natural and working lands.

21 We believe this is an aggressive goal for
22 state-supported land conservation, restoration, and
23 management activities that will move us towards our
24 long-term objective of zero to negative greenhouse gas
25 emissions.

1 We are looking at at least a five-fold increase
2 in the rate of soil conservation practices, at least
3 doubling the rate of forest management or restoration
4 efforts, at least a tripling -- tripling the rate of
5 reforestation and doubling the rate of wetland and
6 seagrass restoration.

7 This goal is a statement of ambition informed by
8 input from over 20 State agencies, boards, departments,
9 and conservancies, more than 20 existing natural resource
10 management plans, including the Forest Carbon Plan, as
11 well as input from stakeholders.

12 --o0o--

13 STAFF AIR POLLUTION SPECIALIST LIVINGSTON: This
14 level of effort will require work across jurisdictional
15 boundaries with activities taking place across all land
16 types and land ownerships, including federal lands. As
17 you can see here, the State owns only three percent of the
18 land in California. Success will require willing
19 landowners, partnerships, innovations in technology, and
20 supporting markets.

21 In order to achieve these goals, we need to turn
22 all of the dials up: Greenhouse Gas Reduction Funds,
23 bonds, private investment, and new innovative approaches.
24 We can only expand to the scale needed when all parties
25 are all-in.

1 It is important to reiterate that these
2 activities are narrowly focused on State-supported
3 efforts, and they are only part of the solution. Actions
4 by federal agencies, local jurisdictions, and private
5 entities undertaken, absent State support, are also
6 critically important in making further progress.

7 These have not been included in this initial
8 efforts, because we don't currently have the systems in
9 place to understand and account for the numerous
10 activities being implemented.

11 --o0o--

12 STAFF AIR POLLUTION SPECIALIST LIVINGSTON: A
13 draft implementation plan, which will serve as a blueprint
14 for how the State can meet the goal for natural and
15 working lands, will be released later this month for
16 public comment, and finalized by the end of the year.

17 Once final, we will begin to explore how to
18 expand beyond State-supported activities and incorporate
19 federal, regional, local, and private efforts. We will
20 continue to coordinate in the development of
21 quantification approaches, including methods to understand
22 and assess cross-sector interactions.

23 The implementation plan and continued work will
24 serve as a springboard as we move to further integrate
25 this sector into the next scoping plan update to realize

1 the significant opportunity for reductions in this sector.

2 I'm going to now pass the presentation on to our
3 sister agency representatives starting with Keali'i E
4 Bright, Deputy Secretary for Climate and Energy at the
5 Natural Resources Agency.

6 MR. BRIGHT: Thank you so much. You know, many
7 of my points that I will make are intended to emphasize
8 the presentation by Shelby, because I think that
9 presentation captures most of our -- most of our main key
10 points.

11 So I wanted to start this morning by giving some
12 acknowledgement to what we are facing at the Natural
13 Resources Agency, and as a State with the fires that we're
14 all watching unfold. You know, as reported out yesterday,
15 we have almost 10,000 firefighters fighting the fires, 12
16 that are serving on -- over 1,200 fire engines, 121
17 dozers, 163 hand crews, 124 water tenders, 46 helicopters,
18 numerous firefighters, air tankers from throughout the
19 state, out of state resources from all of our surrounding
20 neighbors in the U.S. and also abroad.

21 These wind-driven fires have burned more than
22 250,000 acres as of yesterday. And I'm sure that number
23 is growing as we speak.

24 In some places, it's eliminated almost 100
25 percent of national recreational areas, such as the Santa

1 Monica Mountains. And up in the north state it's done the
2 damage that we've all been watching in real-time.

3 So I guess the question is what is happening and
4 what's driving all of this?

5 We know that the winds -- when the winds come,
6 the winds push the fire, and they accelerate the intensity
7 of the fire. But winds aren't necessarily new to the
8 state. In Northern California, this time of year we
9 usually have higher levels of humidity. We have rain
10 early on. And these winds don't pose the same fire risk
11 that we're experiencing right now.

12 Right now, the humidity in the Northern
13 California is at five percent. I think the highest
14 humidity we're seeing is 15 percent. These are changes in
15 what we're seeing on the ground and how our state is
16 experiencing what is usually a windy fall.

17 Climate science predicted these changes would
18 come, and climate science that we released this year in
19 the fourth assessment is predicting that they will get
20 worse. Our natural ecosystems will have to sustain these
21 changes over time or we will see these impacts worsen as
22 time goes on.

23 We know these impacts are hitting our -- we watch
24 these impacts hit our conifer forests, and our grasslands,
25 and our chaparral. But we're also seeing these impacts

1 directly affect our redwood forests, our grasslands, and
2 all of the other ecosystems that we depend on in the
3 state.

4 Essentially, what we're seeing is all of these
5 ecosystems begin a process of unwinding both -- both in
6 their carbon storing capacity, but also in their ability
7 to provide all of the benefits that we depend on as a
8 state.

9 So what can we do? And Shelby covered this
10 really well. You know, we, as a state, have taken
11 historic strides in supporting natural resource
12 investment. We've -- we know that land conservation and
13 ecosystem restoration can bring our state's ecosystems
14 back into balance. And we know that if we do it at a
15 scale big enough that that work can actually create
16 ecosystems that serve as robust and resilient carbon
17 sinks.

18 California's legacy of leading the nation in
19 conservation and restoration investments puts us in a
20 pretty good position to greatly expand the acres of
21 reforested forest, urban forest canopy growth, fresh
22 saline wetlands, oak woodlands, and perennial grasslands.

23 As a state, we've taken tremendous steps forward
24 with Prop 68, as Shelby mentioned, with CCI investments of
25 the prior year -- and the prior years. And also at the

1 local level, many of our local governments have been
2 passing region-wide initiatives that directly match the
3 funds the State brings to the table and sometimes leads
4 our commitments on investments.

5 Over the last year, we've been working across
6 this team to better understand what these investments
7 mean, as far as what kind of benefits are we getting from
8 carbon. And we've been working with the Lawrence
9 Berkeley -- with Lawrence Berkeley Labs to develop a
10 model. And a model is just a model. It has its
11 imperfections and it has its qualities, but we -- you
12 know, through this exercise we looked at what would happen
13 if we greatly increased rates of expenditures across all
14 of our existing programs? What would happen if we
15 implemented plans that regions have come together to
16 develop like the Central Valley Joint Venture Plan or the
17 Sierra Nevada Watershed Improvement Plan?

18 And from that work, we learn one pointed lesson,
19 and it's something that we kind of expected just by, you
20 know, the nature of how -- how nature grows, if you invest
21 now and you invest in large quantities, you start to gain
22 exponentially increasing benefits in carbon sequestration
23 in the out years.

24 As ecosystems mature, and as they bring in more
25 biomass with that health and with that maturity, those

1 forests, those wetlands, and those grasslands rapidly
2 shoot up their carbon sequestration potential over time.
3 So really the important takeaway is it's not about
4 sustaining small amounts of expenditures over many, many
5 years, but it's trying to maximize what we can do in the
6 short-term, so that we can have those benefits pay out
7 over the long term.

8 You know, one of the challenges with the work
9 that we conducted as a team, is that we were -- you know,
10 what we have in front us is a -- is we -- we're -- we
11 chose to base our kind of exercises around what our
12 current programs and our current kind of economies can
13 handle. But if we base our needed action on the
14 performance of prior and existing programs, we don't truly
15 capture what is actually needed to solve the problem.

16 Currently, California doesn't have the economy of
17 scale -- economies to work at the scale that's needed to
18 achieve all that we need to achieve. We're experiencing
19 this in real time at the Governor's Forest Management Task
20 Force where we're being asked to roll -- to ramp up from
21 programs that are used to spending 10 to 15 to 20 million
22 dollars a year to programs that would now be asked to
23 spend over \$100 million a year.

24 What this means on the ground, it feels good to
25 pass initiatives to spend that kind of money. But what it

1 means on the ground is you don't necessarily have the
2 systems, the economies in place to deliver the work that
3 is committed when you make those funding commitments.

4 Another challenge we have -- you know, and this
5 isn't unique to this sector is that we don't have command
6 and control over all the pieces that Shelby mentioned.
7 Much of this work needs to occur on lands that the State
8 does not control. Private landowners need to be engaged.
9 Private landowners need to see and have incentives to
10 bring them along, and then they also need to see benefits
11 to their own endeavors from those changes for these
12 practices to sustain over time.

13 If you ask a -- for example, a farmer in the
14 Delta to transfer current farm of corn, which is producing
15 a certain amount of profit to a wetland that would
16 sequester carbon, you're asking a farmer to make legacy
17 changes to their land, and you're also asking them to take
18 a risk of foregoing future profits from their current
19 operations.

20 So in that situation, the question really comes
21 down to how can you -- how can you incentivize those
22 landowners who are willing to enter into these practices,
23 how can you make it easy for them to make those choices?
24 And then how can you support them so they don't feel like
25 they're on their own?

1 And then on the back end, how do you show them
2 the benefits so that they realize the benefits of their
3 investments. I think finally, you know, I just wanted to
4 draw a parallel to another sector that we've been -- we've
5 been pushing really hard on, which is the transportation
6 sector from the beginning.

7 And just like the transportation sector, we
8 really need to create a new economy around natural and
9 working lands work. We -- if we don't do that, we miss
10 the opportunity to capture the true extent of the carbon
11 sequestration potential, which is one, you know, important
12 piece. But we also run the risk of losing all of the
13 benefits that we take for granted that come from these
14 resources, our clean air, our clean water, our economies
15 that are based around these resources.

16 And with that new economy, you know, we can
17 deliver to areas of the state that are in great economic
18 need new job programs, new opportunities for residents of
19 impoverished areas. All of this work is extremely
20 valuable to the regional economies. So, you know, what we
21 have here is an opportunity to kind of diversify the
22 benefits of climate programs, not only across all of the
23 resources that we depend on within the state from those
24 places, but we also have an opportunity to diversify the
25 economic benefits across the state to those regions that

1 have not experienced the benefits of some of these other
2 economies that have developed around these programs.

3 So I really appreciate your time today, and I
4 will pass it on to Jenny Lester-Moffitt, Undersecretary of
5 Food and Ag.

6 Thank you.

7 CHAIR NICHOLS: Thanks.

8 MS. LESTER-MOFFITT: Thank you, Keali'i.

9 And good morning, Chair Nichols, members of the
10 Board. It's great to be here today to talk with you about
11 natural and working lands, the work that we, as our
12 interagency group, along with the staff at the -- at your
13 board on your staff have been working on. I recognize
14 that, especially in light of the fires that are currently
15 happening, the immense need that we have to address
16 solutions in our forests that a lot of the conversation
17 today will be on forest management and fires. But I'd
18 like to take a moment to talk about some of the other
19 lands and the potential for our natural and working lands
20 strategy to sequester carbon in our agricultural lands as
21 well.

22 Californians, as you well know, depend on
23 agricultural land for food, fiber, ecosystem benefits,
24 rural development, jobs, and economic benefits. Yet,
25 those agricultural lands and agriculture is also deeply

1 affected by climate change as well.

2 I know this first and foremost as someone who
3 used to run my family's walnut farm. With temperatures
4 changing, with the variation in winter -- what we call,
5 winter chill hours, so a loss of a deep freeze in the
6 winter. That affects many crops throughout the state as
7 far as their ability to bloom and to produce a crop year
8 after year. UC Merced released a report this spring that
9 found that eight out of California's ten major crops are
10 going to be deeply affected by climate change with an
11 expected 10 to 40 percent yield reduction by the end of
12 this century. That includes crops like table grapes, wine
13 grapes, walnuts, almonds, cherries, oranges, the list goes
14 on.

15 Drought is certainly another impact to
16 agriculture through -- and actually through our whole
17 ecosystem in California and to agriculture as well. We'll
18 begin to see, and we've already seen a 50 percent increase
19 in drought impacts. And the most recent drought we had
20 over half a million acres of ag land that was fallowed
21 because of the drought. This led to billions of dollars
22 of economic impact in agriculture and food production.

23 Invasive species as well, we'll have more
24 opportunities to grow and proliferate throughout the
25 State. Fortunately, California's farms and ranches also

1 provide many opportunities to not only combat climate
2 change, but also to continue food for a growing
3 population. This is through soil carbon sequestration and
4 vegetation management. As we talk about fires,
5 certainly -- and I won't talk much about this now, but
6 certainly grazing practices, ranching practices can
7 certainly help reduce fuel reduction in our grasslands, in
8 our woodlands, in our tribe lands.

9 But there's also other practices that can also
10 sequester carbon within the soils, as Shelby had
11 mentioned, through compost application, mulching, no till,
12 cover crop, different practices that are happening on the
13 farm and ranchlands.

14 So why soils? Why are soils so important?

15 Recent study actually that was just published
16 this year shows globally that soils can sequester 4.8 to
17 10.6 billion tons of CO2 annually per year. That's a
18 global number. That's enough to offset 13 to 28 percent
19 of our current annual greenhouse gas emissions. So soils
20 alone can offset 13 to 28 percent of our global greenhouse
21 gas emissions. That's a pretty big and significant
22 number, all in something that just lies spilling beneath
23 our feet.

24 There's also a lot of other benefits to soil
25 management practices in addition to the climate benefits.

1 Certainly through nutrient management, pest management,
2 through water quality, air quality, I'll name a few.
3 Soils, as they are built and as we build the soil carbon
4 in the soil, they also become full of life. In fact,
5 there are actually more microbes and biota in the soil --
6 in healthy soil than there are -- in a teaspoon of health
7 soil than there are in the population on earth. So
8 there's a lot of life in that soil. That life in the soil
9 just like how our bodies work and how our guts work, as
10 far as having bacteria in our guts that are helping to
11 digest food and turn that food into the valuable vitamins
12 and nutrients and minerals that we need for our body, the
13 same thing happens in the soil as functioning with plants.

14 So as we have more biota and life in that soil,
15 as we build that soil carbon, we're also able to cycle
16 nutrients more efficiently. We're also able to manage
17 diseases through -- crop diseases and otherwise through
18 pest management practices because of those soil management
19 practices.

20 Soils are also very well structured. They act
21 like a sponge. And so as you have healthy soils, they
22 actually have much more structure to them. That helps
23 with dust management, that -- as the soil is much more
24 structured and in form, it's not -- the soil is not
25 blowing off into the air, into the waterways as well. So

1 there's a lot of water quality, air quality benefits in
2 that as well.

3 One thing I think is really important, because of
4 that structure of soils, they are much more drought
5 tolerant. Again, think of it like your kitchen sponge.
6 Hopefully, you're letting it dry out on occasion and
7 keeping it safe. And as that sponge fills up with water,
8 it is able to hold the water, and it's able to hold a lot
9 of water in that sponge. Soil does the same thing.

10 So as they have a higher soil organic matter,
11 higher soil carbon, it acts as sponge and holds that
12 water. It can actually hold 20 times its weight in water.
13 So it helps with a lot of drought management as well.

14 In addition, there's significant cost savings
15 that can be seen. There's more research that really needs
16 to be done to really better understand the cost savings
17 that might be materialized on farming and operations
18 through soil management practices. But some early studies
19 show that certainly through a reduction of tillage,
20 there's cost savings through fuel, through tractor passes,
21 those sorts of things.

22 And there could be -- one study shows that there
23 could be a 50 percent reduction in fuel savings. One
24 other thing I wanted to mention is, is the importance of
25 as we talk about our health soils program and the work

1 that growers are doing, implementing soil management
2 practices, there's a lot of co-benefits with other work
3 that is being done here at your Board and throughout the
4 state in our climate.

5 Certainly through our Short-Lived Climate
6 Pollutant Plan, we have organic waste diversion goals. We
7 have manure management goals to really start to -- to take
8 that organic material, compost it, and then through the
9 Healthy Soils Program and through the healthy soils
10 practices, we're able to actually have a market and a
11 place to bring that compost.

12 So it really works hand-in-hand with a lot of the
13 other work that we're doing through our climate goals here
14 at the state as well. The great news is, as I've
15 mentioned before, there are many practices that can and
16 are being put into place by growers through the healthy
17 soil program that we have at the Department of Food and
18 Agriculture. We've received seven and a half million in
19 the past. We have another 15 million this year. And
20 growers are tapping into that money. They're putting
21 cover crop onto that farming operations, they're putting
22 compost out to onto their range land operations, they're
23 planting perennial habitat along their borders, they're
24 practicing no till.

25 Many of these practices have already been in

1 place in many other operations. So what we're really
2 doing is growing and growing the envelope of what we're
3 implementing. So what we propose in this plan that we're
4 before you today is to really have a five-fold increase in
5 the practices that are already taking place in the state.
6 And a lot of that will be through partnerships with
7 landowners.

8 As we know, building soils -- actually,
9 everything that we do, certainly in what Keali'i talked
10 about with forestry management, it's all about
11 partnerships. So as we build partnerships, as we take the
12 time to really grow those partnerships with landowners,
13 with local governments, with State government, with our
14 federal partners as well, we can really start to see a
15 huge increase in those management practices.

16 So I think you for your time today. I think it's
17 absolutely valuable that you're hear listening to the work
18 that we're doing on natural and working lands. I
19 certainly look forward to continued work in this. And
20 thank you to you guys for your patience, for your energy,
21 and thank you for -- to the staff who's been working so
22 tirelessly with us on it.

23 Thank you.

24 I guess I'll now pass it along to Emily Tibbott
25 with the Strategic Growth Council.

1 MS. TIBBOTT: Thanks, Jenny. Good morning, Chair
2 Nichols and members of the board. It's really a pleasure
3 to be here today. This Strategic Growth Council's role in
4 the development of the implementation plan has been to
5 consider natural and working lands within the larger
6 picture of land use. Weaving in the urban environment in
7 particular, and to look at the implications of land
8 conversion, not only from the standpoint of carbon
9 sequestration potential, but also from the standpoint of
10 greenhouse gas emissions from land development, namely
11 from vehicle miles traveled, building energy, and a range
12 of other factors.

13 We began to tease out this cross-sectoral
14 interaction through the use of a model designed to
15 evaluate high level urban land-use scenarios across a
16 range of metrics, including carbon.

17 Essentially, we compared the model -- the outputs
18 of this model with the natural and working lands model
19 that Keali'i mentioned earlier to begin to address a more
20 complete picture of greenhouse gas benefits to land
21 conservation.

22 I won't go into the numbers here, as they're
23 illustrative in any case, but I wanted to point out the
24 potential for a more integrated model. To of our programs
25 at the Strategic Growth Council help to address this more

1 integrated picture. This Sustainable Agricultural Lands
2 Conservation Program utilizes cap-and-trade funds to
3 protect agricultural lands on the outskirts of cities from
4 development. Since its inception in 2015, the program has
5 protected more than 80,000 acres of agricultural land
6 through easements, with another set of awards to be
7 announced soon. This acreage total represents a
8 significant jump in the rate of state funded agricultural
9 land protected up to that time.

10 And our Affordable Housing and Sustainable
11 Communities Program encourages Californians to drive less
12 by funding transit-oriented development among other
13 things.

14 Taken together, these programs point to a more
15 holistic vision of land use that creates the kind of
16 carbon reduction outcomes we're looking for.

17 Looking ahead, I believe that we need a more inte
18 -- a more strategic approach to land protection, focusing
19 on efforts that achieve multiple benefits, as mentioned in
20 the slides. One important benefit should be a focus on
21 lands most vulnerable to conversion, and that we have
22 the -- that have the potential to reduce sprawl
23 development.

24 For example, we could target the Sustainable
25 Agricultural Lands Conservation Program on areas most

1 vulnerable to conversion, as well as work to pair this
2 program with the Affordable Housing and Sustainable
3 Communities Program in key geographies.

4 It also seems extremely important for the State
5 to develop a more integrated model that considers the
6 relationship of carbon abating activities between and
7 across sectors, and ideally across levels of government,
8 as was mentioned earlier.

9 This larger view will lead to a clearer
10 identification of trade-offs among sectors and could lead
11 to a more innovative and comprehensive policy -- suite of
12 policy solutions. In any case, it's clear that we will
13 need to be creative and far-reaching in the development of
14 a suite of policy and funding interventions that can be
15 applied at all levels of government, as was mentioned
16 earlier.

17 I want to thank you for your time and for your
18 efforts. And I will now pass it on to my colleague Ashley
19 Conrad-Saydah at CalEPA.

20 MS. CONRAD-SAYDAH: Thanks Emily. And again,
21 thank you to all the Board members and to all the staff
22 and agencies working on this plan. Really, this is the
23 culmination of I would say six or seven years work
24 together between the forest carbon plan, the natural and
25 working lands implementation plan, multiple executive

1 orders, and working groups. And it's really also the
2 start of continued work together and increased effort in
3 this space.

4 So essentially what we're saying here today is
5 the natural and working lands space has a massive
6 opportunity for all of us. It is currently a draw for
7 Californians. Natural and working lands are why people
8 come to this state and stay in this state for our
9 coastlines, for our amazing food, for our wonderful
10 natural resources, for our parks.

11 But as it's all to visible in front of us,
12 without action, and without increased action that we're
13 talking about today, we don't imagine that California will
14 look like this, and provide these sorts of resources that
15 we all love in the future for our kids, our grandkids, for
16 everyone in this room.

17 So what we're -- what we're really talking about
18 today is increasing our effort to a level that's
19 commensurate with the effort that we're putting into all
20 the other sectors that we're looking at to help us with
21 climate change.

22 And the reason we're asking for this, and we're
23 talking about this today is that if you put effort into
24 this space, you cannot not only reduce emissions, you can
25 also sequester carbon and you can prepare those lands and

1 help adapt them to climate change in the future.

2 And if you put that effort in, you can actually
3 be rewarded with all of the benefits we've talked about,
4 with public health, with sustainable communities, with
5 good water, with good air, with healthy soils, and with
6 abundant food. So really what we're talking about today
7 is increasing that effort, increasing the personnel,
8 increasing the research, increasing the resources,
9 increasing the activities, increasing the awareness and
10 the education that natural and working lands are not only
11 a part of the solution to climate change and to
12 adaptation, but really critical for this state's future.

13 So thank you so much to listening to us today, to
14 bringing this area of work into your area of expertise,
15 and to working with us over the coming years to implement
16 the plans that will continue to bring before you over the
17 years to come.

18 We really appreciate the work together across all
19 of these agencies. I think through my time in the Brown
20 administration, I've built relationships in about 25
21 different agencies, because climate touches everything.
22 And so we're here today to just talk about how it touches
23 our natural and working lands, and how much opportunity
24 there is for us to continue this work together and make a
25 difference again for generations to come.

1 So thank you and we look forward to the continued
2 dialogue today and into the future.

3 CHAIR NICHOLS: Thank you, Ashley. I think that
4 completes the group of our colleagues, then who are here
5 to talk about the work they've been doing. And they have
6 been doing a lot of hard work. I think in terms of
7 context setting, obviously each of the agencies that they
8 represent have a different mission, but they have really
9 come together to try to speak a common language and
10 develop a common approach.

11 There's a lot more to be done as they've all
12 said, but I think before we discuss this further among
13 ourselves that we should turn to the audience that's here
14 to speak to us today.

15 So we have a list of people who have signed up
16 who want to address us. It should be up on the board.

17 Yes. Okay. So our request is that you take a
18 look and see where you are on the line. If you know your
19 name is coming up in the next one or two, that you move
20 down to the front and be prepared. We have microphones on
21 both sides. And so we can hopefully do this fairly
22 expeditiously.

23 Okay. Thank you.

24 Mr. Hughes.

25 (Thereupon an overhead presentation was

1 presented as follows.)

2 MR. HUGHES: All right. Thank you, Chair and
3 members of the Board. My name is Gary Hughes, and I have
4 a short series of slides that I will go through with the
5 objective of providing directors something of a -- okay --
6 providing you something of a reality check about forest
7 and climate. And I want to start by asking how many
8 directors here have actually been on the ground in an
9 active timber harvest plan.

10 (Hands raised.)

11 (Laughter.)

12 MR. HUGHES: Okay. So the percentages are low.

13 (Laughter.)

14 MR. HUGHES: I ask, because the realities on the
15 ground are far more serious than recognized by ARB staff.
16 It is your responsibility as directors to look far beyond
17 what staff are telling you about the land sector, both in
18 California and far beyond.

19 Aggressive industrial forestry remains common in
20 California permitted by State agencies. These clear cuts
21 on Green Diamond holdings are, believe it or not,
22 certified sustainable by the Forest Stewardship Council.
23 The certification, by the way, provided by a company
24 called SCS Global Services, which is also very involved
25 with lobbying for the California Tropical Forest Standard,

1 the next agenda item.

2 Directors need to understand that as in
3 California forest offsets, tropical forest offset projects
4 allow extensive logging.

5 --o0o--

6 MR. HUGHES: Securing climate benefits on the
7 landscape is costly. The pollution from fossil fuels is
8 irreversible. We must directly reduce emissions from all
9 sources. And as you can see under cap and trade, we are
10 losing ground.

11 (Applause)

12 --o0o--

13 MR. HUGHES: Accuracy in carbon accounting is a
14 major concern. Double counting is a serious problem in
15 the natural and working lands element. Also ARB staff
16 failed to emphasize that carbon accounting in the land
17 sector is uncertain. It is nothing more than a
18 statistical estimation with as much as plus or minus 60
19 percent uncertainty. The State still provides no data on
20 greenhouse gas emissions from logging. And the carbon
21 calculations featured in the Forest Carbon Plan put an
22 inordinate and scientifically dubious amount of value in
23 the harvested wood product carbon sink. Wood products are
24 also a big part of tropical forest offset projects.

25 --o0o--

1 MR. HUGHES: California is host to fiery evolved
2 system -- ecosystems, but industrial activity has
3 negatively impacted fire regimes with cataclysmic results.
4 Our landscapes are not static repositories of carbon. The
5 mere realities of fire ecology expose the flawed science
6 underpinning forest offsets, relying instead on magical
7 thinking that forests are going to scrub the atmosphere of
8 the emissions from burning fossil fuels.

9 (Fingers snapping.)

10 --o0o--

11 MR. HUGHES: I will leave you then with this last
12 slide, as an understanding of how humans are disturbing
13 global carbon cycles as fundamental to designing effective
14 climate policy. Clearly, we must protect and restore
15 ecosystems and we must, as soon as possible, stop
16 extracting and burning fossil fuels. This is the basic
17 climate science that has not yet been incorporated into
18 California climate policy.

19 The physics of the planet are what they are. And
20 it is long past time for the directors here to insist that
21 the climate science -- the fundamental climate science is
22 incorporated into policy.

23 Thank you.

24 (Applause.)

25 CHAIR NICHOLS: Well done.

1 MS. CREMERS: Good morning, Chair Nichols and
2 Board members. Noelle Cremers with the California Farm
3 Bureau Federation.

4 I want to start by talking about forest
5 management. And I appreciate the focus on forest
6 management in the natural and working lands implementation
7 plan. As we all are seeing or not -- just because of the
8 lack of clarity in the air, the impact that our lack of
9 forest management over the past decades is having now in
10 this state. It will take us decades to get out of that
11 and to bring our forests back into our properly managed
12 state, where we don't have the risks of catastrophic
13 wildfires. But I appreciate the State's focus and desire
14 to take the effort to make that work.

15 There are a lot of things that need to happen,
16 not only just investments in to getting more thinning on
17 the ground, but also working with particularly small
18 landowners and making that happen.

19 But I wanted to also speak generally about
20 natural and working lands. We appreciate the focus and
21 discussion on this. There are a lot of opportunities for
22 natural and working lands and helping become a carbon
23 sink.

24 Farmer and ranchers are creative problem solvers
25 in their nature. And we want to -- we want the state to

1 continue to focus on incentives as the way to partner with
2 them to improve the potential for carbon sequestration on
3 these lands.

4 When -- so our concern is we don't want to see
5 the implementation plan start as incentive based and move
6 into a regulatory model in the future. When you create a
7 regulation, people will meet that regulation, and you will
8 just come to the level that the regulation requires.

9 When you partner and work with folks and create
10 incentives, they can go way beyond, because of that
11 creative problem solving nature that they have.

12 We also think that it's really important to
13 recognize not just the work that's done with State
14 funding. There's a lot of this work that's done 100
15 percent with private funding. If you look at some of the
16 grazing practices, those are happening and have been
17 happening for years. And so it would be great to capture
18 kind of the baseline of what's happening now in the plan,
19 as well as looking at and making sure that we're capturing
20 investments that are made through private dollars in
21 changing going forward, as well as federal dollars.

22 So right now, the plan is just looking at kind of
23 state investment. And we know that there's a lot of
24 investment beyond just state investment.

25 And then the other piece that the conversation

1 has changed since these discussions began, but I do want
2 to point out the real importance in making sure that we do
3 not discount the costs of development. Urban forestry is
4 really valuable, but let's make sure that we're not
5 forgetting increased vehicle miles, and increased energy
6 when we develop.

7 Thank you.

8 CHAIR NICHOLS: Thank you. You're -- thank you.
9 Appreciate that.

10 MR. HERNANDEZ: Yeah. Good morning, Board. My
11 name is Pedro Hernandez. Actually it's LCJA with
12 Leadership Counsel for Justice and Accountability.

13 But yeah, I'm here to address a potential issue
14 regarding rural housing and the nexus with this
15 proposed -- or these proposed actions.

16 A potential concern that our organization has is
17 the emphasis on reduced urbanization, and how that large
18 policy might affect rural communities at the local level.
19 Affordable housing and healthy communities is an issue
20 that reaches out into rural California. And we wanted to
21 make sure that this well-intentioned program, which is
22 designed to reduce the effects of climate change, doesn't
23 exacerbate an existing issue insofar as allowing --
24 erecting constraints for rural housing.

25 Furthermore, any constraints that would be

1 generated from this program would also contradict existing
2 State-grant programs, for example, like Proposition 1, or,
3 you know, the Affordable Housing Sustainabilities
4 Community Program, which by the spirit of their programs
5 is intended to create sustainable communities.

6 And so in conclusion, we're hoping to work with
7 the alphabet soup of agencies that are engaged in this
8 plan to avoid that, you know, rural housing is not
9 negatively impacted in the state.

10 Thank you.

11 CHAIR NICHOLS: Thank you.

12 MR. NOWICKI: Good morning. I'm Brian Nowicki
13 with the Center for Biological Diversity. It's good to
14 see you all. I've been following this effort actually
15 since 2008, since the first FCAT when this got -- when
16 this got started in different forms.

17 I am looking forward to seeing the implementation
18 plan. We don't see that yet, as you know. But once we
19 have that draft in front of us we'll be able to offer more
20 substantive comments.

21 I will say a few general things here though, and
22 that is we needed this effort. This is something that we
23 needed to start getting a handle on the scope of some of
24 these issues, the scope of some of these numbers, and
25 starting to get an idea of where they are. It was also

1 necessary, in many ways, to show the agencies have the --
2 put the agencies in a room and have them learn how to
3 start working together in a way that actually results in
4 regulatory actions, and that can come up with actions that
5 can come before the Board.

6 We expect a lot of good work and good efforts to
7 come out in the implementation plan. That said, it is
8 critical, at this point, to understand the limitations of
9 the model and the process that we're currently working
10 with. And it's very dangerous to misunderstand its
11 ability to draw direct connections between actions on the
12 ground and what the climate impacts would be.

13 I want to give just one example here today about
14 the model, as I understand it, that -- the CALAND model
15 that helped to lead to this effort, and that is because of
16 the regional approach that aggregates the actions
17 happening in an area, you can have 10,000 acres of, let's
18 say, fuels reduction thinning occurring in that area. And
19 because of the aggregate nature of the model, it assumes
20 that those 10,000 acres of reduction -- fuels reduction
21 thinning had an effect on subsequent 10,000 acres of fire.

22 It does not require that the fires actually
23 happened in the same area that your fuels reduction
24 happened. There is a disconnect to that, because you're
25 aggregating for the entirety of the area in there.

1 So there are these problems with drawing those
2 direct connections. And those are the types of problems
3 that very much came to mind when we heard Keali'i say
4 that, you know, there's going to be challenges in figuring
5 out how to move these extra hundreds of millions of
6 dollars through a system to make sure they're getting into
7 the places where we can see results and that we can get
8 something out of it for the climate and for what's
9 happening on the ground. So that's an issue that we're
10 going to have to still struggle with.

11 One last thing that I think you're going to be
12 hearing quite a bit from the folks coming up in the
13 next -- in this next item on the agenda, and that is the
14 irony of having a tropical forest standard that
15 contemplates moving resources out of California into a --
16 into tropical forests when we heard from staff, and we
17 know very well that we in California are still seeing
18 losses of forest due to development, losses of natural
19 lands due to development and sprawl, and forest
20 degradation.

21 Thank you very much.

22 (Applause.)

23 CHAIR NICHOLS: Thanks, Brian.

24 MR. CONANT: Is the mic on?

25 Yes.

1 Madam Chair, Members of the Board, I am Jeff
2 Conant with Friends of the Earth. I want to say I agree
3 with the comments of my colleague. And I want to just
4 acknowledge that we're all in a state of deep grief for
5 our natural lands today.

6 (Fingers snapping.)

7 MR. CONANT: And I want to contribute four points
8 to this discussion. One the mention of carbon
9 sequestration and storage, there is no proven existing
10 technology for carbon capture and storage at scale. And
11 this should be categorically excluded from any of
12 California's climate mitigation options.

13 Another that wasn't mentioned, but I believe is
14 part of the natural and working lands approach, is biomass
15 harvesting and biomass energy. Biomass energy is not
16 carbon neutral, and can drive undue damage to both the
17 climate and to forests as well as to public health. If
18 California wants to protect natural and working lands,
19 California should categorically exclude biomass energy
20 from the State's energy mix.

21 Third, I want to say while well-stewarded lands
22 do play an important role in sequestering CO2, monetizing
23 and trading the carbon sequestration capacity of land, as
24 others have already stated, in order to offset industrial
25 emissions is a perverse approach that benefits no one but

1 the financial interests involved in the offsets trade.

2 Yes, good management practices should be
3 incentivized by subsidies and by tax measures, not through
4 carbon offsets. Offsets pollute.

5 Finally, as it currently stands, California's
6 approach to natural and working lands, as we've heard,
7 allows for clear cutting and which is obviously the single
8 worst thing you can do to a forest. It also allows
9 extremely perversely for carbon sequestration in harvested
10 wood products. That is lumber.

11 This is grossly absurd and needs to be addressed.
12 California needs to base its policies on reality and above
13 all on a fundamental understanding of and respect for
14 local ecologies.

15 Thank you.

16 CHAIR NICHOLS: Thank you.

17 (Applause.)

18 MR. MASON: Good morning, Madam Chair, members of
19 the Board. Paul Mason with Pacific Forest Trust.

20 I want to start by thanking the staff for such a
21 thorough and clear presentation. It actually made me
22 throw away most of my existing talking points.

23 (Laughter.)

24 MR. MASON: I also want to thank, and I
25 appreciate the Chair's opening remarks as well, which

1 again were not helpful for my talking points.

2 (Laughter.)

3 MR. MASON: And I want to thank the staff, ARB in
4 particular --

5 CHAIR NICHOLS: I'll coordinate then next time.

6 MR. MASON: -- for digging into this issue,
7 because natural and working lands, as the presentation
8 outlined, is tremendously significant in terms of our
9 climate challenge. But it's also tremendously
10 complicated. And for an agency that is extremely good at
11 regulating point sources, it's a different challenge, and
12 it's a lot more frankly complicated with a lot more
13 interacting factors, both physical, biological, and
14 economic.

15 And so I really appreciate the work that's gone
16 into it by all of the staff. I will say that I'm not a
17 huge fan of natural and working lands as the category that
18 we're talking about. I mean this is the world that we
19 live in, or as the Chair might say the real world.

20 (Laughter.)

21 MR. MASON: And I think it's important that we
22 remember that. It's not just an abstract category. It's
23 where we live, and it's a place where climate change is
24 showing disproportionate impact. You know, the sea level
25 may have increased by fractions of an inch in the last few

1 years. But the changes in precipitation extent and timing
2 have really manifested in very different impacts in the
3 forest, whether it's large scale mortality in the drought
4 or in more extreme fire behavior.

5 And we're going to continue to see that both in
6 the forest context, in agriculture with the loss of
7 chilling hours. And that's going to have enormous impacts
8 that are going to really come crashing down on us. And
9 that's where I think it's really clear we need a more
10 transformational approach to what we're doing in natural
11 and working lands to address our climate challenges.

12 The way we've approached it so far has been let's
13 take our existing programs and turn it up to 11 or 12, and
14 really try and, you know, do as much as we can in our
15 existing framework. That's not going to be adequate.

16 I really think the better analogy is to look at
17 what we've done with cars. You know, we -- ARB has been
18 fantastic at saying, okay, you know, we're going to take
19 our old polluting cars and make them cleaner. We're going
20 to make them cleaner. We're going to increase miles per
21 gallon to 20, to 30, to 45. And at some point, we said,
22 no, that's just not going to get us where we need to go.
23 We're going to set a really aggressive goal of five
24 million electric cars in the next 12 years and transform
25 that entire way that we get around.

1 And I think we need a similar approach to
2 addressing our natural and working lands challenges, and
3 taking a second look at how we're working with landowners,
4 how we're making these changes on the ground, so that our
5 mechanisms are more nimble, that we're able to get to
6 scale faster. Because right now you look at where we are
7 on natural and working lands we're losing. We're losing
8 enormous amounts of carbon. We're losing lives. We're
9 losing forests and watershed values. We need to do things
10 differently and think a lot bigger than we have before.
11 And we really look to ARB to help drive that conversation.

12 Thank you.

13 CHAIR NICHOLS: Thank you.

14 (Applause.)

15 MS. PASSERO: Thank you. Michelle Passero with
16 The Nature Conservancy. And I'll echo Paul's comments,
17 and also say that this is my fifth iteration of talking
18 points since a lot of the staff and everyone have really
19 done a great job of really highlighting this problem. And
20 we do appreciate shining a spotlight on this issue.

21 So over the past year The Nature Conservancy with
22 a lot of our scientific colleagues, we've published three
23 different analyses looking at what does business as usual
24 look like for the state's natural and working lands, and
25 what is the reduction potential?

1 And what we found is that we can't afford not to
2 act. If we look outside, this is just more evidence of
3 that. And then absent any intervention, we face our
4 natural and working lands becoming an increasing net
5 source of emissions.

6 On the other hand, if we are ambitious as Paul
7 and staff have said and we act now, that we can actually
8 bend this curve, and we can restore systems to be a net
9 sink. And this is what we've been finding through our
10 different analyses.

11 This can take the form of changes in forest
12 management or land management, restoration, and
13 conservation across our landscapes whether we're talking
14 from rural all the way to urban -- urban areas.

15 And this doesn't even get into all the other
16 co-benefits for which we value our natural and working
17 lands. To do this, we do need to be ambitious and
18 aspirational. And like all others have said, it needs to
19 be on the level like we are with the other sectors. So we
20 appreciate your leadership. We're here to both push you
21 and support you moving forward, and we just would like to
22 reiterate just being very ambitious and innovative in this
23 area. Thank you.

24 CHAIR NICHOLS: Thank you, Michelle.

25 If they next couple of speakers could also come

1 down and be ready, I'd appreciate it.

2 Okay.

3 MR. ALTAMIRANO: Good morning.

4 Good morning. Thank you so much for allowing me
5 to speak here today. My name is Juan Altamirano. I'm
6 with Audubon California. As you've heard from staff and
7 from my colleagues previously, this is an important area
8 that we feel like we need to concentrate and have bold
9 ambitions to set a target that allows us to get to a place
10 that we not only are getting to our carbon tar -- carbon
11 goals here -- set in California, but also ensure that we
12 have the ability to enjoy our natural and working lands in
13 a triple benefit level, right, from adaptation to carbon
14 sequestration, and to biodiversity.

15 The best time to have started the fight against
16 climate change was about 20 years ago. The second best
17 time is now. We know already how to bring carbon back to
18 the earth from smart land management to continued
19 investments in these natural and working lands. Nature
20 already soaks up almost one-third of the carbon that we
21 emit.

22 Nature has also already covered the planet in CO2
23 absorbers. And they've been removing greenhouse gases
24 from the atmosphere for millennia. And that is why we,
25 Audubon California, supports a goal -- a bold goal in

1 setting a target for this sector that is ambitious and
2 that is aspirational that we can work towards in
3 achieving.

4 Thank you.

5 CHAIR NICHOLS: Okay.

6 MR. ARREDONDO: Good morning, Madam Chair and
7 members of the Board. Alfredo Arredondo on behalf of the
8 California Native Plant Society. My handwriting is
9 terrible, so I don't hold anybody against misspelling the
10 name there.

11 (Laughter.)

12 MR. ARREDONDO: Although, Alfuedo does sound like
13 a really interesting name.

14 (Laughter.)

15 MR. ARREDONDO: (Coughing.) Excuse me.

16 I'd also like to align our -- (coughing.) --
17 there must be some smoke in the air.

18 (Laughter.)

19 MR ARREDONDO: It's really go -- excuse me --
20 align my comments with those from The Nature Conservancy,
21 Pacific Forest Trust, and Audubon California. Really
22 appreciate staff's tireless work on this effort, and
23 looking forward to seeing what's still to come. As it
24 relates to the ambitiousness and the desire to see a
25 really aspirational target, you know, a lot of that is

1 contextualized in many ways by the recent Executive Order
2 on carbon neutrality that was issued by the Governor over
3 in September.

4 And we would also like to highlight though that
5 three days prior to that Executive Order, another EO came
6 through specifically focused on biodiversity preservation
7 in California, and really setting a marker for how
8 California needs to continue to think about its
9 biodiversity, both in native plant communities as well as
10 wildlife.

11 And one of the reasons why California is such an
12 awesome state to be in is because of the unique
13 biodiversity on the global scale that exists and inhabits
14 the state.

15 And so for that reason, I really wanted to
16 highlight the need to -- as we move forward with really
17 ambitious targets, and really ambitious work, and
18 continuing to make all these investments in our natural
19 and working lands really wanting to emphasize looking at
20 that -- that initiative -- the Executive Order, I should
21 say, and the initiative that was released alongside it,
22 which provides a roadmap, an outline, a blueprint, if you
23 bill, about how we can achieve really good critical steps
24 which, you know, begins with baseline, understanding
25 what's out there, getting really good data on what's on

1 the ground now, protecting what is there, and then
2 managing and adapting the management tools that we do have
3 to continue to ensure that as these discussions, and the
4 impacts of the climate change make biodiversity
5 conservation more difficult, we're -- we will be ready to
6 stand up and be there for the protection of our
7 biodiversity in California.

8 Really appreciate again all of your time, and
9 we'll be happy to continue to work with the Board as this
10 moves forward.

11 Thank you.

12 CHAIR NICHOLS: Thank you.

13 MR. MILLS: Good morning, Madam Chair and members
14 of the Board. Chuck Mills with California ReLeaf. And,
15 yeah, because of the outstanding presentation from the
16 staff in front of us today, I also had to throw out most
17 of Paul's comments.

18 So I will just say that we do seek ambitious
19 targets, align my comments with certainly Pacific Forest
20 Trust, Nature Conservancy, Audubon California, and, of
21 course, Alfuedo.

22 (Laughter.)

23 MR. MILLS: And just look forward to further
24 discussion, and close by saying that surprisingly I get to
25 align with the very narrow comment from Farm Bureau is

1 that urban forests are very important.

2 Thank you.

3 (Laughter.)

4 CHAIR NICHOLS: Great. Well, there's actually a
5 pretty large degree of consensus around these issues.
6 Before turning this over to my colleagues, I want to say a
7 couple of things. And I'm hoping that we can, you know,
8 clarify and give some more specific direction to the staff
9 of all the agencies, including those that don't work for
10 us, but are part of the team, about where the Air
11 Resources Board is going in this issue, because due to the
12 carbon neutral executive order, we are embarking on a new
13 scoping plan. And it is clear that we need to do
14 something, as many people have said, that is much more
15 focused and much more ambitious than anything that we've
16 ever done before as a state to address the crisis with our
17 landscape, what we have done to nature and what we need to
18 do.

19 I agree with the gentleman who spoke of the grief
20 that people are feeling today. There is a pall hanging
21 over us. And it's a physical pall of smoke, as well as
22 the knowledge of the harm that has been done to so many
23 people, so many communities, so much of our State's
24 identity as a result of this current set of fires. And
25 yet, even so, because we're Californians, we also have

1 this somewhat ridiculous optimism that we can solve
2 problems, and survive crises, and do better, because we
3 have a history of having done that.

4 And the Air Resources Board's role in all of this
5 as the agency that's responsible for putting together the
6 plan, for achieving our carbon goals, was chosen I think
7 very deliberately by the Legislature in recognition of the
8 fact that the approach that we've taken in the past, as a
9 result of federal and State law, is one that ought to be
10 applied to this horrific problem of climate change, which
11 is to look at what needs to be done, that is look at what
12 the earth needs, look at the goals, set very big goals
13 that are based on that science, and then develop a plan
14 for how to get there.

15 And this has really not ever been the practice in
16 our work with our own State's landscapes for a variety of
17 reasons, different ownerships, different history of how we
18 have dealt with it, fear frankly of what it might cost to
19 actually repair some of the damage that's been done in the
20 past, fear of what may happen in the future as a result of
21 climate change and how costly that's going to be to deal
22 with as well.

23 We cannot let that stop us from looking at the
24 situation with clear eyes, and coming up with an approach,
25 even if we're not prepared to address all the choices,

1 because we don't have the power, or we don't have the
2 ability ourselves to say, go do this. We need to at least
3 say we could do this, or we could do that, or we could do
4 some of both, but we have to do something. And right now,
5 we're not yet at that stage when it comes to having an
6 implementation plan.

7 So I heard in the comments of many people a
8 couple of common threads. And this is really emerging I
9 think from what -- the work that the agencies have done as
10 well. One is that we have to take a much bigger look at
11 what's truly possible from our natural lands, in terms of
12 storing and capturing carbon. We need to look at that in
13 conjunction with technology ideas that are out there, not
14 to put them off the table and say, no, we will not
15 consider any of the ideas that people are working on to
16 capture carbon that's already in the air or find new ways
17 to use it, even though those are not strictly related to
18 the landscape itself.

19 It shouldn't have to be a choice of one or the
20 other. We probably are going to need both, just like we
21 need regulation and incentives, and like we need taxes and
22 cap and trade. You know, we really have to look at
23 everything, because the problem is that -- that big. And
24 we have to be prepared to look at a price tag that could
25 be much bigger than anything that we've ever spent before,

1 but then say, okay, does the State have to come up with
2 all this money, or are there financial tools that we could
3 use that could help us to get to where we need to go.

4 And how do we get a bigger bang for our buck,
5 especially starting quickly? Because we certainly are
6 seeing and being told that if we don't do a lot of work on
7 our forests as they are today, they will continue to be a
8 big source, and not in any condition to be restored to
9 really serving their function as a carbon storage.

10 So I think we need to thank the people who've
11 been involved to date, but send them back out and ask them
12 to come back pretty soon, like, you know, not in another
13 year, but at least in a few months with a bigger, bolder
14 plan for what to do, and certainly to, you know, keep on
15 being transparent and talking to stakeholders as well.

16 But recognizing that it did take us a long time
17 to get to the place where we are right now, and it's not
18 going to be quick, or easy, or one -- or that there's only
19 going to be one path that will get us to where we need to
20 go.

21 So I know everybody on this -- on this Board has
22 some experience and background in this area. I speak from
23 my history of frustration having been the Secretary for
24 the Natural Resources Agency back when it was only called
25 the Resources Agency. And we used to sort of complain

1 about how people thought that meant we must have money to
2 spend, and --

3 (Laughter.)

4 CHAIR NICHOLS: -- that was far from -- far from
5 true. But, you know, there's -- I think we have learned a
6 lot, unfortunately, not all of it good recently, about the
7 condition of our landscapes and the -- what the need to
8 take much bigger action than we have before.

9 So I welcome any additional thoughts or comments
10 from Board members who might want to weigh-in at this
11 point, if anybody feels the need, desire? You -- starting
12 with our Vice Chair.

13 VICE CHAIR BERG: Thank you, Chair.

14 I would just like to add on the fact that I did
15 appreciate Mr. Hughes question about actually being on the
16 ground and understanding. And so maybe one of the other
17 things is also more resources for, I'll say, people like
18 me to get up to speed as to what is going on the ground.
19 I really appreciated each and every one of our sister
20 agencies coming out. I learned quite a bit, and thank you
21 for that.

22 CHAIR NICHOLS: Field trip. I see a field trip
23 in the future.

24 (Laughter.)

25 CHAIR NICHOLS: That's great.

1 Ms. Mitchell.

2 BOARD MEMBER MITCHELL: I want to thank staff
3 and, in particular, the sister agencies, because this is
4 an issue that goes across all of our agencies. I think
5 it's really important that we're working together on this.

6 The other thing that's striking is that when we
7 talk about what we control, only three percent of the
8 lands in the State of California are lands under the State
9 control. We're looking at 48 percent under federal
10 control. Are we doing anything? Can we do anything to
11 bring the federal group in with us to work on this
12 problem?

13 MS. CONRAD-SAYDAH: So I can get started. We
14 are. So we have something called good neighbor authority
15 to work with the U.S. Forest Service to share resources
16 and do management activity across federal lands and State
17 lands. And so we've been actively working on those good
18 neighbor agreements, in particular the Tahoe Central
19 Sierra Initiative is an area where there's 2.4 million
20 acres that the federal government and the State
21 government, via the Sierra Nevada Conservancy, are working
22 together on implementation in that space.

23 So that's one area where there's a really great
24 model, and we'd like to try to replicate that model in
25 other areas of the state. But as you correctly note, we

1 don't have full control over that space. We can do the
2 work, but we need more -- we need more embedded
3 understanding, I would say, within the federal agencies to
4 work with us on longer term management for the landscapes
5 within our borders as well.

6 And Keali'i, you probably -- do you want to talk
7 a little bit about the MOU at all between Forest Service
8 and John Laird.

9 MR. BRIGHT: So you know just reiterating -- and
10 again this Keali'i Bright from the Natural Resources
11 Agency, reiterating Ashley's points.

12 We actually have really, really good
13 relationships with the U.S. Forest Service across most of
14 our forested lands. And we have strong partnerships with
15 them in many of the model initiatives that we're trying to
16 replicate statewide. So this is an area where we should
17 expand on the current model, not try to change the
18 structure of it.

19 We're also -- you know, what we're seeing on the
20 ground is happening faster than our science has predicted,
21 and this is also happening across other regions as well,
22 not only in California, but Oregon, Washington, British
23 Columbia, you know, our friends in Latin America,
24 Indonesia, everywhere else. And we're all trying to learn
25 from each other on how to catch up.

1 Next week, we're going to be entering into a
2 Secretary MOU -- level MOU with Washington and British
3 Columbia -- hopefully, Oregon will come on soon
4 thereafter -- for a west coast unified approach to try to
5 organize ourselves in a way that actually kind of provides
6 a regional response bigger than California. We're excited
7 for that progress.

8 BOARD MEMBER MITCHELL: And I will say that we --
9 we can't sit here and do nothing. It's obvious we have to
10 do something. We have to act. And we might make mistakes
11 as we're entering into this field, because we haven't done
12 this before. But I think while we make mistakes, we learn
13 from them, and then we go on from there.

14 I was recently near Yosemite, where the Ferguson
15 Fire burned last summer, and had a tour of the forests in
16 that area. There are 129 million dead trees in that area.
17 There's -- and we don't even have the capacity to cut and
18 take them out.

19 Those will sometime burn. And that lumber isn't
20 usable, maybe for sawdust, but it can't be used for
21 construction. It's destroyed from the inside of the tree.

22 So that's one aspect of what we're dealing with.
23 And now we're seeing these last few days, these terrible
24 fires that are mega fires infernos. And that just draws
25 our attention more to the fact that we have to act, and we

1 have to be ambitious, and we have to start now. We can't
2 sit on this. We have to work together to get this job
3 done. I'm looking forward to seeing the plan and getting
4 it implemented. So thanks for all your work on this.

5 CHAIR NICHOLS: Other Board members?

6 Yes, Barbara.

7 BOARD MEMBER RIORDAN: Just a challenge to those
8 of you who are working on our plans. I want to pick up a
9 little bit on the Farm Bureau. And I think the incentives
10 are very, very important. And having had some experience
11 from farming point of view, incentives go a long way to
12 getting people to act. And it's amazing what will happen
13 if the Government can step in and provide some money, in
14 some cases.

15 And maybe there are some other things that
16 creative people can create to incentivize very good
17 practices of conservation, as well as rangeland, which I
18 don't have as much experience, but I would believe that
19 there are some opportunities there. And to understand
20 the -- a little bit different topic, the forests are --
21 set out some very clear opportunities for us to become
22 involved with.

23 There's a chaparral category of land that burns,
24 and seems to burn quite often. And I'm thinking we should
25 think about what do we do with this chaparral land,

1 because I think it's -- it's a part of the conversation as
2 well.

3 CHAIR NICHOLS: And it's a key ecosystem for
4 California.

5 BOARD MEMBER RIORDAN: Yeah. Yeah. And there
6 are different things that have to happen there. And I'm
7 not sure what it is, but I understand and watch it burn so
8 often. And it's probably the urban interface that occurs
9 there. And so you have many challenges ahead of you. But
10 I would concentrate on those incentives. I think that's
11 an opportunity for all of us.

12 CHAIR NICHOLS: Mr. Eisenhut.

13 BOARD MEMBER EISENHUT: Thank your Chair Nichols.
14 I debated about this, because this is, in part, a personal
15 comment. I am the owner of a small forest urban interface
16 piece of property, who recently had a fairly negative
17 experience with the timber harvest plan. And I understand
18 that the Legislature and the Governor have worked to
19 impart remediate this barrier to cleaning up private land
20 holdings with 901.

21 And so I would encourage the implementing
22 agencies of AB 901 to be very attentive to that work,
23 because I think at the very least, we can take some action
24 without incentives, without cost that enable small private
25 landowners to take positive action.

1 So thank you.

2 CHAIR NICHOLS: Yes. Dr. Sherriffs.

3 BOARD MEMBER SHERRIFFS: Thank you. Staff, thank
4 you very much.

5 Usually, we thank the staff for bringing all this
6 diversity together and having a unified response and
7 support. And today is a little different. I would thank
8 you for bringing out the passion and, you know, the
9 diversity of opinions about what's going on, and how we're
10 proceeding.

11 I would also point out great comments about --
12 from everyone about how important this is, both in terms
13 of immediate health effects, as we think about wildfires,
14 as we think about long-term effects in terms of the
15 concern we all share about the impact of climate change.

16 But this is very different work than we usually
17 do. We're -- we're used to working primarily with
18 mechanical things. And a simple input and the analogy of
19 the history -- you know, the gasoline goes in, and the
20 emissions come out. Well, in fact, we've gotten a little
21 more sophisticated about that, and we're trying to
22 understand the full lifecycle of gasoline and so on.

23 But this is biological systems. We are delving
24 into biological systems here, which are much more complex.
25 And the more we learn about them, the more complex they

1 are.

2 Discussion of the gut biome. What did we --
3 nobody was talking about a gut biome 20 years ago, 10
4 years ago. And we are discovering how critically
5 important that is to our health, not just nutritionally,
6 but in terms of our immunologic system, and so many ways
7 that we never would have imagined.

8 So critically important. Although, lots of noise
9 that may not sound very supportive, yes, I think people
10 are --

11 (Laughter.)

12 BOARD MEMBER SHERRIFFS: -- on the same page in
13 terms of where we're trying to get. And so it's a real
14 challenge bringing agencies together, but that's -- that's
15 the added complexity we have to bring to this to solve
16 this very complex problem, or at least come up with better
17 solutions.

18 And again, we'll come up with something better in
19 a year, and the next year, and the next year, and the next
20 year. And we will make plenty of mistakes along the way.
21 We need to be prepared for that, but we shouldn't delay.
22 So I hope we're going to get the final implementation plan
23 next week --

24 (Laughter.)

25 BOARD MEMBER SHERRIFFS: -- and then we can

1 improve on it in the future.

2 CHAIR NICHOLS: Okay. I think we should probably
3 bring this to a close. We don't have any action item in
4 front of us, but I think you've all heard the message,
5 faster, bigger, more ambitious, no fear of disclosing what
6 we know and what we don't know, willingness to confront
7 it, and figure out how we're going to ask for what we
8 need, and take those actions that will get us the biggest
9 bang for our buck.

10 I do want to say one other thing maybe as part of
11 the transition from this item to the next, which is first
12 speaker -- I hope I'm not being defensive here -- but, you
13 know, we talk about natural and working lands as a sector
14 sometimes. And when we use that term, I agree, it's kind
15 of inappropriate. But the term sector, I think, comes
16 from the pie chart that you draw of the tons that you're
17 trying to get. And then you take those pies slices that
18 are sectors and you figure out what you're going to do
19 about each of them.

20 And in this case, I think there may be a sense on
21 the part of folks who primarily work in the area of land
22 and natural resources that not enough is going on to deal
23 with the real problem, in terms of energy use, petroleum
24 use, the emissions side of what ARB does, along with some
25 of our other sister agencies.

1 And so I just want to ask, you know, in return
2 for asking us to take a look at timber harvest plans and
3 what's going on on the ground, if you would all take a
4 look at what already is going on here, in terms of
5 reducing emissions from fuels, from vehicles, the monies
6 that we've spent, which are in the hundreds of millions of
7 dollars in terms of turnover of our fleet, the money that
8 the Strategic Growth Council is now spending coming out of
9 the California cap-and-trade money, primarily to assist
10 low-income and disadvantaged communities with projects
11 that reduce the need for driving at all.

12 And to -- not to say it's all as good as it
13 should be or as much as it needs to be, because that would
14 not be true, but to understand that this sector, as we
15 call it, is one part of a much larger and more diverse
16 plan. And that it's not that we're just ignoring it, it's
17 just that for today, for the moment, we're focusing on
18 something that needs to be focused on and hasn't received
19 enough attention.

20 So with that, let's change positions as we need
21 to and move on to the next presentation, which is called
22 the California Tropical Forest Standard.

23 Get a new crew here. Thank you very much all who
24 came from other agencies.

25 Okay. So as was recently emphasized, by the

1 Intergovernmental Panel on Climate Change, otherwise known
2 the IPCC -- yes sorry.

3 Closer. Can you hear me now?

4 Is that better.

5 Okay. Thank you.

6 As was recently emphasized in the
7 Intergovernmental Panel on Climate Change Special Report
8 on Global Warming addressing climate change requires a
9 comprehensive look at all sources of greenhouse gas
10 emissions, one of the most studied sectors where
11 mitigation actions have long been proposed is tropical
12 forests.

13 Tropical deforestation and degradation are
14 estimated to account for between 11 and 14 percent of all
15 global greenhouse gas emissions, which is more than the
16 emissions from all cars, trucks, and ships in the world.
17 Forest mitigation actions could account for as much as 50
18 percent of the goals that were agreed to in the Paris
19 agreement.

20 But there's a connection here to California.
21 Research has pointed to reduced snowpack in California as
22 one potential result of widespread deforestation in the
23 Amazon. California has a reputation internationally of
24 technical rigor in our climate work. And because of this,
25 the California Tropical Forest Standard is one of the most

1 significant actions that California can take to establish
2 a credible and robust standard to address tropical
3 deforestation.

4 In and of itself, the standard does nothing other
5 than provide an accounting mechanism. But obviously,
6 there's fear on the part of many people that it will have
7 other consequences and we need to listen to them and we
8 need to engage in this conversation.

9 The standard that's before us would increase the
10 rigor that is currently out there in subnational and
11 national programs around the world raising confidence, not
12 only in any resulting emissions reductions that are
13 claimed, but also in the ability of companies that work in
14 this field to more sustainably source materials and of
15 jurisdictions to participate in payment for ecosystem
16 services programs.

17 So as you've heard, California has to focus on.
18 We must focus on our own lands, but the Board has also
19 recognized for years now, and indeed our original climate
20 legislation, AB 32 told us that we needed to engage
21 internationally in supporting activities around the world
22 that will be crucial to addressing climate change.

23 First, during the adoption of our initial scoping
24 plan in 2008 and in every subsequent iteration of the
25 scoping plan, there has been an element of discussion of

1 the relationship between California's program and
2 international programs.

3 Our staff have been working on the development of
4 a Tropical Forest Standard for over a decade. These
5 efforts included discussions of key provisions from the
6 United Nations and other international bodies, such as the
7 world banks, Forest Carbon Partnership Facility, tropical
8 states and provinces, indigenous peoples, and local
9 communities, and organizations that work in the area of
10 voluntary carbon markets.

11 We expect that this standard will serve as a
12 launching point for other jurisdictions, and programs, and
13 communities, and companies to move forward on addressing
14 this major source of emissions.

15 Mr. Corey, would you please introduce this item?

16 EXECUTIVE OFFICER COREY: Yes. Thanks, Chair.

17 And as noted, staff is proposing that the Board
18 consider for endorsement the Tropical Forest Standard.
19 And California's been participating in the Governors'
20 Climate and Forests Task Force, a collaboration -- or
21 rather international group of 38 states and provinces. It
22 was founded in 2008, and it focuses on promoting
23 cooperation between jurisdictions, indigenous peoples, and
24 local communities on efforts to reduce emissions from
25 tropical deforestation.

1 We've had five public workshops beginning in July
2 of 2010 through 2016 to develop a workable standard and to
3 continue to engage the topic every year through the GCF
4 Task Force process and meetings.

5 These forums provided the opportunities for
6 stakeholders and staff to discuss the program's scope,
7 setting reference levels and crediting baselines,
8 permanence, reversals, leakage, monitoring, reporting,
9 verification, credit tracking, and social and
10 environmental safeguards.

11 Staff has utilized the information and experience
12 from the GCF from expert working groups, and stakeholder
13 input during the development of the standard.

14 The standard is truly a first of its kind. It
15 combines a focus on increased rigor, transparency,
16 accountability, and benefits sharing, as well as
17 leveraging the ongoing efforts in the United Nations
18 process. It should be noted that special attention was
19 paid to the incorporation of social and environmental
20 safeguards that build on international best practice
21 principles, criteria, and indicators into the standard.

22 Safeguards ensure that any implementing
23 jurisdiction has the robust consultation, public
24 participation, and participatory management requirements
25 with local and indigenous communities.

1 The California Tropical Forest Standard serves as
2 an actionable model that we expect will bolster
3 discussions and action within other venues within the
4 United Nations, as well as other international dialogues.

5 With that, I'll ask Barbara Bamberger to give the
6 staff presentation.

7 Barbara.

8 (Thereupon an overhead presentation was
9 presented as follows.)

10 AIR POLLUTION SPECIALIST BAMBERGER: Thank you,
11 Mr. Corey.

12 I will start by relaying the importance of
13 today's vote on this item, explaining the context for
14 California, the process for development of the California
15 Tropical Forest Standards, and the importance of forests
16 to California's climate efforts. I will then discuss the
17 development and critical concepts of the standard with a
18 special focus on the social and environmental safeguards
19 it establishes to protect the rights of forest-dependent
20 communities, including indigenous peoples.

21 --o0o--

22 AIR POLLUTION SPECIALIST BAMBERGER: We are
23 proposing this item for your consideration pursuant to AB
24 32, which directs us to assess in-state, national, and
25 international sources of greenhouse gas emissions and to

1 develop integrated programs to assess these emission
2 sources.

3 The world is losing one of the most important
4 carbon sinks. Research has tied this loss of tropical
5 forests to potential adverse impacts to California's
6 Sierra snowpack. Building off of many years of work and
7 Governor Brown's Global Climate Action Summit, CARB is in
8 a unique leadership position to influence international
9 action to slow the loss of tropical deforestation today.

10 This standard would serve as the most rigorous
11 set of criteria to help support policy innovation, create
12 new incentives for jurisdictions that are fighting the
13 loss of tropical forests, and most importantly it reflects
14 the progress made in fostering strong partnerships between
15 tropical forest governance, governments, and indigenous
16 peoples.

17 A vote to endorse the standard will send a strong
18 and necessary signal to spur immediate action and to
19 provide alternatives that keep forests intact.

20 Endorsing the standard does not pre-suppose any
21 future Board action of the standard, including any action
22 to accept tropical forest offsets in California's
23 Cap-and-Trade Program.

24 --o0o--

25 AIR POLLUTION SPECIALIST BAMBERGER: But first,

1 let's take a step back for a moment and assess the climate
2 goals we have set for ourselves as a state.

3 As mentioned in the previous item on natural and
4 working lands, California's climate directives include a
5 few key statutes and Executive Orders. You are already
6 familiar with our AB 32, SB 32, scoping plan, and 2050
7 emission reductions targets. To accomplish these targets,
8 near-term we're making progress towards maximizing fossil
9 fuel-related emission reductions in the state, while long
10 term, we work to develop strategies for the natural and
11 working lands sector, as you heard in the previous item.

12 Governor Brown's most recent Executive Order
13 calling for carbon neutrality by 2045 has to be
14 implemented, but we anticipate that it will build on our
15 successes in reducing fossil carbon, and will require
16 additional dramatic reductions and sequestration.

17 In total, these statutes and Executive Orders put
18 us on the path to reducing our emissions in the fossil
19 energy and industrial sectors. We rely on our natural and
20 working lands and other mechanisms to sequester whatever
21 emissions remain.

22 --o0o--

23 AIR POLLUTION SPECIALIST BAMBERGER:

24 Since the adoption of the 2008 scoping plan,
25 California has implemented greenhouse gas emission

1 reduction measures within California in all the following
2 sectors: Transportation, energy, industry, waste, natural
3 and working lands, and water.

4 Our 2017 Scoping Plan update builds on our
5 previous successes and includes programs that support both
6 air quality and climate goals. This comprehensive
7 approach is working.

8 Our 2016 inventory shows that we are below the
9 2020 target four years ahead of schedule. Importantly,
10 the auction proceeds raised through our Cap-and-Trade
11 Program are being reinvested in the state for programs
12 that help to support our air quality and climate goals,
13 with at least 50 percent of the proceeds benefiting
14 disadvantaged communities.

15 --o0o--

16 AIR POLLUTION SPECIALIST BAMBERGER: Many
17 commenters have suggested that we focus our efforts within
18 California and on California forests in particular. As
19 you heard this morning, we have been doing exactly that.
20 Forests are a critical part of California's climate
21 efforts. California is looking to forests to contribute
22 significant emission reductions within the state. We are
23 also putting our money where our mouth is by making
24 significant investments in California forests.

25 In fact, over \$800 million have been committed to

1 forests and other natural and working lands. Over 200 --
2 over 20,000 trees have been planted in urban settings
3 through use of Greenhouse Gas Reductions Funds, and 110
4 million metric tons of carbon have been sequestered in
5 forests through the Cap-and-Trade Program.

6 For the past eight years, California has been
7 leading the world through our development and
8 implementation of our own domestic forest carbon program,
9 benefiting forest owners in California and throughout the
10 entire United States.

11 This experience has afforded us a unique
12 opportunity to work directly with sovereign tribes,
13 including the perspective that tribal force action is
14 critically important to the state's overall climate
15 actions.

16 --o0o--

17 AIR POLLUTION SPECIALIST BAMBERGER: Like our
18 efforts on short-lived climate pollutants and our
19 zero-emission vehicle alliance, we are convinced our
20 actions and partnerships must also extend out further on
21 forests. This is why tropical forests have always been an
22 important part of California's climate consideration since
23 the adoption of AB 32.

24 AB 32 specifically directed CARB to consult with
25 other jurisdictions to develop international greenhouse

1 gas emission reductions programs. The original 2008
2 scoping plan and every subsequent update since then has
3 spoken to international mitigation action through the
4 reduction of tropical deforestation.

5 California is already experiencing the effects of
6 climate change, rising sea levels, reduced snowpack,
7 drought, heat waves, and, of course, wildfire. Climate
8 change is making events like these more frequent, more
9 catastrophic, and more costly. It affects all of us, and
10 the impacts are often disproportionately borne by the
11 state's most vulnerable and disadvantaged populations.

12 --o0o--

13 AIR POLLUTION SPECIALIST BAMBERGER: Even with
14 the context I've presented you still may ask why
15 California has continued to be engaged in discussions and
16 analysis of how our state can help protect tropical
17 forests. This presentation will cover much of the
18 history, the technical work, and the partnerships we've
19 forged over the last decade in tackling this topic.

20 First, I'd like to set the stage.

21 As indicated in the recent IPCC report on the
22 impacts of global warming, California and the world must
23 achieve a transformation between now and 2030 in all major
24 sectors. Emissions in California, the majority of which
25 are from the transportation and electricity sectors, are

1 subject to regulations, incentive programs, and market
2 based approaches, and we are well on our way to achieve
3 our 2020 and 2030 emission reductions targets, which are
4 very much in line with the reductions called for by the
5 IPCC report.

6 You already heard how much we are increasing our
7 efforts to address emissions in our natural and working
8 lands sectors. This standard being presented to you now
9 is focused on one of the largest emissions sources,
10 deforestation of tropical forests. The IPCC report and
11 our many years of partnerships with other jurisdictions
12 indicate that we can and must address emissions within
13 California and seek to incentivize reductions elsewhere.

14 --o0o--

15 AIR POLLUTION SPECIALIST BAMBERGER: The IPCC
16 report identified the reductions of emissions from
17 deforestation as necessary to limiting the increase of
18 global mean surface temperature.

19 This is not a surprise considering the magnitude
20 of emissions caused by deforestation. The fact that
21 deforestation can act as both a source and a sink and that
22 deforestation -- and that forest mitigation activities
23 have the potential to contribute as much as 50 percent of
24 the solution to climate change. To put this into context,
25 emissions from deforestation exceeded total emissions for

1 cars, trucks, and ships combined worldwide annually.

2 --o0o--

3 AIR POLLUTION SPECIALIST BAMBERGER: As can be
4 seen on this map, the world has already lost a significant
5 portion of its forest, both boreal and tropical. The rate
6 of deforestation has been trending upward. From 2000 to
7 2017 over 800 million acres of forest have been lost.
8 This is roughly equal to all forestland in the United
9 States, including Alaska.

10 Worldwide deforestation is occurring at over
11 8,000 acres per hour. Global carbon dioxide emissions
12 from tropical deforestation exceeds two billion tons of
13 CO2 per year.

14 Many of the drivers of deforestation are the very
15 same economic activities that people depend on to feed
16 their families. If a viable alternative fails to emerge,
17 one that actually can deliver local benefits and support
18 standing intact forests, deforestation rates will continue
19 to rise.

20 CARB has worked to assess the tools available to
21 address tropical deforestation. This includes direct
22 investment, divestment, sustainable procurement mandates,
23 demand-side campaigns, supply-side pressure, and
24 incentives through market-based programs. It is clear
25 that more is needed.

1 A jurisdictional scale, sector-based crediting
2 program is the best option available to CARB to support
3 needed action. This standard seeks to present a viable
4 alternative for farmers, ranchers, communities, and
5 governments to value standing forests, because despite
6 what some commenters may assert, there is already a value
7 being assigned to tropical forests, one which values
8 conversion over protecting forests and those individuals
9 who rely on them.

10 --o0o--

11 AIR POLLUTION SPECIALIST BAMBERGER: The standard
12 establishes robust criteria to evaluate programs that have
13 been designed at the national or subnational scale to
14 reduce greenhouse gas emissions from tropical
15 deforestation and degradation. It contains explicit
16 requirements for the protection of forest-dependent
17 communities and indigenous peoples.

18 Today's vote would be to endorse the set of
19 criteria to spur action that we can observe, assess, and
20 determine which jurisdictions are achieving emission
21 reductions and other benefits.

22 Today's vote, just to be clear, does not amend
23 the California Cap-and-Trade Regulation. It does not link
24 the Cap-and-Trade Program with any other jurisdiction, and
25 it does not make tropical forest offset credits eligible

1 for use in the Cap-and-Trade Program.

2 Some commenters submitted questions directly to
3 Board members, including Supervisor Serna on this and
4 other points. In our briefings with the Board members, we
5 worked to address these questions and other questions
6 raised by Board members, and to highlight the areas of the
7 standard that help to address these concerns. And in
8 anticipation of some of the comments we may hear, it is
9 worth noting that even if we linked with a sector-based
10 program in the future, all existing offset usage limits
11 established by AB 398 would continue to apply.

12 --o0o--

13 AIR POLLUTION SPECIALIST BAMBERGER: So what can
14 the California Tropical Forest Standard be used for now,
15 if the Board endorses it? And is it limited to programs
16 that allow offset credits?

17 The standard sets forth criteria for accounting
18 for emissions and emission reductions in a trans --
19 transparent and verifiable manner. This type of
20 accounting, through a detailed stepwise approach, lends
21 itself to a wide range of programs that could recognize
22 financially actions taken to reduce deforestation.

23 For instance, this could include:

24 Jurisdictional payment for ecosystem services;
25 sustainable sourcing mechanisms that commodities companies

1 could use to make good on their zero net deforestation
2 commitments; the International Civil Aviation
3 organization's carbon offsetting and reductions scheme for
4 civil aviation or emerging trading instruments that can be
5 used in China, as; well as other voluntary carbon markets.

6 And while the standard was developed initially
7 for subnational jurisdictions in mind, the standard could
8 easily be applied at the national level.

9 So as you can see, while the standard was
10 developed in the context of an emissions trading system,
11 its use is not limited to emission trading systems.

12 --o0o--

13 AIR POLLUTION SPECIALIST BAMBERGER: Let's look
14 at an example of how the standard can be used. Aviation
15 accounts for about two percent of global CO2 emissions.
16 In 2010, the International Civil Aviation Organization,
17 ICAO, adopted a goal of keeping net CO2 emissions at the
18 same level as 2020 and beyond. ICAO has looked at a suite
19 of measures, including fuel efficiency, renewable fuels,
20 operation improvements, and a global market-based measure
21 to reduce this -- to reduce this goal -- to reach this
22 goal.

23 Tropical forests are anticipated to be a major
24 source of emissions reduction units for airlines to
25 comply. This standard could provide a model to ensure the

1 highest standard available is used.

2 It is never certain what level of rigor treaty
3 body will ultimately adopt; and providing a viable
4 rigorous standard as a model to help ensure that a ton of
5 CO2 emitted by an aircraft will really equal a ton of CO2
6 resulting from avoided deforestation is what is presented
7 today. And that is done in full recognition and support
8 of the rights of local communities and indigenous peoples,
9 that they are protected and that any resulting financial
10 benefits are shared equitably.

11 --o0o--

12 AIR POLLUTION SPECIALIST BAMBERGER: Development
13 of the standard commenced with the 2008 scoping plan and
14 creation of the Governors' Climate and Forests Task Force
15 in 2008.

16 The GCF is currently composed of 38 jurisdictions
17 from ten countries representing more than one-third of the
18 world's tropical forests.

19 The very first Cap-and-Trade Program -- or sorry,
20 the very first Cap-and-Trade Regulation adopted in 2011
21 specifically identified deforestation as a potential
22 jurisdictional sector-based program. CARB staff have
23 continued to provide updates to the Board, hold public
24 workshops, release white papers, and listen to stakeholder
25 feedback since then.

1 Subsequent to the release of a white paper
2 discussing tropical deforestation in October of 2015, CARB
3 staff held a series of workshops relevant to the
4 development of the California Tropical Forest Standard.

5 The October 2015 workshop discussed expert
6 recommendations, case studies from jurisdictions in Mexico
7 and Brazil, participation of indigenous peoples in the
8 Amazon, and forest carbon monitoring technologies.

9 The March 2016 workshop discussed program scope,
10 how to set historical baselines, crediting baselines, and
11 monitoring and reporting requirements. And the two
12 workshops in April 2016 discussed social and environmental
13 state safeguards, ensuring benefit sharing, stakeholder
14 participation, land tenure, and effective governance.

15 Throughout this time, we continue to engage with
16 GCF partners and with indigenous people, and local
17 communities. All updates to the scoping plan, including
18 the most recent in 2017 have continued to assess
19 jurisdictional-scale avoided tropical deforestation
20 programs.

21 The draft craft standard was released on
22 September 7th 2018, which brings us to today, and to
23 endorsing the standard so it can be used by programs now.

24 --o0o--

25 AIR POLLUTION SPECIALIST BAMBERGER: This

1 standard sets a high bar, and it is the first of its kind.
2 It is based on years of experience, leveraging knowledge
3 gained by international bodies working on tropical
4 deforestation. It sets minimum criteria against which
5 jurisdiction -- against which jurisdictional-avoided
6 deforestation programs can be assessed, and it enhances
7 requirements for transparency, verification, social and
8 environmental safeguards. And it can be applied at the
9 subnational or national level.

10 This standard requires that a jurisdictional
11 program be developed through a robust public process,
12 which ensures engagement with indigenous peoples and local
13 communities.

14 It requires transparent development of a
15 reference level, and details for how the jurisdictional
16 plan to monitor, report, and verify avoided emissions for
17 deforestation will occur. The sector plan continues
18 methodology -- contains methodologies that will be
19 transparent and scientifically sound. The program cannot
20 allow double counting of any emission reductions in any
21 other voluntary or mandatory program and it must be
22 designed to be consistent with national efforts, including
23 nationally determined contributions under the UNFCCC Paris
24 Agreement.

25 --o0o--

1 AIR POLLUTION SPECIALIST BAMBERGER: The standard
2 accounts for emission reductions that are above and beyond
3 a jurisdiction's crediting baseline, and this crediting
4 baseline is set, based on a jurisdiction's reference
5 level. The reference level is set to be consistent with
6 IPCC methodologies, and determined using transparent and
7 high-quality remote sensing and ground-level data to
8 determine forest cover loss and -- forest cover and forest
9 loss.

10 The crediting baseline reflects previous
11 commitments by the jurisdiction to reduce emissions from
12 deforestation. It is a conservative approach designed to
13 underestimate emissions reductions by beginning 10 percent
14 below the established emission reduction -- the emission
15 reference level. It linearly declines based on the
16 jurisdiction's 2050 target, and it takes into account
17 nationally relevant determined -- jurisdictional
18 determined contributions.

19 Only emission reductions that exceed the
20 crediting baseline would be considered additional and be
21 eligible for crediting.

22 --o0o--

23 AIR POLLUTION SPECIALIST BAMBERGER: This sector
24 plan must have detailed requirements for monitoring,
25 reporting, and verification. There are requirements for

1 annual reporting for emissions reductions, and accounting
2 for any uncertainty that the measurement -- and the
3 measurement accuracy.

4 Third-party verification is also required.
5 Verification helps ensure the accuracy and integrity of
6 any emissions reductions, as well as the conformity with
7 social and environmental safeguards.

8 There are requirements to assure the permanence
9 of any emission reductions. A sector plan must identify,
10 assess, and quantify the risk of reversal. These
11 quantified risks determine a jurisdiction's contribution
12 to a forest buffer pool to ensure against reversals.

13 A sector plan must also take into account both
14 activity- and market-shifting leakage. A plan -- the plan
15 must address mechanisms to mitigate or eliminate leakage,
16 and account for any remaining leakage through a deduction
17 in crediting.

18 The sector plan must include an effective
19 enforcement mechanism. It must make the reports and data
20 publicly available, and incline emissions data reports,
21 safeguard reports, and verification reports on a public
22 website.

23 --o0o--

24 AIR POLLUTION SPECIALIST BAMBERGER: Finally, the
25 standard includes requirements to ensure that the

1 development and implementation of a jurisdiction's sector
2 plan engages stakeholders, and in particular, benefits
3 indigenous peoples and local communities.

4 These requirements are most often called social
5 and environmental safeguards. These safeguards are based
6 on international best practices. It is expected that the
7 transparent approach in the standard would reinforce the
8 implementation and enforcement of these best practices.

9 Jurisdictional programs must be developed and
10 implemented consistent with Annex 1 of the UNFCCC Cancun
11 Agreement. Jurisdictions must demonstrate consistency
12 with using principles, criteria, and indicators that
13 conform to international best practices for social and
14 environmental safeguards, and must provide narrative
15 descriptions as to how each of these principles and
16 criteria are actually met.

17 Adherence to standards such as the Green Climate
18 Fund Indigenous Peoples Policy, the United Nations
19 Development Program Social and Environmental Standards,
20 Green Climate Fund/UN Women Mainstreaming Gender in Green
21 Climate Fund Project's manual, and the International
22 Finance Corporation Environmental and Social Performance
23 Standards must also be used to help in demonstrating the
24 consistency.

25 Forest-dependent communities, including

1 indigenous communities, must be consulted and participate
2 in the development and share in the benefits of the
3 jurisdictional sector plan.

4 And the required social and environmental
5 safeguards report must be posted on a publicly available
6 website along with the verification report. There is --
7 there also must be a publicly available grievance
8 mechanism within the jurisdiction.

9 International best practices for social and
10 environmental safeguards identified key principles, the
11 criteria to evaluate the principles, and indicators to
12 show progress towards achieving the criteria. Some of the
13 key principles include: recognizing and respecting the
14 rights to lands, territories, and resources; ensuring
15 benefits are shared equitably among rights holders;
16 improving the livelihood, security, and well-being of
17 indigenous peoples with special attention to women and
18 vulnerable people; and ensuring all rights holders and
19 stakeholders participate fully and effectively, including
20 through free, prior, and informed consent.

21 --o0o--

22 AIR POLLUTION SPECIALIST BAMBERGER: Staff have
23 reviewed all the comments received on this standard and
24 have made the following updates:

25 To address some potentially unintended

1 consequences of the original crediting baseline, the
2 language was modified to require the crediting baseline to
3 linearly decline from 10 percent below the reference level
4 to a jurisdiction-specific 2050 target;

5 To bolster the social and environmental
6 safeguards, requiring consistency with Annex 1 of the
7 UNFCCC Cancun Agreement, and adherence to the recently
8 adopted Governors' Climate and Forest Task Force guiding
9 principles of collaboration and partnership were added.

10 Thirteen principles were adopted by the GCF
11 members on September 10th, 2008 at their annual meeting in
12 San Francisco. These principles recognized and respect
13 indigenous peoples and local communities' rights to their
14 lands, territories, culture, self-determination, and
15 governance; recognize the historic contribution of
16 indigenous peoples and local communities; and facilitate
17 and promote partnerships between subnational governments
18 and indigenous people, and local communities.

19 --o0o--

20 AIR POLLUTION SPECIALIST BAMBERGER: Staff
21 completed a draft environmental analysis, or EA, for the
22 California Tropical Forest Standard. The draft EA was
23 released for a 45-day comment period on September 4th,
24 2018. The public comment period closed on October 29th,
25 2018, and staff prepared written responses to all of the

1 draft EA comments.

2 Subsequently, revisions to the standards were
3 released. A total of 76 comment letters were received
4 during the comment period, and 11 addressed the standard
5 EA and raised a substantial environmental concern. Staff
6 made minor modifications to the draft EA based on these
7 comments.

8 The resulting final EA, along with responses to
9 the environmental comments received on the record, were
10 publicly released in advance of this hearing on November
11 9th, 2008. The Final EA applies conservative
12 interpretations, and finds that some compliance activities
13 may lead to potentially significant and unavoidable
14 adverse impacts to some resource -- some resources,
15 because project level mitigation lies outside of ARB's
16 authority.

17 In addition to the public comments CARB received
18 during the noticed public comment period, we also received
19 late comments filed after the noticed comment period
20 deadline. We have considered these comments and
21 determined that they have been previously addressed in
22 responses to environmental comments prepared by CARB
23 staff.

24 It is expected that potentially significant
25 impacts could be feasibly avoided or mitigated to a less

1 than significant level through jurisdiction-level
2 environmental review associated with compliance responses
3 and the attendant compliance with local, regional, and
4 other laws and regulations.

5 Despite the potential adverse impacts, other
6 benefits to the proposed amendments like improved health,
7 from co-pollutant reductions, and preserving tropical
8 forests warrant approval and outweigh and override the
9 unavoidable significant impacts.

10 --o0o--

11 AIR POLLUTION SPECIALIST BAMBERGER: And that
12 brings me to the final slide of the presentation.
13 Endorsement of the California Tropical Forest Standard
14 will send a strong and needed signal for jurisdictions to
15 take immediate action to reduce deforestation. You will
16 hear from commenters on this and other aspects of the
17 standard.

18 Suffice it to say that the Board's endorsement of
19 the standard is an important action, and it will not land
20 with a thud. As you will likely hear from supporters of
21 the standard, pending its approval, there are ready to
22 begin implementation of it now to test it out and to seek
23 to include it in other programs like those we described
24 earlier. We can learn from these efforts. We can
25 report -- and we can report back to the Board on the

1 results.

2 Based on all of this, staff recommends that the
3 Board approve the resolution that has been prepared with
4 this item, and endorse the California Tropical Forest
5 Standard today.

6 The resolution includes approval of the written
7 responses to environmental comments, certification of the
8 final Environmental Analysis, making the required CEQA
9 findings and Statement of Overriding Considerations, and
10 endorsement of final -- of final California Tropical
11 Forest Standard to be effective as of today, November
12 16th, 2018.

13 This concludes the staff presentation.

14 Thank you.

15 CHAIR NICHOLS: Thank you. We have over 85
16 people who've signed up to testify. So, as I indicated at
17 the beginning, we will be asking all witnesses to limit
18 their comments to two minutes. But we will also ask that
19 that time be extended for those who require translation,
20 so that they will have the additional time to make sure
21 that they've had an opportunity to have their testimony
22 heard through the interpreter. And that's kind of the
23 first thing.

24 It is now 10 to 11:00. I think we should
25 probably do what we did yesterday and not take a formal

1 lunch break. But the Board will take at least two breaks
2 in the course of the next couple of hours of about 10 to
3 15 minutes so that the court reporter will have a chance
4 to stretch. And I think we should start -- we should have
5 one of them basically before we begin the testimony.

6 I do have -- it's clear that, you know, this is
7 one of those issues that despite having been discussed in
8 various ways for over a decade, at least a decade, has not
9 resulted in consensus, let's put it that way. There is --
10 there is definitely going to be a strong diversity of
11 views that we will be hearing and major disagreements
12 about what we ought to do.

13 But in order to lay some groundwork, which I
14 think is necessary for everyone to hear, I need to ask the
15 staff to say, you know, beyond staff time that CARB has
16 put in, which is our own people, we have participated in
17 international meetings. We have had trips to
18 international meetings that have been funded by entities
19 other than the State of California. And I would like for
20 you to spell out, in as much detail as you can, what
21 that -- really who's been -- who's been paying for this?
22 Let's be blunt about it.

23 ISD CLIMATE CHANGE PROGRAM EVALUATION BRANCH
24 CHIEF GRAY: Sure. Thanks Chair Nichols.

25 That's right, so we've been participating

1 primarily in the Governors' Climate and Forest Task Force,
2 which California helped found ten years ago this past
3 September. And those -- that organization solicits
4 funding from folks like the Government of Norway,
5 previously from the government of the United States was
6 the first funder of that organization, to really do
7 capacity building in the different members states and
8 provinces of this fairly unique partnership now 38 states
9 and provinces from around the world.

10 That organization funds two delegates from each
11 members state or province to participate in annual
12 meetings. It also raises funding for capacity training in
13 different regions, so maybe within Brazil, or within
14 Mexico, or within Indonesia.

15 And California has participated in the annual
16 meetings of this partnership group every year since it
17 started -- since it started here in California.

18 We've also participated in meetings that relate
19 to tropical forest conservation that have been organized
20 and paid for by the USAID, by some of the State Department
21 folks years ago, and in organizations -- in meetings that
22 have actually happened here where we had international
23 partners come and participate in our workshops or meetings
24 in Sacramento.

25 So over the last ten years, we've been engaging

1 with a lot of different jurisdictions, a lot of different
2 representatives for those jurisdictions, from communities
3 and indigenous organizations, and governments from within
4 those jurisdictions. And that's really led to all the
5 information that we've used to develop this standard.

6 CHAIR NICHOLS: And just to be clear, has any of
7 this group -- has any of this work been funded by forestry
8 businesses, entities that specifically engage in forest
9 cutting?

10 ISD CLIMATE CHANGE PROGRAM EVALUATION BRANCH
11 CHIEF GRAY: Not to my knowledge. No, I think it's really
12 all been working with governments and with development
13 funding from the U.S., and Norway, and I believe Germany
14 and some other governments.

15 CHAIR NICHOLS: And I also would like to just
16 draw a line under this issue about offsets, because having
17 been here ten years ago, I remember that there was, at one
18 point, a strong desire to see international offsets in the
19 California Cap-and-Trade Program. And we did not do that.
20 We never have had any international offsets allowed and
21 our rules don't allow for it, though there is a
22 placeholder there.

23 But again, just to be clear and again
24 acknowledging that, yes, this could be a step in that
25 direction, is there any implication from what we're being

1 asked to do today, that we would be adopting any new rules
2 that might allow for those offsets to be used in
3 California?

4 ISD CLIMATE CHANGE PROGRAM EVALUATION BRANCH

5 CHIEF GRAY: Not at all. The action before you today will
6 not result in any of those changes that would have to
7 happen before that could happen.

8 The standard before you all today as the
9 presentation laid out really is synthesizing all the best
10 practices and putting out a standard that we think others
11 will use. And I think we'll hear from them today that
12 they're ready to use it.

13 CHAIR NICHOLS: Okay. And then one more question
14 from me has to do with breadth of the consultation. You
15 emphasized the ten years that you've been working at this.
16 But could you give some sense of what other entities or
17 individuals, for that matter, if it's okay, within
18 California have been involved over this ten-year period
19 either on visiting the forest themselves or taking part in
20 these discussions?

21 ISD CLIMATE CHANGE PROGRAM EVALUATION BRANCH

22 CHIEF GRAY: Sure. I think a lot of the commenters you'll
23 hear from today have been involved in that from all sides.
24 I think some of the NGOs in California, EDF, The Nature
25 Conservancy Earth Innovation Institute have been involved.

1 Some of them very heavily involved in different regions in
2 Brazil and Indonesia for many more than one decade.

3 Many of the organizations we'll hear not
4 supporting this action have been involved in the
5 discussion in our workshops. So we've heard a lot of the
6 concerns and really tried to address them in the standard
7 development.

8 But there have been a lot of California entities
9 from the NGO side, from the verification side, so
10 verification companies that are based here in California
11 have also been involved on the ground doing some of these
12 activities as well.

13 CHAIR NICHOLS: And on the trips that you've
14 taken to Mexico, or Brazil, or any place else for that
15 matter, you've had, I know, staff from other parts of
16 California government, legislators?

17 ISD CLIMATE CHANGE PROGRAM EVALUATION BRANCH
18 CHIEF GRAY: Yeah. So the trips that ARB staff has done
19 on primarily has been focused on working with governments
20 from these other jurisdictions with indigenous communities
21 from these other jurisdictions. I do know there have been
22 some delegations from the Legislature to the Yucatán in
23 Mexico to lots Acre, Brazil, which is one of the leading
24 states in terms of large policy design at the jurisdiction
25 scale. So there has been some legislative participation

1 in this discussion, and in some of these meetings as well.

2 CHAIR NICHOLS: Okay. I'm going to ask that we
3 take a ten-minute break, and really make it a ten-minute
4 break. And that we'll then get back and start with the
5 testimony right away.

6 Thank you.

7 (Off record: 10:55 a.m.)

8 (Thereupon a recess was taken.)

9 (On record: 11:08 a.m.)

10 CHAIR NICHOLS: All right, ladies and gentlemen,
11 if you could take your seats and we'll get back to work
12 here. We'll begin our testimony. Okay. And we'll call
13 for the first witness.

14 As Board members -- in case anybody is unfamiliar
15 with this process -- the gavel.

16 Okay. I believe the list is up on the screen
17 there, and you can see where you are in line. As I
18 mentioned before, we appreciate it if people will come
19 down towards the -- please come down towards the front
20 when we -- when you see that your name is coming up soon,
21 so we don't have to spend time waiting for people to move
22 up to the microphone and we do use both microphones.

23 Okay. Thank you very much. Let's start. Thank
24 you.

25 MS. TODD: Good morning, Chair Nichols and

1 members of the Board. My name is Kimberly Todd, a
2 technical specialist on forest and climate with the United
3 Nations Development Program, UNDP.

4 As the UN's development agency, UNDP works
5 globally supporting about 170 countries and territories
6 around the world to achieve sustainable development and
7 eradication of poverty. Across the tropics and beyond,
8 we're supporting developing countries to reduce emissions
9 from deforestation and forest degradation with an emphasis
10 on land, policy, and governance reforms, as well as full
11 and effective engagement of indigenous peoples and forest
12 communities.

13 My colleague and I are here today representing
14 UNDP to commend the global leadership that California is
15 demonstrating through this proposed Tropical Forest
16 Standard. By recognizing and incentivizing enhance
17 Climate action in tropical forests, California is
18 providing an important contribution and positive signal to
19 global efforts to reduce deforestation, which are
20 absolutely essential to tackle climate change.

21 As recognized internationally, we don't stand a
22 chance of keeping warming below two degrees celsius if the
23 current rate of tropical forest loss continues.

24 And subnational jurisdictions have enormous
25 potential to contribute to these global efforts to reduce

1 deforestation and mitigate climate change, serving as
2 innovators, providing models for programs and policy-level
3 interventions that can be scaled up.

4 We applaud California for providing a strong
5 incentive for enhanced action in tropical forests at the
6 subnational level. We find that the standard provides a
7 robust framework, which ensures there are real transparent
8 emission reductions, and that environmental integrity is
9 maintained.

10 We are supportive of the technical aspects of the
11 standard, particularly the call for consistency with the
12 IPCC guidelines, as well as strong provisions to address
13 the risks of non-permanence and leakage. We were further
14 encouraged to see specific revisions that have been made
15 to the draft standard. We found that enhanced clarity on
16 specific requirements, as well as incorporation of
17 elements that further increased practicality and
18 flexibility for jurisdictions to apply the standard have
19 served to strengthen it even more.

20 Again, we commend California's leadership in this
21 area, and we voice our support for endorsement of the
22 standard. Thank you for the opportunity to contribute our
23 inputs.

24 MS. LAUGHLIN: Good morning. My name is Jennifer
25 Laughlin, and I'm a technical specialist on safeguards at

1 the United Nations Development Program. UNDP applauds the
2 transparency and the inclusiveness with which the
3 California standard has been designed, and welcomes the
4 revisions made to the draft text on safeguards in the
5 context of third-party verification, risk assessment,
6 consistency with the UN Climate Convention, and adherence
7 to the GCF Task Force Guiding Principles.

8 The additions have clarified and reinforced the
9 already strong commitment to robust application of social
10 and environmental safeguards, as reflected in the
11 standards use of red SCS as the benchmark.

12 The chosen benchmark provides a detailed
13 framework of reporting on safeguards implementation with
14 clear indicators to measure progress related to many of
15 the key issues that are foundational to a successful
16 jurisdictional plan, including protection of indigenous
17 people rights, gender sensitive approach and equitable
18 benefit sharing.

19 Endorsement of this standard will pave the way
20 not only for other subnational jurisdictions to achieve
21 emissions reductions from the forest sector in accordance
22 with international best practice, but could also be of use
23 to national governments and global organizations like
24 UNDP, as they support processes to do the same.

25 Today, we look to you to make a significant

1 contribution to addressing global climate change at a time
2 when it is urgently needed, and we fully support
3 endorsement of the standard.

4 Thank you.

5 CHAIR NICHOLS: Thank you.

6 (Thereupon an overhead presentation was
7 presented as follows.)

8 DR. SCANLAN LYONS: Good morning, Chair Nichols,
9 Board members. I'm Dr. Colleen Scanlan Lyons, project
10 director for the Governors' Climate and Forest Task Force.

11 I'm also a cultural anthropologist who has been
12 working in tropical forest regions for nearly 30 years,
13 kind of dating myself here.

14 California, a founding member of the GCF, is once
15 again leading the world by putting forth a strong Tropical
16 Forest Standard, which sets a high bar for other
17 governments. We know that forests can provide up to 30
18 percent of the solutions for climate change. We know that
19 indigenous lands make up 18 percent of the world's
20 forests, and indigenous peoples have the highest rates of
21 forest conservation on their lands. We also know that
22 subnational action for climate policy is critical.

23 Given this, last month, as we heard from the
24 staff, the GCF members overwhelmingly endorsed a set of
25 guiding principles for collaboration and partnerships

1 between subnational governance -- governments, indigenous
2 peoples, and local communities.

3 --o0o--

4 DR. SCANLAN LYONS: This novel partnership took
5 years to develop. And it was led by indigenous and
6 community leaders, as well as their governmental partners.
7 The principles were endorsed by 35 governments, by 17
8 NGOs, and by 18 different indigenous organizations
9 representing over 17 and a half million people.

10 These principles were part of California's Global
11 Climate Action Summit, and we're very happy that they are
12 now incorporated into the standard. The GCF is ready to
13 collaborate with California. These efforts will be lead
14 by the people in tropical forest jurisdictions. They are
15 the people that are going to tell you what works, and what
16 doesn't work in the places where they live, and many of
17 them are here today who will speak in their own voices.

18 The GCF Indigenous and Local Communities Working
19 Group will provide a forum for exploring how indigenous
20 peoples and governments can work together to co-design
21 transparent processes than conserve forests, reduce
22 emissions, and promote low-emissions development in
23 collaboration with the people that live there.

24 We'll explore models, and we will also evaluate
25 the extent to which GCF governments are taking the

1 guidance principles seriously.

2 CHAIR NICHOLS: Thank you. I'm sorry the time is
3 really short.

4 DR. SCANLAN LYONS: No problem. Thank you very
5 much.

6 CHAIR NICHOLS: Appreciate your comments.

7 DR. BUSCH: Good morning. I'm Dr. Jonah Busch,
8 the chief economist of the Earth Innovation Institute. It
9 is my honor to read from a letter signed by 118 scientists
10 strongly urging you to endorse the California Tropical
11 Forest Standard.

12 These scientists include many of the top climate
13 and forest scientists in the world. They include eight
14 lead authors of the Intergovernmental Panel on Climate
15 Change, three former Directors General of the Center for
16 International forestry Research, three MacArthur Genius
17 Grant awardees, eight members of the National Academy of
18 Sciences, and one member each from the European and
19 Australian Academy of Sciences.

20 I read from the letter in part. "We are
21 scientists, ecologists, economists, anthropologists,
22 geographers, and climatologists. We are all directly
23 involved with research to better understand climate change
24 and identify the best ways to avoid its most dangerous
25 impacts.

1 Many of us have spent decades working in tropics.
2 We strongly urge the California Air Resources Board to
3 endorse the California Tropical Forest Standard. The
4 letter makes four points. One, slowing deforestation and
5 degradation of tropical forests is one of the most cost
6 effective, near-term steps towards a zero net carbon
7 budget globally.

8 Two, the standard would establish a very high bar
9 of methodological rigor, transparency, and accountability.

10 Three, jurisdictional strategies, such as this
11 standard seek systemic solutions across entire states and
12 provinces, and avoid the leakage and dubious carbon
13 accounting of some of the project-based examples cited by
14 others.

15 Four, one of the highlights of the Global Climate
16 Action Summit in San Francisco was the announcement of
17 guiding principles for collaboration and partnership
18 between subnational governments, indigenous peoples, and
19 local communities. These principles have now been
20 incorporated into this standard.

21 In conclusion, it is urgent that the standard be
22 endorsed. If endorsement is postponed, an important
23 opportunity will be lost.

24 Thank you.

25 MR. GUTIERREZ(through interpreter): Good

1 morning. I am agricultural engineer. Lorenzo Andres
2 Vargas Gutierrez with the Government of Colombia, and we
3 represent the 48 percent of the forests in our country.

4 The climate problem is a worldwide problem. And
5 therefore, the importance of the tropical forests. And
6 this includes reptiles, mammals, fish, more than 60C --
7 6,300 plants in Colombia. The standard in the forest of
8 California is a good incentive and a good example for the
9 rest of the world, because in Colombia, the standard -- to
10 implement the standard in the forest, it's way of peace.
11 It is important and imperative to do it now.

12 In Colombia as the President of 2018-2019 for
13 indigenous groups, you know, global way, we are going to
14 implement it in our country in Columbia. And it is why we
15 support a standard with tropical forests, because as a
16 scientific level and along with the leaders it is proven
17 to work.

18 It is important --

19 Excuse the interpreter.

20 The standard, it is important for indigenous
21 communities and local communities to change the extra
22 economy mining and hydro through an incentive of taking
23 care of the tropical forests.

24 It is why we're asking for ARB to implement clear
25 elements because they're important for the planet.

1 Thank you very much.

2 MR. GUZMAN: Good morning, members of the Board.
3 My name is Sergio Guzman from Guatemala from the northern
4 part of Guatemala. We live in the forest community. It
5 is an area which is more about two million hectares of
6 tropical forest. We've got 15,000 people living from the
7 forest in there. We are members of the Mesoamerican
8 Alliance of Forests and People. And you can see over
9 there the forest carbon in the indigenous and local
10 communities territories. I think you guys have one of
11 those in your hands already.

12 I came and traveled so far from my country to
13 come here and to congratulate you on the effort of the
14 development of this tropical standard. At the
15 Mesoamerican Alliance, we are more than one -- we have
16 more than 100 million hectares of tropical forest. And
17 500,000 people living from the tropical forest.

18 Our communities are called the wild and salty
19 forest because they provide benefits to our local
20 communities, to the Californians, and to the whole world,
21 because we reduce global greenhouse gases.

22 We congratulate again the California Air
23 Resources Board on the development of these forest
24 standard as a part of the leadership that California has
25 shown already at worldwide level. And we recognize that

1 these are very high standard. We strongly support the
2 endorsement of this standard for the tropical forest. We
3 have reviewed it and we say it is our standard for the
4 local communities and the indigenous people, because it's
5 the one that we were waiting for.

6 We are doing work on other standards and do not
7 meet the requirements that this standards is proposing.
8 So we -- as a local communities has managed the forest in
9 a sustainable way, we consider ourselves as Strategical
10 partners of California and this standard. We will try to
11 apply it in our territories.

12 And we thank again for the possibility of doing
13 this high level standard. If not us, then who? We have
14 to do it and act now.

15 Thank you CARB. It is our -- this is a unique
16 position for the CARB to influence the international
17 action.

18 Thank you.

19 CHAIR NICHOLS: Thank you.

20 MS. MEDEIROS(through interpreter): My name is
21 Magaly Medeiros, biologist and master of development in
22 the environment in Brazil. I am also the President of the
23 Institute of Climate Change and Regulations of
24 Environmental Services and member sof the Global Committee
25 of Indigenous Peoples in Brazil.

1 I have worked since 1990 for the sustainable
2 development of the government of Acre, Brazil in the
3 program for the conservation of tropical forests. I'd
4 like to congratulate California for the great incentive in
5 this direction. Our incentive has reached many other
6 alternatives, including members of many governors or the
7 institutions that has joined force towards this main
8 objective.

9 Yes, the fact that we have joined forces among
10 the community has made it stronger and more effective
11 lately. You work -- we work hard and intention of
12 safeguard and restore the rights of the indigenous people,
13 especially in their protection. We also work straight
14 closely with your international organizations that has
15 been supportive. And we unite forces and fight together
16 for the same objective.

17 Besides the participation of different sections
18 of society, like woman's differences -- branch of
19 professionals, we have also worked with the indigenous
20 community.

21 (Lies.)

22 CHAIR NICHOLS: Your time is up. Sorry.

23 MS. MEDEIROS: It's a great opportunity to stand
24 at CARB to show it. (Speaking in Spanish.)

25 CHAIR NICHOLS: Sorry. Excuse me.

1 (Lies.)

2 MS. MEDEIROS: (Speaking in Spanish)

3 CHAIR NICHOLS: Everyone will get a chance to
4 speak. If you signed up, you have a chance to speak. You
5 are not allowed to yell at the speaker. That is not
6 appropriate, and it doesn't help you either.

7 Thank you. Okay. Thank you.

8 THE INTERPRETER: The witness will read his whole
9 statement first and I'll translate afterwards.

10 CHAIR NICHOLS: Okay.

11 MR. CHI(through interpreter): With the death of
12 the last, tree life is over.

13 Good morning. My name is Basilo Velasquez Chi.
14 I am of Mayan origin and I dedicate my efforts to
15 strengthen the livelihoods of the Mayan communities of
16 Quintana Roo Mexico through the sustainable management of
17 natural resources. I am part of the global committee of
18 local communities and indigenous peoples for dialogue with
19 subnational government members of the GCF.

20 I have come here to express mine and our
21 community's support of the standard being discussed today,
22 which provides the elements and framework to ensure the
23 conservation of our natural resources our culture and
24 livelihood.

25 Throughout the years, we, the Mayan communities,

1 have taken care of our jungles and lived in harmony with
2 nature in the context of our idiosyncrasy and way of
3 seeing life, our customs and traditions. These jungles
4 are what give us life and give life to the planet.

5 However, in recent years, these natural resources
6 are being pressured by the lack of economic opportunities
7 and livelihoods in our communities, where our people, due
8 to the situation, are forced to abandon their lands and
9 the management of the resources to go out in search of
10 employment, sometimes get rid of their lands or deforest
11 them to generate economic resources, even the control of
12 unsustainable practices in order to access economic
13 resources that are allow them to survive.

14 Mayan communities' families, men and women, we
15 develop our own initiatives for the management and
16 conservation of our natural resources, but they need to be
17 strengthened to improve the quality of life and become
18 permanent means and guaranty the conservation of the
19 jungles where we live, as well as the important
20 environmental services the jungle provides.

21 For our communities, it is important that the
22 government of California approves the Tropical Forest
23 Standard, because it represents a model of safeguards for
24 the communities that protect their jungles and forests.

25 The principles of collaboration included in the

1 standard have been designed and approved by GCF members,
2 and encompass the main rights of indigenous peoples and
3 local communities recognizing Mexico and internationally.

4 Almost ending.

5 This standard will provide the opportunity for
6 our region to replicate the California model in order to
7 strengthen our communities, guarantee the protection of
8 natural resources, and contribute to climate change
9 solutions. If this standard is not endorsed, we run the
10 risk that these natural resources that we all need are
11 lost and are irrecoverable, making the climatic situation
12 that we all worry about more serious.

13 We all need to be united. The solution is in our
14 hands. Thank you.

15 CHAIR NICHOLS: Thank you.

16 And obviously, I let you go on past the time,
17 because we're trying to figure out how to manage this
18 situation appropriately.

19 I would really appreciate in the future, if you
20 could summarize the remarks, so that the speaker herself
21 or himself just speaks for two minutes. Otherwise, this
22 is not going to work.

23 THE INTERPRETER: The interpreter will conduct a
24 side translation of the document. This document is much
25 smaller than the previous one.

1 CHAIR NICHOLS: Okay. Thank you.

2 MS. AURORA(through interpreter): Good morning.
3 My name is Francisca Aurora. I am from the Aurora -- the
4 Court -- I am speaking in reference to the person
5 Francisca Aurora, the person who wrote this statement.
6 Her name is it -- it has disappeared. Diana Mouri
7 Gonzalez.

8 I'm speaking on behalf of the coordinator and
9 professor of the organization of indigenous professors,
10 Acre, in Brazil. And I'm a political assessor for the
11 Association of Movement of Agents -- indigenal agents of
12 Acre. I also received the Chico Price Mendes, who was the
13 father of the movement an alliance of the forest. I'm
14 here to talk in reference to -- the through Diana. She
15 came from the indigenous places of Shipibo representing 17
16 indigenous places in Ucayali, Peru.

17 There are 51 towns -- indigenous towns, and 17
18 from Ucayali. We are united because we think that we can
19 change the world. We represent the women of the Amazon,
20 and we have messages for you. What has occurred with Acre
21 to two decades ago, it was an example for all the other
22 states. It was a construction process, and a system of
23 incentives through Acre. And they had a letter that
24 elaborated the principles and the constructions of
25 safeguards, and participation consultations, and

1 information, and creation of working indigenous groups,
2 and through -- and their own government.

3 The problem is global is not just local in Peru.
4 And we know that you can support us to manage the forest
5 in a better way. I know it requires decision, sometimes
6 political decisions, and support.

7 Thank you.

8 MR. MONTERO-SOLORI: Hello. Good morning,
9 members of the California Air Resources Board, staff, and
10 colleagues. Dear Chair, Mary Nichols, with due respect, I
11 start my comments.

12 My name is Jose Antonio Montero. I'm a lawyer,
13 defender of human rights and the environment in Chiapas,
14 Mexico. For more than 15 years, I have defended
15 indigenous and local communities of human rights
16 violations before national and international courts, suing
17 the Mexican government.

18 I have seen how others have taken natural
19 resource of the indigenous communities and continued to
20 exploit them. I have defend communities and depend
21 that -- depend of the forest. I have seen communities
22 making sustainable use of the resources. I have seen how
23 the development initiative of indigenous communities
24 include women, young people, and respect their elders.

25 Today, I work to design public policies to

1 prevent that from happening again. For years, I have
2 worked in design of instruments that allow the protection
3 of the rights of the communities and the protection of the
4 natural resource of which they subsist.

5 The leaderships shown by California in
6 environmental actions and rights has been an example of
7 the world. Those of who -- those of us who work in the
8 protection of forests with indigenous rights protection
9 have seen that California has shown the work of the
10 instrument -- one of the instruments of public policy for
11 the protection of its forests with the inclusion of
12 indigenous and local communities.

13 The standard that is being discussed today in
14 California is inspiring for other jurisdictions for those
15 people working to warranty human rights, because this
16 includes the criteria of protection and respect.

17 Approving it would be a very motivating message
18 for us of work.

19 CHAIR NICHOLS: Thank you.

20 MS. McAFEE: Hello. I'm Kathleen McAfee,
21 professor, and coauthor of the scientists letter opposing
22 the TFS, now signed by more than 110 credentialed academic
23 researchers. We only circulated this for a week. We had
24 more than that. We deleted all the signatures except
25 those of people who have done specific research on -- and

1 technical analysis of REDD ecosystems services and
2 tropical forests conservation and offsetting.

3 I, myself, have done field work. I've written,
4 edited peer-reviewed dozens of studies. I've heard
5 hundreds of scientific presentations on REDD and tropical
6 conservation. The field-tested facts speak for
7 themselves. Tropical forest carbon offsetting is failing
8 badly to mitigate climate change.

9 Even the most ardent early supporters of REDD now
10 concede that there is no empirical evidence that such
11 programs are having real environmental effects. As the
12 studies demonstrate, REDD programs and jurisdictional or
13 project do not keep forest carbon from returning to the
14 atmosphere.

15 Forests burn, even in the Amazon, governments
16 change, and policies are reversed, as we're seeing in
17 Brazil. REDD projects are abandoned when minerals are
18 discovered. Mining companies set up REDD programs to
19 co-opt community opposition. Forest-dwelling people
20 become accustomed to payments, ignore -- neglect their
21 traditional sustainability practices and drop their
22 conservation commitments when REDD payments run out.
23 We've seen this over and over.

24 Project developers and certifiers eager for more
25 contracts ignore contrary data and exaggerate stored

1 carbon quality. So forest carbon sequestration can never
2 be real and permanent, as California law would require.
3 Leakage is inevitable and cannot be fully quantified.

4 Really, the section in the TFS on leakage is
5 shockingly weak, ignoring most the problems. And it
6 strangely endorses the single most environmentally
7 destructive land use, beef production.

8 There are alternatives. There are ways that
9 California can help slow tropical deforestation. Let the
10 ARB lead us in addressing the fact that California
11 refineries are importing a growing share of crude oil from
12 the expanding Amazon petroleum sector. Let us all support
13 the land rights and territorial rights of indigenous
14 people in line with the UN declarations to that point.

15 We're well aware that CARB means this not as a
16 addition to cap and trade yet, but as launching point,
17 which is all the more reason not to endorse a strategy
18 that would dilute and delay our own obligations to reduce
19 our emissions right here in California by adopting an
20 international offsetting program that does not work.

21 (Applause.)

22 (Cheering.)

23 MS. HAYA: Thank you for the opportunity to
24 testify. I'm Barbara Haya, research fellow at the
25 University of California, Berkeley, and one of the 110

1 signers of the scholar's letter opposing the standard.

2 These researchers who study how REDD offsets
3 forest conservation projects work and practice are
4 cautioning ARB about the risks associated with this
5 standard: risk of harm to forest communities, the
6 limitations of the use of safeguards to avoid those harms,
7 the ineffectiveness of so many programs so far to address
8 the true drivers of deforestation, and the challenges of
9 addressing leakage and permanence.

10 Important elements of the standard are vague or
11 weak. For example, programs must include methods for
12 avoiding or addressing leakage, or to show -- and to show
13 successful past implementation of safeguards, but without
14 the specificity needed to judge whether these challenging
15 requirements have been met.

16 The history of the Kyoto protocol's offset
17 program should send a strong warning. The large majority
18 of the Kyoto Protocol's offset projects did not actually
19 reduce emissions. This is well established. Countries
20 used these credits to use -- to meet substantial portions
21 of their reduction targets, even though many of involved
22 knew that many of the credits did not ever -- did not
23 represent real emissions reductions.

24 Paying countries embraced the program to drive
25 down costs of meeting their climate targets, at least on

1 paper. And recipient countries promoted it for the funds
2 they received. It is in this context that ARB is
3 promoting a global standard for international carbon
4 trading policy architecture in the forest sector.

5 The standard's vague requirements that can be
6 broadly interpreted risk weakening global climate
7 agreements the same way the Kyoto Protocol's offset
8 program did, taking attention away from other proven
9 approaches.

10 Lastly, the number of and caliber of the scholars
11 who signed the scholars' letter should send a resounding
12 message of caution. I believe strongly that the concerns
13 raised by the field researchers closest to the ground
14 setting the challenges and the outcomes of these programs
15 in practice must be fully considered before the standard
16 is endorsed.

17 (Applause.)

18 (Cheering.)

19 DR. OSBORNE: Hi. Thank you for the opportunity
20 to speak today. My name is Tracey Osborne. I'm a
21 university professor with expertise in energy and
22 resources with a Ph.D. from UC Berkeley. And I've
23 conducted research on carbon offsets for about 20 years.

24 I'm one of the authors of the academic letter
25 signed by 110 scholars with expertise on carbon offsets

1 and markets, and the relationship to forest communities
2 that my two colleagues spoke about.

3 The balance of empirical research suggests that
4 while in theory carbon offsets can be a triple win for
5 climate, forest, and communities, in practice, there are
6 fundamental flaws powerfully reflected in my own research
7 in Chiapas, Mexico.

8 There, the carbon market constrained small
9 farmers' access to natural resources; provided minimal
10 compensation; and altered their traditional forms of land
11 use and governance. All the while, the major
12 deforestation drivers of cattle ranching and oil plant --
13 palm plantations continued and expanded in the region.

14 Instead of altering traditional forest practices,
15 which is the result of carbon markets, we need to support
16 indigenous land-use practices, because according to Rights
17 and Resources Institute, forests managed by indigenous and
18 local communities account for nearly 300 billion metric
19 tons of carbon equal to 33 times the global energy
20 emissions of 2017.

21 An example of indigenous forest stewardship with
22 significant climate benefits is a proposal of the Sarayaku
23 community in the Ecuadorian Amazon called Kawsak Sacha,
24 which means living forest in Kichwa language. Kawsak
25 Sacha, or living forest, is a comprehensive proposal that

1 treats forests, not as store house of resources to be
2 traded on a market, but as a sacred territory. Kawsak
3 Sacha is also a concrete land-use plan about sustainable
4 for management and food production that for generations
5 have contributed to highly biodiverse forests rich in
6 carbon.

7 Importantly, extraction of fossil fuels is
8 strictly prohibited, which has been ignored in traditional
9 carbon forestry projects. As you've heard today, many of
10 indigenous peoples reject the carbon market. Therefore, I
11 request that Board --

12 CHAIR NICHOLS: Could you please, sorry,
13 summarize quickly.

14 DR. OSBORNE: -- discover alternate mechanisms
15 disconnected from the carbon market such as a fund that
16 could support sustainable forest practices, like
17 Sarayaku's living forest proposal.

18 Thank you.

19 CHAIR NICHOLS: Thank you.

20 (Cheering.)

21 (Applause.)

22 MS. WITHEY: Good morning, members of the Board
23 and Chair Nichols. My name is Lauren Withey. I'm a Ph.D.
24 candidate at the University of California, Berkeley. I've
25 been studying REDD+ for the last four years, including

1 spending a year in villages that were implementing 3,000
2 square miles REDD+ program funded by USAID on the Pacific
3 Coast of Colombia.

4 I've examined through household surveys,
5 interviews, and ethnography how communities have responded
6 to the combination of tools that this \$30 million program
7 provided of future financial incentives, alternative
8 development programs, and governance strengthening. I
9 appreciate the time and thoughtfulness that CARB staff has
10 put into developing this standard ten years. You all
11 deserve multiple Ph.D.s for this.

12 I would remiss though if I didn't sound a strong
13 word of caution based on my experience on the ground.
14 While you're not addressing a program or assessing rather
15 a program per se today, your approval of a standard would
16 be an endorsement of the incorporation of tropical forest
17 carbon credits offsets, within ETS programs around the
18 world.

19 Yet, I have seen in my work that these credits
20 are extremely costly and unreliable, offering relatively
21 little assurance for mitigating climate change or
22 providing benefits to either the communities asked to
23 reduce emissions or those who hope to buy credits from
24 these programs for their ETS.

25 For the \$30 million spent on the program I have

1 studied, there have been no meaningful changes on the
2 ground toward reducing degradation or deforestation.
3 While jurisdictional programs are supposed to provide some
4 reductions and high transaction costs, I have seen in
5 REDD+ projects, all of us who have read the requirements
6 of the standard, which as my colleagues have mentioned,
7 are still not fully adequate, recognize that achieving
8 this will be extremely pricey for the implementing
9 jurisdictions.

10 Indeed, I've seen through my research that the
11 so-called rigorous quantification of carbon emissions
12 through deforestation and degradation is mostly an
13 expensive and elaborate performance. These include
14 safeguard box ticking, contractors coordinating the
15 program and prepping, prepping communities to say the
16 right thing when validators arrive.

17 And I want to say that it's in nobody's interest
18 in this system to question the integrity of these credits.
19 These are well intentioned people involve in this chain of
20 performances. But I believe the greatest benefits are
21 accruing not to the communities or in terms of climate
22 change mitigation, but to the contractors, who also take
23 on the least risk in this process.

24 (Applause.)

25 CHAIR NICHOLS: Thank you.

1 We -- I appreciate the fact that we do have
2 written testimony also from you and a number of the other
3 researchers who are testifying here. So we also will be
4 carefully looking at that.

5 MS. VIK: Thank you, Madam Chair. I much
6 appreciate the chance to comment. My name is Vedis Vik,
7 and I work as a senior advisor at the Norwegian Ministry
8 of Climate and Environment. And I'd like firstly to
9 extend our warmest thoughts at this Challenging time for
10 the Golden State.

11 Like the rest of the world, we are looking to
12 California, a true climate champion. And we're very
13 pleased to have a bilateral relationship with you on
14 climate change.

15 For Norway, our long-term engagement on tropical
16 forests is our most important climate effort. For the
17 last ten years, we have partnered with tropical forest
18 countries and a huge number of other actors to help save
19 the rain forests.

20 We've done so because the natural climate
21 solutions, protecting and restoring forests, producing
22 food more sustainably, and improving land use can deliver
23 as much as one-third of the global climate effort we need
24 by 2030. Yet, it's largely underfocused and underfunded,
25 and we often call it the forgotten solution.

1 But if we fail, there will be no Paris goals nor
2 many SDGs. And as you mentioned, Madam Chair, this
3 morning, the IPCC report released a month ago clearly said
4 that we need to do it all, we need to do it fast, at home,
5 and abroad.

6 Norway is very impressed by California's actions
7 on forests. In addition to your work to conserve and
8 enhance your own forests, your partnerships with tribes in
9 the U.S. have ensured forest conservation also at the
10 largest scale. And through the forest offsetting program
11 that you already have in place, you have been a
12 front-runner for long-term solutions for forest
13 conservation and climate finance. By developing a
14 rigorous regulatory standard for tropical forests,
15 California again leads the world by example.

16 We agree fully with you that it's extremely
17 important that this be done right, also, in light of the
18 new market mechanisms that now are emerging globally. The
19 California Tropical Forest Standard will assist us all in
20 setting a high bar. It will be of much needed help to
21 other countries and to international mechanisms now
22 developing their own systems, actors that should only be
23 looking at standards that have such high social and
24 environmental integrity as yours.

25 We have followed your efforts over many years and

1 we would urge you to endorse the standard today.

2 Thank you.

3 DR. DURBIN: I'm Dr. Joanna Durbin of
4 Conservation International and Director of the Climate
5 Community and Biodiversity Alliance, a partnership of
6 non-governmental organizations that includes the Rain
7 Forest Alliance, The Nature Conservancy, Wildlife
8 Conservation Society and CARE.

9 We've reviewed the draft standard in detail, and
10 we find it is strong and comprehensive, based on sound
11 science, on real experience, and on transparent and
12 inclusive consultations, and we recommend its endorsement.

13 Forest sector programs must be carefully designed
14 and implemented to protect the rights and interests of
15 indigenous peoples on local communities, and to maintain
16 the biodiversity and ecosystem services on which they
17 depend. This standard sets a high bar by requiring
18 detailed and comprehensive reports on social and
19 environmental safeguards that have been independently
20 verified using principles, criteria, and indicators that
21 conform to the REDD+ Social and Environmental Standards
22 that we call REDD+ SES.

23 So the REDD+ SES provides a globally recognized
24 comprehensive framework of best practices on
25 participation, free, prior and informed consent,

1 transparency, grievance mechanisms, equitable benefit
2 sharing, biodiversity conservation, and more.

3 Experience from using REDD SES in 17 tropical
4 jurisdictions shows that it has supported transparent,
5 participatory, and comprehensive assessment of safeguards
6 in forest sector programs.

7 So I've submitted examples of reports from this
8 State of Acre in Brazil detailing their comprehensive
9 safeguards monitoring. Social -- sorry, slowing tropical
10 deforestation is urgent. And I will say that the rest of
11 the world is watching and will follow California's lead.

12 Endorsing this standard now is likely to help
13 support development of other markets and sources of
14 financing for forest sector programs beyond your actions.
15 And delaying endorsement may lead to less strong standards
16 being adopted by others. So we urge you to endorse it
17 without delay.

18 Thank you.

19 CHAIR NICHOLS: Thank you.

20 MR. JANSON-SMITH: Good morning. My name is Toby
21 Janson-Smith. I'm the chief innovation officer at VERRA,
22 a nonprofit organization that manages one of California's
23 offset project registries. And we also manage the
24 verified carbon standard, which is the leading carbon
25 acting framework for REDD+ projects.

1 Based on our decade-long experience of working
2 with government programs and hundreds of REDD+ projects,
3 or over 100 REDD+ projects, in dozens of countries, I can
4 unequivocally say that with the right standards, REDD+
5 activities can generate emission reductions that are real,
6 additional, verifiable, permanent, and enforceable,
7 basically meeting what California would need for its own
8 mechanisms here.

9 Also, I served as a founding member on the
10 California REDD Offset Working Group. That was a two-year
11 process including broad multi-stakeholder consultation
12 that resulted in recommendations that have been
13 incorporated into the Tropical Forest Standard.

14 And based on all my experience of 15 years
15 working on REDD+ standards, I can say that the Tropical
16 Forest Standard is written in a way that will ensure that
17 only the highest quality emission reductions from REDD are
18 credited, and from activities that actually protect and
19 benefit indigenous peoples and local communities.

20 Finally, as the previous speaker mentioned, I'd
21 like to say that the whole world's tropical forest nations
22 and states are watching California. If the Air Resources
23 Board were to endorse the tropical forest standard, it
24 would send a clear signal that tropical forests are worth
25 more standing than liquidated. That would have a

1 tremendous and immediate impact on the land management
2 decisions that many of these countries are about to make,
3 and whether they should protect and conserve their
4 forests, and keep the carbon on the ground rather than in
5 the atmosphere.

6 Thank you.

7 CHAIR NICHOLS: Thank you.

8 MS. META SMITH: Hi. My name is Erica Smith.
9 I'm a Registered Professional Forester in the State of
10 California, as well as I'm a forester to Terra Global
11 Capital. I have here today testimony from a community
12 organization in Malwai that is currently protecting
13 tropical forests in Africa. We can see what he's doing
14 currently with carbon finance.

15 (Video testimony)

16 THE WITNESS: (Inaudible) -- and the area of
17 700,000 hectares of (unintelligible), which of course again
18 in terms of improving the lives of 400,000 people and
19 these communities that are in the number 400,000, they
20 really support the program, because it really benefits
21 them, and the -- how does it benefit them? It benefits
22 them in terms of improving their livelihoods, as well as a
23 look at the health, cities, income-generating activities,
24 and also in (unintelligible) activities.

25 We really encourage you there in California to

1 support the program, because it is really beneficial. We
2 have an example of the community of 400,000 people that
3 really supports the program here in (unintelligible) and the
4 YouTube should also support it there by supporting the
5 Tropical Forest Standards and the six. We thank you
6 there --

7 CHAIR NICHOLS: I'm going to ask you to pause
8 that.

9 MS. META SMITH: Thank you very much.

10 CHAIR NICHOLS: All right. Thank you. I know
11 the technology was awkward. We do have your written
12 testimony though.

13 MR. HRUBES: Chair Nichols and members of the Air
14 Resources Board. My name is Robert Hrubes. I'm a
15 California Registered Professional Forester. I'm also the
16 Executive Vice President of Emeritus of SCS Global
17 Services. And if I were any good at retirement, I
18 wouldn't be standing here right now, but I'm trying.

19 SCS has been in business for forever 30 years.
20 And our niche in life is to act as a third-party auditing
21 firm, and a broad array of environmental and natural
22 resource disciplines and programs, including forest carbon
23 offset verification.

24 Over the years, we have verified over 100
25 projects totaling over 160 million tons of greenhouse gas

1 emission reductions. We have submitted written comments,
2 and so I'll be very brief in the interests of time.

3 I personally, and SCS as an organization, a
4 California-based benefit corporation, strongly supports
5 the California Tropical Forest Standard. And we indeed
6 urge the Air Resources Board to endorse that standard.

7 Thank you for your time.

8 MS. DURSCHINGER: Good morning, Chair Nichols,
9 Board, CARB team. My name is Leslie Durschinger, I am the
10 founder and CEO Terra Global Capital. Terra is woman-run
11 women-owned for-profit social enterprise based here in
12 California. We have been in existence more than 12 years.
13 We have provide design and implementation support and
14 investment capital for sustainable landscape programs
15 globally, working both in the U.S., and we've worked in
16 over 28 countries globally.

17 Our focus is really on helping reduce
18 deforestation and degradation while improving community
19 incomes. The work we've done has spanned everything from
20 pioneering the authoring of greenhouse gas protocols and
21 standards through training and community engagement on
22 designing and implementing activities that address
23 drivers, agents, and underlying causes of deforestation,
24 and now pioneering ways to attract private capital to help
25 community groups and governments actually reduce

1 deforestation and create a new role for rural development.

2 We thank ARB for their pioneering work. It's
3 been a long road. We've been involved with you off and on
4 for that whole time period.

5 And it's California itself and what ARB does is
6 one of the only reasons we can hold our head high when we
7 travel outside of the country. We often joke about being
8 the Republic of California.

9 We endorse the California Tropical Forestry
10 Standard, as it has -- takes the first step in providing
11 potential finance to flow into communities who reduce
12 deforestation and degradation.

13 It is one of the most important steps. It will
14 signal globally how climate finance could be structured.
15 And in our public comments, we provide a number of
16 technical comments on the standard, but the standard is
17 really good. When it came out we were quite surprised,
18 and were very thankful.

19 All standards can be -- take time to be
20 operationalized. We encourage you to approve the standard
21 and realize that it's a step in the right direction, a
22 large step for our communities around the world.

23 Thank you.

24 CHAIR NICHOLS: Thank you.

25 MR. HERNANDEZ: Pedro Hernandez with Leadership

1 Counsel for Justice and Accountability. We're a
2 California-based environmental justice nonprofit that
3 works with rural and low income communities from as north
4 in the valley as Merced County, as far down as Kern
5 County, as well as the Eastern Coachella Valley.

6 We're here to ask the CARB Board to not endorse
7 the Tropical Forest Standard, and also not enforce a
8 carbon market-based system that has failed many refinery
9 communities, including many communities in the San Joaquin
10 Valley.

11 There's been some previous conversations on the
12 Board just this morning about mistakes. And I would
13 consider a mistake, you know, calling somebody you don't
14 know a wrong name. But a mistake on this level would be a
15 disaster. And we just encourage, you know, the CARB Board
16 to really heed the warnings, and also the on-the-ground
17 knowledge of the environmental justice community to
18 develop a better alternative than this.

19 Thank you.

20 (Applause.)

21 MR. JOSEPH: Hello, Madam Chair and Board. My
22 name is Thomas Joseph. I'm member of the Hoopa Valley
23 Tribe of Northern California. And when I came here today,
24 I had all kind of words I wanted to share, but it's
25 changed when I was listening to the Madam Chair who

1 sounded like she wanted to rubber stamp this because she
2 thinks that we're acting out of fear, or the lady here
3 that presented the -- her presentation that said the word
4 indigenous so many times I couldn't believe it. It was
5 more than the word "the".

6 (Laughter.)

7 MR. JOSEPH: We have indigenous people in the
8 room. We don't need non-indigenous people speaking for
9 us. We also need to look at the history of California,
10 and how it relates to indigenous peoples. If we expect
11 this nation -- and I'm speaking to everybody in the room.
12 We have a lot of nations that are here to support this
13 market. I want them to hear these words as well.

14 My people and my tribe has signed treaties with
15 this government. I've signed treaties with -- agreements
16 with the State of California where California has admitted
17 that they need to restore our rivers for our salmons, and
18 that they need to allocate funds for that, and they have
19 failed to do that, and they have failed for decades to do
20 that.

21 So how do we expect this State to comply with the
22 agreements of other indigenous nations from South and
23 Central America when they can't even comply the
24 regulations and the agreements that they made with the
25 indigenous people of this state.

1 (Cheering.)

2 MR. JOSEPH: This state also had a -- we -- we're
3 talking about indigenous this and indigenous that from all
4 different areas coming from this room. This state voted
5 one time to recognize the indigenous people when it became
6 a state, when took it from Mexico, and it failed by one
7 vote.

8 So I know the hearts of this -- of the city -- I
9 know the hearts of the citizens of this state are deep and
10 compassionate, and have a deep love for the people of this
11 world and this earth. But what you guys have done is you
12 guys are continuing to plague this nation, to plague this
13 state and our world with colonialization, and you're
14 guilty of it. Everybody at this table and everybody at
15 the table over there.

16 And we kind find ourself in a crazy predicament
17 like one time in Germany when you're walking outside and
18 you're actually breathing dead bodies because of genocide.

19 That happened to us today. We walked outside our
20 houses to come to this meeting and we're bringing
21 something -- we're breathing so much smoke. And then you
22 read the newspaper where there's 60 -- over 64 bodies have
23 died and hundreds are missing. We're in that state
24 because of the failed direction of the people that lead
25 this Board, that lead this state, and have lead it for

1 decades.

2 And if your proposal is to continue to follow the
3 path and to continue to continue the colonialize and to
4 commit genocide, or to sell out and divide communities --
5 you're dividing indigenous communities in the south and
6 saying do you want this money, or do you want your trees?

7 This policy is making that division. It's making
8 that division amongst yourselves. You guys are brilliant
9 scientists. You guys are -- you know what you're doing,
10 but even you are split. That's what we're dealing with.
11 We are in that predicament.

12 And so it takes all of us, just like we're all
13 affected by we're breathing these dead bodies when we go
14 outside. It is all our responsibility. Everybody in this
15 room, including the people on this table or that one to
16 make the right choice, and to know that the indigenous
17 airs and our skies are not for sale. And we do have the
18 ancestral knowledge --

19 CHAIR NICHOLS: Thank you.

20 MR. JOSEPH: -- to lead this nation and to lead
21 this state that's environmentally sound for everybody.
22 We've done it for thousands of years, and we can continue
23 to do it. And if this state continues to neglect it, and
24 continues to put citizens of California and citizens of
25 this world in danger because of your neglections, then

1 give it back to the people that can handle it.

2 Thank you.

3 (Cheering.)

4 (Applause.)

5 CHAIR NICHOLS: Your time is up.

6 Mr. Mason.

7 MR. MASON: Good afternoon, Madam Chair, members
8 of the Board. Paul Mason. I'm going to be brief, because
9 I don't actually have an organizational position on this
10 issue.

11 A friend of mine Dr. Andrea Tuttle, was unable to
12 be here today. And I think she got her written comments
13 in late, so I just wanted to draw those to your attention.
14 Some of you know Dr. Tuttle from her time as the Director
15 of the Department of Forestry and Fire Protection. She's
16 also been a regular attendee at the Conference of Parties
17 for the last decade or more. She's serial about going to
18 those, where she's really focused in on the development of
19 these sorts of standards for REDD projects.

20 She was also involved in the early development of
21 the Governors' Climate and Forest Task Force. So she's
22 got a lot of depth on these issues. And so I just really
23 wanted to draw your attention to the comments. I
24 resubmitted those this morning, in case they were late
25 previously, that her bottom line is, if not ARB, who?

1 These are good. There is going to be need for
2 ongoing oversight and monitoring that -- you know, there
3 are some caveats to go along with her comments, but she
4 was her supportive, and I wanted to make sure that you
5 were aware of that.

6 Thank you.

7 CHAIR NICHOLS: Thank you. We'll look for her
8 letter.

9 Alex --

10 MS. LEUMER: Leumer.

11 CHAIR NICHOLS: -- Leumer.

12 MS. LEUMER: Alex Leumer with The Nature
13 Conservancy. Thank you to Chairperson Nichols and the
14 members of the board. The Nature Conservancy strongly
15 supports this standard and urges the Board to endorse it.

16 As referenced earlier, the recent IPCC report
17 underscores the importance of keeping temperature
18 increases to no more than 1.5 degrees Celsius. And
19 natural and working lands in California and globally are
20 needed to be part of the solution, if we want to meet this
21 limit.

22 The Nature Conservancy with other colleagues
23 published a paper in PNES last year outlining how natural
24 and working lands can contribute up to 37 percent of the
25 needed reductions globally for keeping warming under two

1 degrees Celsius. But to do this, we need to act now.
2 This standard can be used globally to help reduce
3 emissions from deforestation and forest degradation. And
4 it's utility, while it can be used to support reductions
5 in the Cap-and-Trade Program, is much broader. It can be
6 used to support a host of policies aimed at addressing
7 climate change, such as the Low Carbon Fuel Standard, and
8 other supply chain policies.

9 It sets a high bar for greenhouse gas accounting,
10 safeguards, grievance mechanisms, transparency, and
11 engagement with local communities. California's leveraged
12 action outside its borders and other sectors, including
13 transportation and energy, and endorsing this standard
14 would have the same effect for another important sector
15 that is critical to fighting climate change.

16 Many thanks to the ARB staff for its years of
17 work on this. We look forward to continuing to support
18 its efforts and we hope you'll endorse it.

19 Thank you.

20 MR. FISHER: Hi. Konrad Fisher on behalf Water
21 Climate Trust. I've studied market and non-market based
22 environmental solutions for more than 20 years, and
23 specifically CDM projects in South Asia and Latin America.

24 The Tropical Forest Standard contains some very
25 admirable goals. And I sincerely hope we can achieve

1 them. Unfortunately, ARB will not achieve them -- achieve
2 these goals if it accepts the latest Environmental
3 Analysis and the inadequate response to prior comments
4 from multiple groups.

5 Forest offsets are among the most difficult
6 emission reductions to quantify and prove additionality.
7 That's why the CDM project verifiers resisted forest
8 offsets for many years. They were among the latest to be
9 approved by the CDM verifiers. Forest offsets are
10 absolutely not cost effective, given their high
11 administrative cost, such as ten years of your time,
12 profiteering by contractors, and the relatively low cost
13 of emission reductions that can be achieved through
14 domestic regulation like here in California, and green
15 infrastructure subsidies.

16 The method of establishing baselines would create
17 a disincentive for local jurisdictions to enact
18 appropriate laws. Supporting emission reductions in
19 tropical forests is an admirable goal, but outsourcing our
20 own emission reductions will displace native people who
21 existed in the Americas for thousands of years with
22 virtually zero greenhouse gas emission reduct -- emission.

23 The final EA did not properly analyze
24 alternatives to reach the stated goal. These include
25 California-based regulations and subsidies as a cost

1 effective alternative to provide verifiable emission
2 reductions providing tropical forest communities legal
3 recourse for harm done to them by U.S. corporations, and
4 new regulations to limit California's consumption of
5 products that destroy tropical forests.

6 California should not follow a path that has
7 already failed the international community. We have the
8 heart and the economic clout to advance a truly bold
9 alternative and become global climate leaders.

10 (Applause.)

11 SISTER WHO WALKS WITH BEARS: Do I get four
12 minutes to speak in my native tongue too?

13 VICE CHAIR BERG: If you want to repeat it in
14 your native tongue.

15 SISTER WHO WALKS WITH BEARS: I sure will. Give
16 me four minutes.

17 VICE CHAIR BERG: No, give her two minutes and
18 then we'll start it over to you can repeat it.

19 SISTER WHO WALKS WITH BEARS: Okay. Whichever
20 way the colonized way works.

21 (Speaks in native tongue.)

22 SISTER WHO WALKS WITH BEARS: I said hello. How
23 are you all relatives. Good day. Thank you for coming
24 from all over, northeast, south and west. My name is
25 Sister Who Walks With Bears. I come from Calaveras

1 Tuolumne, Yosemite, Sacramento, and Bay Area. Ancient
2 ones on both sides. Thank you.

3 I, too, was asking around why this words of
4 "indigenous" kept coming up, when not one of you I see
5 here helped us on Indigenous Peoples Day to abolish
6 Columbus Day. Only then should you be in here saying
7 that.

8 I'm a walking billboard, as you see. That's why
9 I have this big body. I can't get kidnapped either. This
10 I don't understand. A visitor on my own land. No. So I
11 stand with everybody here in solidarity that you're trying
12 to destroy our land.

13 I'm the co-owner MAGIC, Medicinal Anarchy Gardens
14 Inspiring Communities. We teach how to rain catchment,
15 wind turbines, vertical gardening. My people, my
16 ancestors never had to have the government come in to tell
17 us how to maintain our forests or our lands. The
18 government did this and got lots of money for that. And
19 now that it has been raped, you're still wanting to spend
20 more money.

21 Ask us. Ask us how to take care of our sacred
22 Mother Earth all across Turtle Island. It's that easy.
23 You don't even have to pay me hundreds of thousands of
24 dollars. It's all about money. Does that -- does that
25 get your attention? I'm talking about money here, that

1 all green that you guys like.

2 We preserve life. Our sacred life givers, our
3 children, our elders, the four-legged, the winged ones,
4 the creepy-crawlies, the ones that swim in the waters, our
5 star nation, our plant people, our standing up people,
6 which is the trees and our stone people, and our true
7 spirit.

8 Listen to the indigenous people. Don't go behind
9 these doors in your meetings. Ask us how to fix this.
10 It's not about that money. It's about our land.

11 Oh to all my relations.

12 (Ohs.)

13 VICE CHAIR BERG: Thank you, ma'am.

14 MR. BARKER: Hi. I see my name up there. It's
15 not Dan Baihef. I guess my handwriting is really
16 terrible, but it's Dan Barker.

17 I'm an investigative journalist that focuses on
18 water, the environment, climate justice, and big oil's
19 control of the regulatory apparatus here in California and
20 throughout the world.

21 I will be real brief. It's very clear, as a
22 journalist, sitting and listening to this meeting, that
23 you -- that the Board or that the staff is -- and the
24 Board are voting on something today that hasn't been fully
25 vetted with all -- with the indigenous communities of this

1 state and the world, and secondly, a large number of
2 scientists who issued a letter against this.

3 I urge you not to vote for this Tropical Forest
4 Standard. It's a neo-liberal policy that will dispossess
5 indigenous people, communities, throughout California and
6 the planet. And we -- we can't solve the problem with a
7 false solution like carbon trading and pollution trading.

8 We have to actually deal with the problem. And
9 as we see here today, people are coming in with face
10 masks, people have been enduring breathing, you know, dead
11 people, and dead trees, and communities. We see the
12 impacts of the type of policies that California has been
13 putting into action.

14 So I urge you to vote no against this Tropical
15 Forest Standard. Thank you very much.

16 (Ohs.)

17 (Applause.)

18 MS. MELTON: Good morning, Vice Chair Berg,
19 members of the Board, ARB staff. Jessica Melton on behalf
20 of Pacific Gas and Electric Company.

21 (Hissing.)

22 MS. MELTON: PG&E would like to thank the Air
23 Resources Board for its leadership in addressing global
24 climate change and advancing efforts that preserve
25 tropical forests. We strongly support the Tropical Forest

1 Standard, and believe it is an important step to reducing
2 global GHG emissions from deforestation and sends a clear
3 message that sustainable forest management is an important
4 step to our ambitious climate goals.

5 As stated in the Intergovernmental Panel on
6 Climate Change report, tropical forest management
7 practices play a crucial role in mitigating the effects of
8 climate change by stabilizing greenhouse gas
9 concentrations, while also providing sustainable
10 development objectives that seek to reduce environmental,
11 social, and economic burdens.

12 We think the REDD+ SCS equivalent social and
13 environmental safeguards included in this standard will
14 help ensure net positive benefits and transparency with
15 implementation of tropical forest emissions reductions
16 projects.

17 PG&E believes that adopting this standard will
18 provide a gold standard for compliance carbon markets to
19 reduce tropical deforestation and would provide a model
20 that is easily replicated by others.

21 We appreciate the opportunity to provide support
22 for the standard and thank you again your time.

23 (Speaking from audience.)

24 VICE CHAIR BERG: Thank you. I'd like to -- I'd
25 like to -- please, we -- we're not going to have any

1 outbursts. Everybody has a right to testify, even if you
2 don't --

3 (Speaking from audience.)

4 VICE CHAIR BERG: Okay. I'm going to ask the
5 officer in the back to start removing people, if we just
6 can't allow people to testify. So, please, let's just
7 please do that.

8 (Speaking from audience.)

9 VICE CHAIR BERG: Secondly, we have had a request
10 for people to give their time to other speakers. Because
11 we didn't start that way, we're not going to change in the
12 middle. Everybody who has signed up to speak we're happy
13 to have them speak, but there won't be extra granted to
14 people, because they say they're speaking on behalf of two
15 people. And that makes sure to keep it fair.

16 So I just want to let people know that.

17 (Speaking from audience.)

18 VICE CHAIR BERG: They need to speak on their
19 own.

20 (Speaking from audience.)

21 VICE CHAIR BERG: No, they need to speak on their
22 own.

23 Everybody can speak on their own. They're on the
24 list. We'll be happy to hear from them.

25 (Speaking from audience.)

1 BOARD MEMBER TAKVORIAN: Sandy, I understand that
2 they: --

3 (Speaking from audience.)

4 BOARD MEMBER TAKVORIAN: Sandy --

5 (Speaking from audience.)

6 VICE CHAIR BERG: We're willing to -- we're
7 willing to give them that extra time, so that they can
8 speak. That's no problem. We want to hear from
9 everybody, but we're going to keep the process, so that --
10 so it's a --

11 BOARD MEMBER TAKVORIAN: Vice Chair Berg?

12 VICE CHAIR BERG: -- everybody gets to speak.

13 BOARD MEMBER TAKVORIAN: Vice Chair Berg?

14 I'm sorry to interrupt you. I was here when
15 people were submitting their slips, and they were telling
16 the clerk that's what they wanted to do. So they noted --
17 it isn't something that just came up. So I believe that
18 folks understood that that was the process, that they
19 could give their slips and have their time ceded. So I
20 think people thought that was the process from the
21 beginning.

22 BOARD MEMBER SERNA: But the question is did the
23 Clerk okay it?

24 VICE CHAIR BERG: Yeah, but the clerk didn't okay
25 it. And so we're -- we're just going to go through.

1 (Speaking from audience.)

2 (Thereupon a discussion occurred off the record.)

3 VICE CHAIR BERG: Well, they're changing the
4 rules on me now.

5 (Speaking from audience.)

6 (Thereupon a discussion occurred off the record.)

7 VICE CHAIR BERG: Thank you. Could you just hand
8 it to the person there.

9 CHIEF COUNSEL PETER: Can we -- Madam Chair --
10 Madam Vice Chair. I think we need a break. We can take a
11 five minute break for the court reporter.

12 VICE CHAIR BERG: Thank you, ma'am, for bringing
13 that up to me.

14 (You're welcome.)

15 VICE CHAIR BERG: Why don't go ahead -- it has
16 been suggested -- sir, do you mind if we go ahead and take
17 a break now? And we will review this, and I'll review it
18 with Chair Nichols, and we'll come out and let everybody
19 know what we're doing.

20 Thank you.

21 (Thank you.)

22 VICE CHAIR BERG: You're welcome.

23 (Off record: 12:28 p.m.)

24 (Thereupon a recess was taken.)

25 (On record: 12:45 p.m.)

1 VICE CHAIR BERG: So, ladies and gentlemen --
2 ladies and gentlemen, let's go ahead and take our seats,
3 please.

4 CHAIR NICHOLS: We're ready to get started again,
5 please.

6 VICE CHAIR BERG: Let's please take our seats.

7 MS. JENSEN: Can you all take your seats, please.
8 Thank you.

9 VICE CHAIR BERG: So I personally want to
10 apologize for the little bit of chaos I did -- well, they
11 said I was on.

12 Am I on now?

13 Oh, webcast on.

14 CHIEF COUNSEL PETER: Okay. You're good.

15 VICE CHAIR BERG: I was just being held up
16 because we're waiting for the webcast.

17 So what I was saying is first of all, I want to
18 apologize for the little bit of chaos that I did create
19 here. But out of that chaos actually came a lot of
20 organization, as we were able to get together the groups,
21 determine the time, and we'll be able to run the rest of
22 the meeting a lot more efficiently. So thank you very
23 much for letting me know what your understanding was and
24 working with me to get this done. It was never the
25 intention to shut down conversation, but to make sure that

1 everybody was heard. So I do appreciate that.

2 So we have our list back up here, and we're going
3 to start with David, who was very patient. And thank you,
4 Dave, for that.

5 DR. MARVIN: Good afternoon. Thank you to Chair
6 Nichols and members of the Board. I'm Dr. David Marvin, a
7 forest ecologist, remote sensing scientist, and the
8 co-founder of Salo Sciences, a California based forest
9 monitoring company.

10 Salo maps forest change by combining ecological
11 science, satellite imagery, and artificial intelligence.
12 We're helping governments and NGOs in their conservation
13 and climate change mitigation efforts. My co-founder and
14 I have a combined 25 years experience in ecology and
15 intermode sensing, with a majority of that experience in
16 mapping tropical forests.

17 I'm here to speak on the readiness of the science
18 and technology behind forest mapping and monitoring. The
19 inability to accurately and transparently map changes in
20 forest carbon has been a major hurdle to tropical forest
21 crediting programs. But over the last decade, there have
22 been tremendous strides in the technology and science for
23 mapping forest change for forest biomass.

24 First, new commercial satellite companies now
25 provide daily high resolution and global imagery at a

1 fraction of historical costs.

2 Second, access to active remote sensing systems,
3 such as radar and LiDAR, has dramatically increased.
4 These instruments are highly sensitive to forest biomass,
5 enabling direct measurements of carbon gain and loss.

6 Third, artificial intelligence algorithms have
7 advanced to the point reliable identification of forest
8 loss is both timely and extremely precise.

9 Finally, low-cost cloud-computing network
10 resources have enabled rapid satellite-based mapping and
11 monitoring at unprecedented scale. These advances now
12 allow the accurate and transparent monitoring for forests
13 worldwide in exceptional detail.

14 Consequently, we strongly encourage the Board to
15 endorse the tropical forest standard. My colleagues and I
16 have all witnessed firsthand from the ground and from the
17 sky the destruction that has been wrought on tropical
18 forests. The world needs action and the world needs
19 leadership.

20 The California Air Resources Board can continue
21 demonstrating its leadership on issues critical to slowing
22 climate change by endorsing the tropical forest standard.

23 Thank you for your time.

24 MS. CHAN: Good afternoon. My name is Charlotta
25 Chan. And I'm research association with Earth Innovation

1 Institute.

2 I'd like to call your attention to a letter from
3 Jane Goodall to Chair Nichols in support of the California
4 Tropical Forest Standard.

5 Jane Goodall writes, "I'm writing to you now
6 because I'm really worried that the world
7 continues to ignore the importance of protecting
8 tropical rain forests in our collective fight to
9 solve the climate crisis. As you well know,
10 protecting and restoring forests can account for
11 as much as one-third of the solution to slowing
12 down climate change. And just as important, by
13 saving and regenerating forests and planting new
14 ones, we buy the time we truly need to allow
15 solar, wind, and other technologies to produce
16 clean green energy.

17 "I know that thanks to your personal efforts,
18 and those of your California Air Resources Board
19 colleagues, and thanks to Governors Brown and
20 Schwarzenegger, California is undisputed -- is an
21 undisputed global leader when it comes to passing
22 impactful legislation to protect our climate.

23 "Many people around the world are watching
24 California's efforts, and I truly believe that if
25 the State passed the Tropical Forest Standard,

1 this would send a very important message to
2 advanced economies around the world as to the
3 huge importance of the tropical forest solutions.
4 It would also encourage leaders in government
5 indigenous groups, and civil, society and
6 tropical forest nations as it would indicate that
7 their bold, and for some, dangerous fight to slow
8 the loss and speed the recovery of tropical
9 forests is noticed and appreciated

10 "It is for all these reasons and more that I
11 really hope that you and your colleagues on the
12 Air Resources Board will endorse the California
13 Tropical Forest Standard. It is a decision that
14 will make a big difference to future generations.

15 "Yours sincerely. Jane Goodall."

16 Thank you very much.

17 CHAIR NICHOLS: Thank you.

18 MS. CHEN: Hello. My name is Winnie and my four
19 colleagues, Megan, Irene, Laiseng, and Norm will be ceding
20 our time to Marlon Santi.

21 CHAIR NICHOLS: Okay.

22 MR. SANTI(through interpreter): Good morning or
23 good afternoon. My name is Marlon Santi and I'm from
24 Kichwa people of the Ecuadorian Amazon and the community
25 of Sarayaku.

1 It is an honor for me to speak here today on
2 behalf of many indigenous peoples of the Amazon, and also
3 on behalf of the beings and forests of our territory that
4 comprise 2.4 million hectares.

5 I am also here to respond to the Governor of
6 Pastaza who attended the Governor's Climate Forest Task
7 Force in September and unilaterally put our territories in
8 the carbon markets in a way that violates not just the
9 rights of us as indigenous peoples, but also violates the
10 constitution of Ecuador, and the rights of nature, and the
11 rights of the Amazon.

12 I have been listening carefully to all the
13 glowing reports about REDD+ and the benefits of the carbon
14 market, and about your desire not to make mistakes. Well,
15 you are already making plenty of very grave mistakes.

16 (Snapping fingers.)

17 MR. SANTI(through interpreter): I am saddened to
18 see the residents of Richmond suffering asthma, struggling
19 to breathe because Amazon crude is being refined in
20 Chevron's toxic refiner, and the children and people of
21 the Bay Area are suffering because the quality of the air
22 is terrible.

23 These situations in and of themselves constitute
24 systematic and systemic and massive human rights
25 violations here in California.

1 (Noise from audience.)

2 MR. SANTI(through interpreter): Nowhere in the
3 Tropical Forest Standard that is under consideration is
4 there any mention of the human rights of the children of
5 California.

6 (Applause.)

7 (Noise from audience.)

8 MR. SANTI(through interpreter): But human rights
9 have to be the first priority of human beings. And we
10 also have to ensure that the lands and the sweet rain
11 forests, and the lagoons that do give us oxygen, and clean
12 air, are not privatized and put into the carbon market,
13 because that too is a violation of our human rights.

14 (Applause.)

15 (Noise from audience.)

16 MR. SANTI(through interpreter): So we need to
17 see who is mistaken. Let's look at the historic record.
18 Fifty years ago, we were told that oil was the answer to
19 all of our problems, and that it was going to bring wealth
20 and good lives to our peoples. But now it's perfectly
21 clear that burning fossil fuels is what has caused the
22 climate crisis, and why here in California it's so hard
23 for so many residents to breathe.

24 And why is it that the politicians and
25 governments are not passing laws to cut oils from being

1 burnt? Why are not the polluters being forced to stop
2 destroying the earth?

3 A month ago, we sent a letter to Governor Jerry
4 Brown, and we have yet to receive a response. And in that
5 letter, we denounced the hypocrisy of carbon markets. And
6 this is not just an issue for indigenous peoples. It's an
7 indigenous for all of humanity.

8 And so on behalf of humanity, I urge you to not
9 adopt this so-called forest -- Tropical Forest Standard,
10 because it violates and rapes Mother Earth. It violates
11 human rights. It violates the rights of indigenous
12 peoples. And governments were created for something else
13 that is not violating human rights.

14 Thank you.

15 (Applause.)

16 (Noise from audience.)

17 CHAIR NICHOLS: Is our next speaker here?
18 There's another group -- what happened to I -- I see.

19 MR. CONANT: Thank you. A number of us, as you
20 see above, will be ceding our time to Chief Ninawa Huni
21 Kui from Acre, Brazil.

22 CHAIR NICHOLS: Got it. Thank you.

23 CHIEF NINAWA HUNI KUI(throug interpreter): On
24 behalf of my ancestors and behalf of the spirits of the
25 rain forest, I'd like to thank the Chair and the members

1 of the Board, and my friends here who have given me their
2 time to speak.

3 This is not the first time that I'm at hearing at
4 the California Air Resources Board. In fact, it's the
5 second time I am here. And I am here to speak with my
6 true voice. I am here to speak from my heart. My name is
7 Ninawa, and I am from the Brazilian Amazon in the State of
8 Acre, Brazil. And I am the President of the Huni Kui
9 people.

10 And so I represent 13,000 people, and I'm here to
11 say that talking about climate change is an important
12 undertaking, but we should talk about climate change
13 honestly. And there's been a lot of lies this morning.
14 REDD, REDD+, carbon offsets, are false solutions to
15 climate change. They do not reduce emissions. What they
16 do do is create division in indigenous communities. And I
17 believe from what I'm seeing here today, they also create
18 division amongst yourselves.

19 REDD violates human rights. For example, the
20 representative of the Government of the State of Acre,
21 Brazil said, oh, yes, we've gotten the free, prior,
22 informed of indigenous peoples to move forward with this
23 forest -- tropical forest standard. And it's a lie.

24 Convention 169 of the International Labor
25 Organization, which enshrines indigenous people's rights

1 to free, prior, informed consent has been violated in
2 every possible way in this process. There are these sham
3 meetings where a little handful of hand-picked people get
4 together, and they call that a consultation with
5 indigenous peoples. Nobody has been to my village to ask
6 my opinion about this.

7 So you want to save the planet. Good idea.
8 Reduce emissions at source, because I'm seeing that there
9 are people here in California who cannot breathe clean
10 air. There are fenceline communities that are breathing
11 pollution and their health is suffering.

12 Other lies. We know that REDD does not reduce
13 admissions at source. What you need to do is have
14 polluters cut their pollution where they're polluting.
15 That's the solution. Somebody else here in this hearing
16 was saying that indigenous peoples are drivers of
17 deforestation and responsible for climate change. That's
18 another lie. You could go check out the refineries,
19 right, and see. Those are the ones that are causing
20 climate change, not indigenous peoples.

21 So just in closing, I'd like to say that it's
22 important to realize that if you adopt the tropical forest
23 standard you're privatizing the forest, but you're also
24 privatizing the life of the people who live in that
25 forest.

1 You say, oh, it's just a norm. It's not law, but
2 then why is the whole world saying that it's a signal for
3 including forests in the carbon market?

4 I am here to today to ask you to re -- to reject
5 the Tropical Forest Standard, and I also am here to invite
6 you to do some more homework, get some more information.
7 Don't talk to some Indians living in the city. Come to my
8 village, talk with me. You are cordially invited to my
9 territory.

10 (Applause.)

11 (Cheering.)

12 CHIEF NINAWA HUNI KUI(throug interpreter): Come
13 visit us. It will help you see through the lies you've
14 been hearing this morning. Come visit us, so you can
15 embrace the truth. Come visit us, so that you can see
16 clearly that the Tropical Forest Standard is nothing more
17 and nothing less than colonialism.

18 Come visit us so you can embrace the truth that
19 the Tropical Forest Standard will cause genocide in the
20 future.

21 MS. SMITHIES: It's nothing to smile about,
22 Chair.

23 CHIEF NINAWA HUNI KUI(throug interpreter): I ask
24 you to embrace the truth. Thank you.

25 (Applause.)

1 (Cheering.)

2 MS. ORTEGA(through interpreter): Good afternoon,
3 Madam Chair, members of the Board. I greet you and I hail
4 the authority of the ancestors and memory of the
5 indigenous peoples of these lands. I also want to hail
6 the 120,000 trees that have been burnt in the recent
7 fires, the animals, and insects that have been
8 incinerated. And I also want to hail the beings that now
9 fly in the air that we breathe and become a part of us as
10 we exhale and inhale.

11 Madam Nichols, and all the other members of the
12 Board, I am here today to show you my respect and to share
13 with you the authorities that I respond to in Mexico. And
14 in that regard, I'm here today to tell you that the
15 Tropical Forest Standard is illegal.

16 I work for the Center for Change in Rural Mexico
17 and I was born in Chiapas. And I am here on behalf of the
18 Mexican people to say that you must cancel, you must
19 reject the Tropical Forest Standard, as well as the
20 memorandums of understanding that you have signed with the
21 states of Mexico, because they violate -- they violate the
22 first article of the Mexican Constitution, which enshrines
23 the human rights of Mexican citizens.

24 The norm, the standard, and all the other policy
25 work on REDD+ and forest carbon offsets that you have been

1 working on violates indigenous people's and peasants'
2 rights to our territories and lands. My center has
3 systematically done case studies on everyone of the pilot
4 REDD+ projects in Mexico, and I am here today to tell you
5 that free, prior, informed consent has not been granted in
6 not one of those projects.

7 I'm also here today to tell you that not only the
8 is Article 1 of the Mexican Constitution violated by the
9 policies to promote, be they standards or other kinds of
10 policies to promote carbon offsets, but they also violate
11 Article 2 of the Mexican Constitution, which enshrines the
12 sacred and fundamental right to the self-determination of
13 indigenous peoples.

14 (Ohs.)

15 MS. ORTEGA(through interpreter): So each of the
16 carbon offset projects that have been done in protected
17 areas, in the buffer zones of protected areas in Mexico
18 have actually been compounded human rights violations that
19 were already existing. These REDD+ plus and these REDD
20 type projects are done on top of areas where there has
21 already been very grave violations of human rights. And
22 The Nature Conservancy and Pronatura, which is a Mexican
23 NGO that works on carbon offsets, knows that well. And
24 they cannot prove to you, nor to us, that they have the --
25 received the free, prior, informed consent to do their

1 pilot projects.

2 And while I'm here, I would really like to
3 suggest that the State of California, as well as the
4 United States of America, make haste to ratify the
5 Convention on 169 of the International Labor Organization,
6 because it's pretty clear that you do not understand very
7 much about indigenous peoples, and indigenous people's
8 rights.

9 For example, for over 10,000 years, indigenous
10 peoples have been strengthening our historic memory and
11 traditional knowledge systems to put your breakfast on
12 your plate. I'm talking about coffee. I'm talking about
13 corn. I'm talking about the food that you have in your
14 belly right now. That is thanks to indigenous peoples.
15 That is thanks to our sacred knowledge. That is thanks to
16 our reverence for Mother Earth. And all of that is
17 destroyed by carbon offset projects.

18 This priceless wisdom that feeds all of humanity
19 must not be destroyed. The sweetness of the fruits that
20 you enjoy is all threatened by REDD+.

21 And so with love, indigenous peoples for
22 thousands of years have taken care of forests. And we've
23 done it with our whole heart. And we are the experts
24 about taking care of forests, and we are also gifted with
25 a vision of the future, and knowledge about how to really

1 address climate change and heal the earth. And there can
2 be no future for humanity without indigenous peoples.

3 And, hello, I am here today to say that carbon
4 markets and this proposed Tropical Forest Standard
5 threatens indigenous peoples very survival. It does not
6 reduce greenhouse gases emissions, and it restricts our
7 access to our land and territories, and it violates the
8 Mexican Constitution, and with all due respect, it also
9 violates the sovereignty of the peoples of Mexico, and, in
10 fact, the peoples of the world.

11 Thank you.

12 CHAIR NICHOLS: Excuse me. Excuse me. Excuse
13 me, Madam. Madam, before you leave. Wait. Hold on just
14 a second. We have a question before you -- Madam Speaker.

15 We have a question.

16 BOARD MEMBER DE LA TORRE: (Spoke in Spanish.)

17 So I wanted to clarify in her comments on a
18 number of occasions, she said that we, the State of
19 California, this Board, have taken action to implement
20 REDD in another places, and that we've been doing this for
21 about ten years.

22 And I just clarified that we have never taken
23 that action. The State of California has never
24 implemented REDD anywhere or authorized REDD anywhere.

25 Thank you.

1 MS. ORTEGA(through interpreter): May I respond?

2 Be so kind, Mr. Hector De La Torre, to put what
3 you just said in writing, because the states where we live
4 and the countries where we live are completely being
5 incentivized by what CARB is doing to push forest offsets
6 by a variety of names, whether it's REDD+ or something
7 else. So if you could take responsibility to put in
8 writing what you just said, I would be so grateful,
9 because regardless of whether these projects are done
10 specifically with the name R-E-D-D Plus or with some other
11 buzz word, what we're seeing is that the whole package of
12 the carbon market economy is destructive and harmful. And
13 any kind of policy or norm that furthers it is also
14 harmful for us.

15 So leave our forests alone. Leave our air alone.
16 We -- let us decide for ourselves. Do not continue to
17 divide us with your norms and policy. The future of the
18 planet depends on this, on the forests. And the majority
19 of the forests are in indigenous people's territories.
20 And that is not a coincidence. It's because our sacred
21 indigenous ways of living and taking care of their --
22 these forests have meant that these forests are still with
23 us.

24 And so that's the bottom line. We are the ones
25 who know how to conserve forests. There's not one project

1 that doesn't involve indigenous peoples that has actually
2 restored forests, but we do have evidence of how
3 indigenous peoples know how to restore forests and take
4 care of them. And so that's why the majority of forests
5 are still found in our lands and territories.

6 And the United States knows full well that the
7 majority of biodiversity is also in our lands and
8 territories. So I look forward to receiving that document
9 with your comment in writing. Thank you so much.

10 We're -- we would be so happy to go home and
11 share that with our governments. Maybe they would stop
12 violating our rights with these projects.

13 (Applause.)

14 (Cheering.)

15 BOARD MEMBER DE LA TORRE: Thank you.

16 (Spoke in Spanish.)

17 I said that in the last ten years, five years,
18 one year, this Board has never taken the action that she
19 claimed we did.

20 Thank you very much.

21 MS. ORTEGA(through interpreter): Thank you so
22 much for the extra time. You need to know that you are
23 negotiating with provinces of Mexico, and that the
24 Government of Mexico is responsible for the
25 disappearance -- the murder and disappearance that is of

1 over 37,000 Mexicans. There is an undeclared war against
2 environmental defenders, and indigenous environmental
3 defenders, including the 33 students from a forested area
4 who were brutally murdered. So do not do business, do not
5 sign memorandums of understanding with the Mexican
6 government, because it is a murdering state.

7 (Ohs.)

8 CHAIR NICHOLS: Do you want to say --

9 ASSEMBLY MEMBER GARCIA: Yeah, thank you, Madam
10 Chair and thank you Board Member De La Torre for the
11 clarification.

12 I think there's some loss in the translation.
13 With all due respect to the individual who's translating,
14 the sensationalization and animation --

15 CHAIR NICHOLS: Yes.

16 ASSEMBLY MEMBER GARCIA: -- is not conveying
17 clearly the comments that are being made. And so I've sat
18 here for a little bit and tried to be respectful to the
19 individual volunteering probably in translating. But I
20 don't think that it does much justice to the individuals
21 speaking in their native language. And therefore, I would
22 like to suggest or recommend -- I don't know if we have
23 someone that can translate for those speaking in Spanish,
24 particularly, that is not associated with the group --

25 CHAIR NICHOLS: Yes.

1 ASSEMBLY MEMBER GARCIA: -- where I think the
2 sensationalization and animation that's coming with the
3 translation is losing the significance of the points that
4 are being made.

5 I've sat here and listened to several people --
6 I've sat here and listened to translation for several
7 folks who have spoken in Spanish and the translation has
8 not been 98 percent accurate.

9 (Speaking from audience.)

10 ASSEMBLY MEMBER GARCIA: So I just wanted to make
11 that suggestion, Madam Chair.

12 CHAIR NICHOLS: We have a translator here, who
13 could stand with whoever is speaking.

14 MS. SMITHIES: Yes. I think at this point, it
15 would be appropriate for me to present myself and my
16 credentials. My name is Cassandra Smithies. And I have
17 worked over the years as a consultant for the United
18 Nations. I have also interpreted for heads of States,
19 several Secretary Generals of the United Nations, movie
20 stars, ministers, working class heroes, the David
21 Letterman Show.

22 So I think that actually my credentials are very
23 much in order. And I object to your actually partisan
24 critique of my professional service. And I think we
25 should just leave it at that.

1 But I do believe that there are no longer any
2 Spanish Portuguese speakers from our delegations, so we
3 could move forward and enjoy the message and truth of our
4 colleagues from Nigeria.

5 Thank you very much.

6 (Applause.)

7 ASSEMBLY MEMBER GARCIA: Thank you. Thank you
8 for sharing. By no means did we question your
9 credentials. I questioned the direct translation that
10 you've been making on behalf of some of the Spanish
11 speakers that is not reflective exactly to the points that
12 have been made.

13 So I apologize if you feel that your credentials
14 were questioned. But in the interests of time, I will
15 yield back to the Chair and make that suggestion moving
16 forward for future translations.

17 Thank you.

18 CHAIR NICHOLS: Thank you. I've never had a
19 translator tell me to stop smiling before.

20 Go ahead.

21 MS. SMITHIES: I've never seen anybody smile
22 about genocide before.

23 (Applause.)

24 CHAIR NICHOLS: Nobody, nobody has smiled about
25 genocide. That's ridiculous.

1 Go ahead, sir.

2 MR. OSUOKA: Thank you, Madam Chair and members
3 of the Board.

4 As you've already heard, I come from Nigeria,
5 where I'm the director of an organization called Social
6 Action. So I thank you for the privilege to allow me to
7 come here and testify.

8 In Nigeria our organization work very closely
9 with communities in the forest of Cross River State. And
10 I live in the City of Port Harcourt, which is the capital
11 of the oil and gas industry in Nigeria, so I am used to
12 wearing masks because of the gas flaring by companies,
13 such as Chevron, which I understand has its headquarters
14 here. I didn't expect to come to California and wear
15 masks on the street.

16 However, I breathed a bit of fresh air when I got
17 into this room, and I listened to the Chair, and I
18 listened to the representatives of the agencies that spoke
19 during the first session, on natural and working lands
20 implementation plan of California. I had, and I felt a
21 deep sense of appreciation of the enormity of the problems
22 that we are dealing with.

23 I come from Nigeria and we hear from President
24 Trump the skepticism and, in many ways, the
25 irresponsibility expressed by President Trump is countered

1 by the acceptance that we have seen here. Madam Chair
2 talked about ridiculous optimism with reference to the
3 culture of California. And she also talked about the need
4 for looking at the situation with clear eyes, and the need
5 for technical rigor.

6 I want to add, while I support all of those, I
7 want to add that we also have to examine the social
8 contexts of the jurisdictions, in particular the
9 subnational jurisdictions that California wants to deal
10 with, with respect to forest offsets -- carbon offsets.

11 I want to say that if we examine the social
12 context, we will understand why the word "colonialism" has
13 been used in some of the testimonies here. Colonialism
14 involves the control of the lands, the resources, and the
15 abuses of the rights of the peoples in one territory or
16 jurisdiction for the satisfaction of the needs and desires
17 of corporations and governments in another territory or
18 jurisdiction.

19 The California Tropical Forest Standard is a
20 colonial instrument that threatens the very survival of
21 the human rights of communities and peoples in the global
22 south whose lands and resources will not be kept for the
23 sole purpose of setting emissions of greenhouse gases from
24 California.

25 There is, of course, the argument that can be

1 made that this is not colonialism. Whatever has been
2 proposed will be based on contracts between California and
3 other subnational jurisdictions in the global south, in
4 the tropical world, where we know that with respect to
5 trans-atlantic slavery, there are those that argue that it
6 is not the fault of Europe, it's not the fault of North
7 America, because there are African slave traders that were
8 involved in selling slaves.

9 Today, I was looking at the website of your
10 board, later yesterday, and I've seen the letter of
11 recommendation, endorsement by the Government of Cross
12 River State in Nigeria. And I looked at other letters of
13 recommendation from other jurisdictions and groups from
14 Latin America, and I saw that it is more or less the same
15 letter that has been duplicated. Minor attempts have been
16 made to make some adjustments. It is disgraceful. It is
17 disgraceful.

18 (Applause.)

19 MR. OSUOKA: California is associated with
20 action -- positive action in many respects in dealing with
21 the problem of climate change, particularly in the United
22 States, where the federal governments have been
23 particularly slow.

24 The example that California should show to the
25 world is that it is possible to take action to reduce and

1 mitigate emissions at source. And in many ways you have
2 done that, and the records are there. The plans are
3 there. There is optimism. There's hope. I come from
4 Nigeria, and I have a copy of formal complaints that have
5 been made by communities of Cross River State, those
6 communities that are dependent on the forests of Cross
7 River State.

8 The moment they had that their forests have been
9 linked to a scheme in California, there were scared. They
10 were enraged. And they quickly organized themselves to
11 complain to the Public Complaints Commission in Nigeria.
12 And I understand that a copy of this complaint has been
13 forwarded to your Board.

14 Madam Chair, I had testimonies from
15 representatives of UNDP. Today, the UNDP, the United
16 Nations Framework Convention on Climate Change do not have
17 any reputation in the Niger Delta Nigeria or in the Cross
18 River State area, because the UN has promoted REDD in
19 Cross River State. And the UN has written standards,
20 safeguards, including regulations for participation of
21 committee members.

22 But in several ways, they have failed woefully.
23 Woefully, in walk -- and abandoned by their own standards.
24 The communities in Cross River State that are victims,
25 victims of REDD have not been consulted by the UN.

1 There's a danger, Madam Chair, that California
2 will be grouped along with the UN as promoters of negative
3 schemes that have led to the criminalization of poor
4 community folks who are struggling to live with air
5 resources without harming the forests.

6 Today, we are particularly concerned that the
7 California Tropical Forest Standard will apply to
8 subnational jurisdictions implementing judicial scale
9 carbon credit schemes that -- part of that is a quote of
10 your own document.

11 So now as the first initiative globally, this
12 State of California is not just setting the standard, but
13 is introducing a treated mechanism among subnational
14 entities that are not signatories to international human
15 rights instruments.

16 It will be very reckless to introduce carbon
17 trading arrangements involving the locking down of the
18 lands with adverse implications for the livelihoods and
19 human rights of communities globally by subnational
20 entities that are not signatories to international human
21 rights instruments.

22 With the example of Nigeria, which is the main --
23 the main -- the foremost pilot scheme of REDD in Africa.
24 Members of communities are being -- already being denied
25 of their access to nutrition, because of REDD. Committee

1 members that depend on the leaves from the forested trees
2 are part of the staples of their diet, are now prevented
3 from accessing their forests.

4 Community members that depend on the forests to
5 pick snails, large snails, a source of protein, and I've
6 been denied access to pick snails from their forests.

7 However, we see that from the research that we
8 have done in Cross River State, that even with the
9 attempts of the forest police that have been created, the
10 so-called tax force on REDD, logging has not stopped.
11 What the REDD+ scheme has contributed successfully in
12 doing is to raise the price of timber. And by raising the
13 price of timber, there is now a real market incentive for
14 illegal logging.

15 And we all know that Nigeria is one of the most
16 corrupt countries on it. And Cross River State government
17 is not immune.

18 CHAIR NICHOLS: Thank you. Please yield the
19 platform to others who want to speak.

20 MR. OSUOKA: The Cross River State government is
21 in fact, in the case of Nigeria, the worst threat to the
22 forests. Today, the Cross River State government is
23 planning to build a super highway through the forests.
24 Even the Nigerian Federal Minister of our Government has
25 went to court to stop the project. That is how

1 destructive the Cross River State government -- these are
2 subnational entities that the California -- the State of
3 California intends to do business through this scheme.

4 CHAIR NICHOLS: Sir, we have listened to you
5 carefully and quietly and with respect. And now you need
6 to let others speak.

7 MR. OSUOKA: Thank you very much.

8 MS. ENG: Can I cede my time for him, please?

9 CHAIR NICHOLS: What time -- who are you?

10 MS. ENG: I'm number 61.

11 CHAIR NICHOLS: Excuse me?

12 Sure. Take another two minutes. Why not. Go
13 ahead. Finish up, and take another two minutes.

14 MS. ENG: Thank you.

15 MR. OSUOKA: Thank you very much.

16 You are -- State of California is dealing with
17 subnational entities with unclear accountability
18 mechanisms. And this is a dangerous precedent that will
19 be set if the California Tropical Forest Standard is
20 endorsed.

21 I have done -- I have a Ph.D. as an
22 environmentalist from University of Canada. And I've
23 done -- I have experienced researching carbon offset
24 projects in the framework of the CDM, gas flare reduction
25 projects, including claims that have been made by Chevron.

1 And I know you all know Chevron, because it's company
2 headquartered here. But then we examine all the claims,
3 which satisfied the paperwork, the requirements of
4 paperwork. Real research on the ground was restricted
5 that all the claims were fraudulent, even though at the
6 level of meeting the guidelines they did.

7 Because of our research, even Chevron withdrew
8 their claim for carbon credits. This is a hazy area that
9 is unclear. These offsets -- cannot, cannot be verified,
10 particularly in the jurisdiction like Cross River States.
11 And I urge you to take the path of caution and not endorse
12 this dangerous, dangerous scheme.

13 Thank you.

14 CHAIR NICHOLS: Thank you.

15 (Applause.)

16 CHAIR NICHOLS: Thank you.

17 MS. DORSEY: My name is Maria Dorsey. I'm a
18 member of Idle No More S.F. Bay. I come as the voice of
19 victims of climate chaos in Northern California that have
20 no voices in the human language, such as black bear, dear,
21 elk, Sierra Nevada Red Fox, Mojave ground squirrel, honey
22 bees, chinook salmon, the delta smelt, the Shasta red fir,
23 California redwoods, California poppies, big leaf maples,
24 and California coastal sage.

25 We live in this world with our own purposes given

1 to us by our creator. We innocently bear our children in
2 our own ways, and we care for our families, have our own
3 individual heart beats and communication, and exist in
4 only the ways that we know how. We are impacted as much
5 as humans are by carbon emission, climate chaos, and
6 suffer in silent, confused, agony. We have no voice, as
7 we quietly begin to disappear, suffocate, and die of
8 dehydration as our food and water sources disappear.

9 Consider us when you think about your decision
10 today. Remember that all our lives are also at stake.
11 You cannot fool us with the story of carbon trading. It
12 sounds good on paper, but we the living know the truth.
13 It is not a working solution when living beings are still
14 dying at the collusion of corporations and governments
15 fooling the general public into thinking carbon trading
16 and offsets are green and environmentally progressive,
17 when reality says they're praying on indigenous
18 communities, forests, land, air and water, and all of
19 their non-human relatives with utterly false solutions.

20 I, and all of our relatives, are pleading with
21 you to not endorse the tropical offset standard and truly
22 be the climate leader California pretends to be, since
23 everyone seems to be saying that the world is watching.

24 The fierceness of our relatives from the south is
25 brilliantly conveyed to try and make you understand that

1 this is not just a pretty green project for California to
2 pat their back with. People are dying from carbon offset
3 programs, and cannot be allowed to proceed with good
4 conscience in the very end.

5 Thank you.

6 (Applause.)

7 MS. JOHNSON: Hi. I am Janet Johnson from
8 Richmond and I am ceding my time to Tom Goldtooth.

9 Thank you.

10 MR. GOLDTOOTH: (Spoke in native tongue.)

11 Hello, my relations.

12 Madam Chair, Mary Nichols, Board members of the
13 California Air Resources Board and to the indigenous
14 spirits of these territories that are still active. My
15 name is Tom Goldtooth Executive Director of the Indigenous
16 Environmental Network formed in 1990. Since 1998, I have
17 been involved in climate change mitigation, and adaptation
18 policy issues from an indigenous perspective, and in close
19 consultation with grassroots indigenous peoples from
20 tropical forested regions, and of the north, including the
21 arctic region.

22 Our network has reviewed the proposed tropical
23 forest standard. As my time is limited, I will be brief
24 on a couple key points. If the tropical forest standard
25 is approved, it would outsource California's

1 responsibilities for human rights abuses and threats to
2 the cultural survival of indigenous peoples. It will
3 become a model for expanding the market and implementation
4 of carbon offset projects in countries, not just at the
5 subnational jurisdictional level, but will become a door
6 opener at the national and international levels.

7 I come from the long history of the environmental
8 justice movement. One issue we have always fought for is
9 the right of communities impacted by governmental
10 decisions, and policies, whether they are guidance
11 documents, standards, or regulatory policies, to be
12 consulted on the principles of free, prior and informed
13 consent.

14 There has been no meaningful participation and no
15 adequate consultation of indigenous peoples in forested
16 dependent communities on the impact of this proposed
17 Tropical Forest Standard. Carbon forest offset contracts
18 such as these pilot -- these REDD pilot projects are
19 already resulting in land grabs, harassment, threats of
20 violence, and evictions of forest-dependent communities in
21 the global south.

22 There are many cases already where forest offset
23 projects in developing countries are violating the human
24 rights and the rights of indigenous peoples. There is
25 still debate globally on carbon accounting, and on a

1 mechanism for monitoring reporting and verification on
2 offsets and carbon trading.

3 There is over 100 percent margin of error for
4 measuring forest carbon sequestration according to the UN
5 Panel, the Intergovernmental Panel on Climate Change.
6 That is over 100 percent a being wrong. Our network of
7 indigenous peoples from the south and north are asking
8 CARB to reject the tribal forest -- I mean, the tropical
9 forest standard.

10 Board members, our air is not for sale. Mother
11 Earth and Father Sky is not for trade. We, as indigenous
12 peoples, have real solutions, keep fossil fuels in the
13 ground.

14 Thank you.

15 (Ohs.)

16 (Applause.)

17 (Cheering.)

18 MS. ZEISER: Hi. I'm Mary Zeiser and I'll pass
19 on to the next person.

20 CHAIR NICHOLS: Okay. Are you next?

21 MR. SALDAMANDO: I'm next, but there's -- oh, I'm
22 sorry. I was waiting for the green light.

23 CHAIR NICHOLS: Oh, it's on.

24 MR. SALDAMANDO: My name is Alberto Saldamando.
25 I'm a human rights lawyer. I've been practicing

1 international human rights at the international level for
2 over 30 years. I was involved in the negotiations with the
3 declaration of rights of indigenous peoples, as well as
4 actually a peace of ILO 169. It has been mentioned here
5 Mexico, Brazil, other -- most Latin America is a State
6 party to the ILO 169, which requires consultations leading
7 to consent whenever any action is taken by the State that
8 will affect indigenous peoples.

9 And that internationally has been -- has meant
10 consultation with the people affected, not mass meetings,
11 not the other kinds of meetings that have been described
12 by the states here, but with the peoples themselves. And
13 that's really part of the problem.

14 It's not a known concept in the United States.
15 Free, prior and informed consent is not -- does not exist
16 in the United States. There is no -- there is not
17 requirement under any law. There is a requirement for
18 consultation, but not consent with the National Historic
19 Preservation Act. That can be a recommendation, not by
20 indigenous peoples, but by the Commission on National and
21 Historic Places.

22 But internationally we saw it when we were
23 negotiating it as an end to colonialism. That is before
24 they take, they have to ask. And the practice has always
25 been they take first and then you're left with the

1 consequences.

2 Part of the commentators that have been made to
3 answer, I don't know if Mr. De La Torre, it's not that
4 California has taken direct action in implementing REDDs.
5 California signed a memorandum of understanding ten years
6 ago with Chiapas, with Nigeria, with Cross River States,
7 with other countries. I think with Acre as well, they
8 also have a memorandum of understanding.

9 That memorandum of understanding really points to
10 what is at fault here. It is that you're drawing
11 attention of big money to indigenous peoples homelands.
12 It's not that you took any affirmative action with regard
13 to the implementation. It's just that all of a sudden,
14 Cross River State Acre, Chiapas saw big money and they
15 started to implement conditions whereby that would be
16 acceptable.

17 The fact is that I have personal knowledge, and
18 perhaps the lady from Mexico does to, of a community in
19 Mexico ten years ago was denied their medical services
20 because they did not want to join a proposed REDDs program
21 in Mexico at the time. And at the time, it's true,
22 California was not involved in any of that.

23 But it's the fault of this -- of these Tropical
24 Forest Standards is that they draw attention of big bucks
25 to the people most financially involved.

1 Like with all due respect to the Chairperson,
2 Mrs. Nichols, the question is not really if whether or not
3 forest interests have funded CARB or trips, the question
4 is who is, in fact, financially interested? It's the
5 carbon traders that have been represented here. It's the
6 oil companies that have been represented here. It's the
7 utilities that have been represented here. It's those
8 people that do have a financial interest.

9 So we would urge you to reject these standards.

10 Thank you.

11 (Oh's.)

12 CHAIR NICHOLS: Thank you.

13 MR. PESHLAKAI: My name is Corey Peshlakai and I
14 will cede my time to Pennie.

15 MS. OPAL PLANT: Hello, Board, staff, other
16 folks here. My name is Pennie Opal Plant. I'm a founding
17 member of the Idle No More SF Bay, and I'm also a refinery
18 community member -- and I'm a grandmother. And I expect
19 that some of you are either parents or grand parents.

20 I want to just start out by saying that I respect
21 the land whose territory we're on, the Miwok, the Yahi,
22 the Patwin, and the Maidu. I'm a Native American woman
23 and I've lived in Richmond and San Pablo all of my life.

24 Every day I see Chevron refinery. And I can tell
25 you that my family and other families are really suffering

1 right now along the refinery corridor, because not only do
2 we have to deal with the impacts of refinery emissions,
3 but on top of that, we have to deal with the impacts of
4 the fires. We're suffering from eye problems, sinus
5 problems, lung problems. And you folks are the folks
6 responsible for our air in the state of California. It's
7 your responsibility to protect us.

8 We all know that these killer fires are directly
9 related to climate change. We also know, based on the
10 latest IPCC report on climate, that we must begin the
11 serious business of reducing fossil fuels, of
12 transitioning off of the refine -- out of the refineries
13 that we have. That is the solution to what we're dealing
14 with here, not the tropical forest offsets, or REDD, or
15 any type of carbon trading.

16 Eventually, it's going to be the State of
17 California's job to transition off of fossil fuels. Well,
18 we only have 12 years to do that, in our area, we deal
19 with BAAQMD and thankfully I have appreciated getting to
20 know John Gioia. But because of California regulations
21 and Bill AB 398, we have not been able to get the refinery
22 rules passed that need to be passed to protect our
23 communities. That is something that you can do, that you
24 can direct to have happen.

25 If there are Stringent refinery rules, then the

1 fossil fuel industry will have to shift. We know it has
2 to shift. So I'm asking you to be courageous, and do your
3 job, and pass the type of rules that you can to transition
4 the refinery industries out of commission and into a
5 different business model.

6 As a member of the Idle No More SF Bay, our
7 policy is that we have no human enemy. Our enemies are
8 the thought forms that created separation, colonization,
9 and capitalism. Colonization as historically been
10 utilized to divide and conquer to win, especially in our
11 communities.

12 You can see by looking in this room, that the
13 type of colonization that the CARB Board is pushing for --
14 forth with the tribal forest -- tropical forest offsets is
15 dividing our indigenous communities. That's on you.
16 That's on the UN for promoting this. It's another for --
17 just another way of colonizing us to keep us separated, so
18 that big business, big money, and industry can continue to
19 pollute and to continue to make money after off of the
20 carbon trading.

21 That's not okay with me, and it shouldn't be okay
22 with any of you who are parents or grandparents. We have
23 to be good ancestors right now. It's our job. It's our
24 job to protect the future for those who aren't even born
25 yet. It's your job to do that.

1 And as a grandmother and a mom, I am asking you
2 to do your job for your own families, to stop, stop fossil
3 fuel.

4 Thank you.

5 (Oh.s.)

6 MS. TALL LEE: Good afternoon. My name is Pam
7 Tall Lee. I am the chairperson of the International
8 Coalition of Human Rights in the Philippines, U.S., a
9 founder of the Asian Pacific Environmental Network, and a
10 contributor to the principles of environmental justice.

11 I'm a fourth generation Californian -- Chinese in
12 California. Our communities date back to the building of
13 the transcontinental railroad. While proud of the
14 contributions and skills of our people, at the same time,
15 I grieve at the sorrow and the devastation of the building
16 the railroad that it had on the native people.

17 The railroad ushered in a legacy of environmental
18 racism. The railroad violated the human rights of native
19 people. The railroad violated the sovereign rights of
20 native people. The railroad resulted in the genocide of
21 native people.

22 I see that the impact of California's
23 market-based solutions, and the implications of this
24 Tropical Forest Standard as being a carbon copy of this
25 historic railroad experience.

1 (Applause.)

2 MS. TALL LEE: Therefore, I urge you to reject
3 the standard, and please you can do this. Create the
4 human will, the political will to focus on capping
5 emissions at the source.

6 (Cheers.)

7 (Applause.)

8 MS. TALL LEE: Regarding safeguards, I have been
9 to the tropical forests of the Philippines. I have spent
10 time, and lived with, and been with the Lumad indigenous
11 people, the protectors of the rain forests in the
12 Philippines. And though it is illegal to kill and jail
13 innocent people, I have seen that the Lumad people, the
14 indigenous, the environmental protection of the forests,
15 and of our air, they have been jailed and killed. They
16 have been jailed on trumped up charges. They have been
17 killed by the paramilitary hired by corporate families,
18 wealthy families, and corrupt politicians.

19 CHAIR NICHOLS: Thank you your time is up, unless
20 others are yielding time to you.

21 MS. TALL LEE: I urge you to please -- safeguards
22 have not protected these people.

23 Thank you.

24 CHAIR NICHOLS: Thank you.

25 (Cheering.)

1 (Applause.)

2 MS. EHARA BROWN: (Spoke in native tongue.)

3 Greetings, relatives.(Spoke in native tongue.)

4 My Mohawk name is (spoke in native tongue). My
5 English name is Allison Ehara Brown.

6 (Spoke in native tongue.) I live in Richmond,
7 which is also known as (spoke in native tongue), which is
8 the Ohlonian name for the lands on which we live.

9 (Spoke in native tongue.) I'm a mother and a
10 grandmother. I'm speaking to you today as a grandmother
11 and as a mother, as someone who cares deeply about my
12 community, and the Ohlone lands that I live on. I'm
13 speaking to you today, because I'm outraged, and my heart
14 is broken, and I'm appalled at what's being considered
15 here with the Tropical Forest Standards Offsets.

16 I think there's a way right now with the smoke in
17 the air that we're all getting a taste of what the future
18 could look like in a permanent kind of way for us in
19 California and around the world. And people who live
20 outside of the refinery towns are also getting a taste of
21 the kind of angst and fear that we live so much of our
22 lives with, that we look out at the Chevron refinery, or
23 the Tesoro refinery, or Valero or one of the other
24 refineries in our refinery corridor.

25 And we look to see is there -- are there

1 particulate matter issues today, where we need to think
2 about our children's safety? What's the impact today
3 going to be on asthma or on cancer?

4 We look out with fear, and trepidation, and anger
5 at the lack of decisive courageous action that boards like
6 all of you are taking around really safeguarding our
7 children and the future.

8 At this point, we really have to, as human
9 beings, step beyond all of the limits and regulations that
10 we spend our time sitting inside of these boxes of rules.
11 We have to take courageous action to put fossil fuels in
12 the ground, keep them in ground, and make the future safe
13 for our children.

14 CHAIR NICHOLS: Thank you.

15 MS. EHARA BROWN: I ask you all to please reject
16 the Tropical Forest Standard today, and to stand up for a
17 future for our grandchildren.

18 Thank you.

19 (Oh's.)

20 (Applause.)

21 MS. FEINSTEIN: Hello. My name is Nancy
22 Feinstein. And I want to thank you for the time and
23 thought you each give to public service. And I also want
24 to say that I'm sincerely honored to bear witness to the
25 eloquence, brilliance, strength, and persistence of my

1 relatives who speak against these standards.

2 I'm afraid my remarks are a bit more homespun.
3 We're all feeling very humbled in this moment of history,
4 as we face the impacts of climate change. May we bring
5 that humility to challenging our assumptions that actions
6 that come from a deep desire and intention to do something
7 good to deal with the implications of climate change means
8 that it is righteous or even ethical to support partial
9 solutions in these moments of climate -- climate crisis.

10 I'm from an organization Thousand Grandmothers
11 for Future Generations.

12 (Ohs.)

13 MS. FEINSTEIN: If there was a policy or standard
14 that could lead to the legitimization of trading the
15 health and well-being of your grandchild or your
16 grandmother for the good of the somewhere -- somebody
17 somewhere else, or other people, would you pursue that
18 path?

19 We can't settle for -- we can settle for nothing
20 less than solutions that can not be used as an opportunity
21 to trade away any community, or Mother Nature's health, or
22 well-being. We need to create solutions that unite
23 indigenous leadership not undermine their combined wisdom
24 and ability to lead the way.

25 We choose solutions, such as cap and trade and

1 setting standards that allow for monetization of Mother
2 Nature, because even with thorough work and deep
3 commitment, we don't consider all our options. We do
4 things like plant trees to license cutting old growth with
5 devastating consequences.

6 We frack. We -- with devastating consequences to
7 front-line communities. We support policies others have
8 researched testified are not working. We do these things
9 not because we have bad intentions, but because we don't
10 consider all our options. We assume we can't buck the
11 power of the fossil fuel industry. To successfully
12 address climate change, rather than accommodate or even
13 mitigation, we can and must buck the interests of fossil
14 fuel.

15 We need to cut pollution at its source. We need
16 to keep it all in the ground. And we can't --

17 CHAIR NICHOLS: Than you.

18 MS. FEINSTEIN: -- wait another day to understand
19 that stopping all extraction is the desperate necessity to
20 protect future generations --

21 CHAIR NICHOLS: That buzzer and the light went
22 off for a reason, ma'am. I'm sorry. We can take your
23 written testimony if you have it, but you've used up your
24 time.

25 MS. FEINSTEIN: I just want to say one other

1 thing, which is I really encourage you to encourage your
2 staff to create -- cultivate and create partnerships with
3 the brilliance of people in this room. That is something
4 that will help craft the solutions we need going forward.

5 CHAIR NICHOLS: I hear you. I hear you.

6 (Ohs.)

7 (Applause.)

8 CHAIR NICHOLS: Two minutes goes by really quick.
9 I'm sorry.

10 MS. ZIZI: Good afternoon, Board and -- Board and
11 Madam Chair. My name is Isabella Zizi. I come from the
12 Northern Cheyenne, Arikara, and Muscogee Creek Tribes
13 Afternoon Board and mad a chair. I'm a member of Idle No
14 More SF Bay. I'm also a climate campaigner with
15 Stand.earth.

16 I want to first acknowledge the original people
17 of this land and thanking -- thanking them for letting me
18 be here and stand here. I'm representing not only the
19 things that I had named, but I'm also representing my
20 family. I'm representing the City of Richmond where I
21 grew up just about six blocks away from Chevron when it
22 exploded in 2012.

23 I represent the younger generations who aren't
24 able to be here because they're at home right now away
25 from school because of the fires, and the smoke. I'm also

1 representing the voices that go unheard, and also the
2 voices that are being silenced, or that have been
3 silenced, or that continuously be silenced.

4 And I just wanted to list the names of the
5 autoimmune diseases that are caused by the fossil fuel
6 industries, because I'm sure that more than one of us here
7 have known people that have -- that either have these
8 autoimmune diseases or that they have lost.

9 There's asthma, pneumonia, bronchitis, upper
10 respiratory and eye irritation, heart attacks, heart
11 diseases, cancers, mainly lung cancer, organ damage,
12 neurological deficits, immune system problems usually that
13 occurs in children.

14 And just naming those is very unfortunate,
15 because some of my family members have passed on because
16 of that, and some of -- my little sister has bronchitis
17 herself. And knowing that we live not too far away from
18 Chevron itself and knowing that there is things like this
19 like the tropical forest offsets that's happening, it's
20 not going to do any justice for us, nobody.

21 So listen and deny this. Deny the tropical
22 forest offset standard, because it's not -- it's not going
23 to help us live a sustainable life here on Mother Earth.
24 And I say that as someone who's going to be dealing with
25 the situations, if you approve of this. And I want you to

1 really think about that.

2 (Ohs.)

3 (Applause.)

4 MS. ROSE TARUC: Good afternoon, CARB Board and
5 Chair Nichols. My name is Mari Rose Taruc. I'm
6 representing the California Environmental Justice
7 Alliance, strongly opposed to the Tropical Forest
8 Standard.

9 Yesterday, I woke up with a bloody nose. I was
10 running around trying to help gather all these beautiful
11 people and relatives to make sure that you hear from folks
12 on the ground in California, internationally, because I
13 know that your staff is mostly talking to the folks who
14 are proponents of these tropical offsets.

15 And so we needed to make sure that there was a
16 turnout for those folks who have seen on the ground that
17 there are problems with these types of offset projects
18 internationally and otherwise.

19 My son also said, "Mom, go there. Try to make
20 sure that they clean the air", because he has asthma and
21 he wants me to fight for him. And so I'm here fighting
22 for my son, as many environmental justice moms, and dads,
23 and grandmothers do. And the reason why we would go into
24 danger and go into a place in Sacramento that has worse
25 air quality than we have in Oakland or the Bay Area, it's

1 because we care about our families and our kids, and we
2 want to protect them. And that is the motivation for us
3 being here today is we want to protect our families. We
4 want to make sure that they're healthier, and that their
5 future is healthier. And that these tropical forest
6 standards, these international offsets still pollute.
7 Offsets still pollute.

8 And so you will have the biggest users of offsets
9 in California, the Chevrans, the PG&Es still pollute while
10 they go out and create these projects internationally.
11 And I think for the Board to really figure out California,
12 how we're making sure we protect our environmental justice
13 communities, do it right here. Stop fossil fuels before
14 you export this terrible offset program.

15 Thank you.

16 (Ohs.)

17 (Applause.)

18 MS. WOLF: Hi. I'm Shaye Wolf, a scientist with
19 the Center for Biological Diversity in Oakland. And we
20 are deeply troubled that CARB continues to ignore the
21 extensive evidence documenting the harms of tropical
22 forest offset programs in practice, even though this
23 evidence has been brought to you repeatedly by front-line
24 communities in California and abroad, environmental
25 justice groups, indigenous communities, and more than 110

1 researchers that specialize in REDD.

2 And CARB must confront the evidence that tropical
3 forest offset programs are a false solution that allow
4 polluters to continue polluting and jeopardizing our
5 communities, have a disturbing track record of human
6 rights violations of indigenous peoples, and distract from
7 the necessary work of keeping fossil fuels in the ground
8 in our state.

9 Frankly, I think that it's shameful that
10 California is one of our nation's top oil producing
11 states, extracting some of the world's most climate
12 polluting oil. And that drilling and refining occurs
13 disproportionately in communities of color and low-income
14 communities, and we have no plan in place to phase down
15 our dirty oil extraction.

16 (Applause.)

17 MS. WOLF: The evidence on the ground repeatedly
18 shows that REDD type programs do -- are easily gamed, and
19 abused, and do not effectively reduce deforestation
20 because of the failures to control leakage or ensure
21 permanence or additionality. And CARB has not shown how
22 these problems that are documented at the project level
23 would be avoided at the jurisdictional level.

24 Instead of promoting these dangerous and divisive
25 standards, California should be working to directly reduce

1 the state's procurement of the commodities that drive
2 deforestation, such as crude oil from the Amazon. And
3 California should focus on the necessary work of phasing
4 out our state's own dirty oil production and use, stop
5 deforestation in our state, and rapidly transition -- have
6 a just transition to 100 percent clean energy. So justice
7 and the evidence -- on-the-ground evidence that this --
8 these types of offsets programs don't work, and violate
9 human rights demands that you reject the Tropical Forest
10 Standard.

11 Thank you.

12 (Ohs.)

13 (Applause.)

14 MR. NOWICKI: Good afternoon. I'm Brian Nowicki
15 with the Center for Biological Diversity. Thank you for
16 hearing us this afternoon. I'm going to try not to be
17 redundant with all of the folks who have spoken before and
18 try to offer some of my overarching comments as we come to
19 the end of this item.

20 I appreciate very much the hard work that ARB and
21 staff have put into this over many years, and have no
22 doubt about the intentions of the staff of the Board and
23 of the document in front of us today.

24 We're hearing today though from folks who worry
25 about the implications of a future program, and for -- and

1 worry about foregone reductions from California
2 communities, if those reductions were exported via
3 offsets. And I very much appreciate those comments and
4 associate myself with those concerns.

5 But I also appreciate that what is before the
6 Board today that you can draw this distinction that we
7 are -- we are not engaging a program, that we are not
8 launching an offset scheme in this. At the same time, we
9 heard that from Richard earlier as he presented this that
10 we are talking about an actionable model. And the other
11 thing we heard from folks today was that even with that
12 actionable model without California engaging in a program
13 that we have a real potential for real negative impacts,
14 and significant negative impacts to communities, to
15 indigenous peoples, to societies, economies, and -- in the
16 jurisdictions that we're talking about here.

17 For that reason, I'm looking at the environmental
18 analysis, and I'm seeing that there is a lot of discussion
19 of how we expect things to go, in the best case scenarios,
20 and very little discussion about those worst case
21 scenarios and downsides of where they are.

22 With that in mind, I'm right now not seeing how
23 the Board could move to move forward with this today,
24 until we dig down into those negative sides that were not
25 fully addressed within the environmental analysis. Thank

1 you.

2 (Applause.)

3 CHAIR NICHOLS: Thank you.

4 MS. CINA-SKLAR: Good afternoon. My name is Zoe
5 Cina-Sklar, and I am representing Amazon Watch, an
6 organization that has worked to protect the rain forests
7 and advance indigenous rights in the Amazon for over 20
8 years. And I am here to urge you to reject the proposed
9 Tropical Forest Standard.

10 In our years of working in the Amazon, time and
11 time again we have seen tropical forest offset programs
12 fail to curb deforestation, in large part because they're
13 not addressing the underlying drivers of this
14 deforestation.

15 To give one example that connects to California.
16 California is the world's largest importer of oil from the
17 western Amazon, about 50 percent of the oil from the
18 region. If we are setting up this program, we are laying
19 the groundwork for a situation in which the same
20 refineries that are processing this Amazon crude could be
21 buying offset credits for the Amazonian regions devastated
22 by oil drilling. And it's equally troubling that these
23 programs are also -- this burning of these fossil fuels is
24 also devastating communities here in California, as toxins
25 are spewed into the air.

1 These programs, as many have spoken to, have not
2 respected the rights of indigenous people to free, prior,
3 informed consent. And these challenges are going to be
4 multiplied at these -- at the level of an international
5 jurisdiction.

6 To give an example, as Marlon Santi noted
7 earlier, the Governor of Pestaza is moving forward with a
8 protected area without having consulted the indigenous
9 peoples who have title territory, seven nationalities.
10 And they're actually currently filing a complaint as part
11 of the indigenous federation opposing this action,
12 opposing the stand.

13 Meanwhile, the Governor, Governor Kubes, has sent
14 a letter in support of the Tropical Forest Standard saying
15 that he is excited to work with indigenous communities in
16 this province, while they are filing a petition against
17 him in law.

18 We need real action that addresses emissions at
19 source, that respects communities, and that deals with
20 this climate crisis we're in. This is not that action.
21 And I urge you, if you still have doubts, to at least
22 consider postponing the vote on this, so you can have
23 further discussion.

24 Thank you.

25 CHAIR NICHOLS: Thank you.

1 (Ohs.)

2 (Applause.)

3 MR. MILLER: Good morning, family. My name is
4 Colin Miller. And I'm here representing my family, my
5 ancestors and the over three dozen organizational members
6 of the Oakland Climate Action Coalition. In Huchiu,un,
7 occupy Chochenyo/Ohlone territory. I honor and I see the
8 me inside of you.

9 Our coalition is a lead co-applicant with the
10 City of Oakland on both the planning and implementation
11 grants to the Strategic Growth Council's transformative
12 Climate Communities Program in deep East Oakland.
13 Together, we are advancing collective self-determination
14 of east Oakland residents social, racial, economic,
15 environmental justice, and community-driven,
16 climate-resilience planning and implementation.

17 I want to start by thanking the Miwok and the
18 Maidu people for allowing me to be here, and to
19 acknowledge that we are here on Miwok and Maidu territory
20 on occupied and stolen land.

21 (Ohs.)

22 MR. MILLER: How did we get here? We are not
23 here because of greenhouse gas emission. We've gotten
24 here because of the violent and ongoing legacy of
25 genocide, slavery, settler colonialism, extractive

1 capitalism, white supremacy, patriarchy, and militarism.

2 Climate change is merely the symptom of these
3 violent systems and extractive and disconnected ways of
4 thinking and being. We face a crisis of disconnection
5 from ourselves, from each other, and from our Mother
6 Earth, a crisis that spells our own extinction if we do
7 not change our ways.

8 On October 30th, the Oakland Climate Action
9 Coalition was supported by 50 organizations in calling
10 upon the Oakland City Council to adopt a climate emergency
11 declaration, and just transition resolution. Oakland
12 joined Berkeley and Richmond in unanimously passing this
13 resolution. These resolutions acknowledge that climate
14 change intensifies existing injustices, and that
15 front-line communities, people of color, native people,
16 people with disabilities, low-income people are impacted
17 first and worst by climate change, and that our front-line
18 communities are at the forefront of change with the real
19 solutions.

20 As people of color and as native people, we have
21 always been resilient. Your Board should pass the same
22 climate emergency declaration and just transition
23 resolution, and not pass Tropical Forest Standards. We
24 must not only decarbonize California's economy, we must
25 de-colonize California's economy.

1 Thank you.

2 (Ohs.)

3 (Applause.)

4 MS. CHAN: Good afternoon. My name is Michelle
5 Chan and I'm here representing the 5,700 Friends of the
6 Earth members in California, who submitted comments to you
7 urging you to reject the TFS. And I like to address a
8 couple of the things that we've heard today during this
9 hearing.

10 Today, we've heard people ask if not California,
11 then who? And I think the answer has to be no one. Ten
12 years of evidence has shown us that this is the kind of
13 plan that looks great on paper, but fails in the real
14 world. It's fatally flawed and you know all of the
15 different flaws from leakage, permanence, human rights
16 problems, et cetera. So the answer has to be not
17 California, and not anyone.

18 We've heard people say we need to put out this
19 gold standard in the world, so that even if we don't use
20 it, then other people can. My answer would be, no, we
21 need to not put this out in the world, because even the
22 best intentioned REDD projects go wrong.

23 Emma Jane Lord in the book Global Forest
24 Governance and Climate Change actually tells of a story
25 associated with Jane Goodall's institutes, one of her REDD

1 projects in Tanzania, the Masito Ugalla Ecosystem project.
2 And she tells of an incident in 2012 where villagers were
3 forced at gun point to burn down their own homes. Burn
4 down their own homes so that they could get evicted and
5 make room for a REDD project.

6 Now, if the lovely Jane Goodall cannot even
7 uphold this gold standard with the best of intentions,
8 what kind of chance do we have for the rest of the world?

9 We've also heard said that there recent IPCC
10 report says that climate change is too urgent for us to
11 not protect forests, and that's true. But really climate
12 change is so urgent that we cannot be forced to choose
13 between stopping emissions and saving forests. And this
14 is what the TFS sets up. It sets up that choice. We need
15 to do both.

16 Finally, I understand that after 10 years of hard
17 work, so many good intentions, so much money spent on
18 trying to develop a concept that won't work. What we're
19 being asked now is to dress this up and pass it on to
20 people that will maybe make use of it.

21 But the others that take it up like the airlines
22 industry, they don't really care if it doesn't work. They
23 just want some greenwashing. Don't let them use
24 California's good name to greenwash.

25 Thank you.

1 (Ohs.)

2 (Applause.)

3 DR. MOAS: Hi, Board. My name is Dr. Amy Moas.
4 I'm here with Greenpeace. And you guys have great stamina
5 to last through all of the comments that have gotten us
6 here. So thank you for your continued patience and
7 attention.

8 I know that in theory all of your staff has put
9 together this -- what sounds like a really great program
10 with all the safeguards in place, and that your intent to
11 protect forests is really true. But the tropical forest
12 standard does not even come close to beginning to address
13 the real drivers of deforestation. And, in fact, it's
14 attempting to do it in the absolute worst way possible by
15 trying to force changes to human behavior.

16 That can't be perpetuated for generations in
17 order to ensure the permanence of these kind of emission
18 reductions. So what that means is not only is your real
19 goal of protecting forests not going to happen, but it
20 also is going to hurt people. It can hurt the indigenous
21 and local communities, that will be facing the forced
22 changes to their behavior. And you're going down the
23 stepping stone of actually hurting local communities in
24 California that will be forced to pay for the offsets for
25 these tropical forest projects.

1 There is not one emissions trading system today
2 that allows these kind of jurisdictional forest projects,
3 and it's for a reason, right? Permanence, additionality,
4 leakage, all of these are very real problems. And I know
5 that your staff has put a lot of effort into trying to
6 address them, but we have a lot of real experience in
7 these projects to date, right?

8 There's been tons of them that have been
9 attempted. And not one of them has actually been able to
10 secure real and lasting emission reductions. So while,
11 you know, people will get up here and say that they have
12 methodological rigor and that, you know, we can really do
13 this, I urge you to really look at who's saying that and
14 what they have gain by saying that.

15 I urge you to really listen to the people that
16 have nothing to gain and only everything to lose. The
17 unintended consequences of this kind of Tropical Forest
18 Standard are also huge. Again, I believe that your
19 intentions are good, but please look at what we have to
20 lose.

21 Thank you.

22 (Applause.)

23 CHAIR NICHOLS: Thank you.

24 (Thereupon an overhead presentation was
25 Presented as follows.)

1 MR. HUGHES: All right. Again, my name is Gary
2 Hughes. Chair, members of the Board, I have a couple of
3 slides that I'd like to go through very quickly. I want
4 to start in saying that it's critical that directors do
5 the necessary due diligence to inform any action. And one
6 of important element of due diligence in this instance is
7 understanding the climate science that clearly describes
8 the physical impossibility of forests compensating for
9 ongoing fossil fuel emissions.

10 --o0o--

11 MR. HUGHES: Protecting forests is clearly an
12 imperative. Many of us have been working to protect
13 forests our entire lives, including fighting the very
14 State of California as agencies facilitated the last
15 remaining old growth in the state.

16 We cannot and will not allow the last forests of
17 the world to be lost. A fundamental to climate science
18 that the ARB has failed to recognize is it that emissions
19 are cumulative. We have a limited carbon budget left to
20 burn. Time is running out. Okay. We must protect
21 forests, and keep fossil fuels in the ground. There is no
22 time left to rely on offsets.

23 --o0o--

24 MR. HUGHES: The toxic reality of how the
25 California petrochemical industry has driven the

1 destruction the rain forests in the Western Amazon has
2 been largely ignored by ARB staff and the Board. Even as
3 many efforts have been made to bring the evidence of these
4 impacts to your attention.

5 Addressing the drives Of tropical deforestation
6 cannot be delayed. Yet, the danger of this standard is
7 that it delays and distracts from doing just that.

8 Lastly, the international implications of this
9 matter cannot be ignored. It's clearly stated by ARB that
10 there's intent for this standard to be used by the global
11 aviation industry. Aviation transport is an activity of
12 the global elite.

13 More than half of the planet's population, that
14 half whose climate impacts are absolutely minimal will
15 never see the inside of an airport, much less step on
16 board an airplane. Yet, these are the very people that
17 live in the tropical forest regions in question, and who
18 will be facing the adverse impacts of this policy.

19 So the negative impacts of this are not something
20 that you will be feeling, and that is what creates a moral
21 dilemma for you. You need to reject this standard on the
22 simple grounds that it is not you or your families that
23 will be adversely affected by this.

24 Thank you very much.

25 (Ohs.)

1 (Applause.)

2 CHAIR NICHOLS: Thank you.

3 DR. KEOHANE: Good afternoon, Chair Nichols and
4 members of the Board. I'm Dr. Nathaniel Keohane, a senior
5 vice president at Environmental Defense Fund, a non-profit
6 environmental organization with two million members and
7 offices in California and around the world. And EDF has
8 worked to protect tropical forests in the Amazon for over
9 30 years, including with indigenous peoples in traditional
10 forest communities.

11 I'm here in strong support of the Tropical Forest
12 Standard. One of the most important steps California can
13 take to meet its climate goals leveraging its status as a
14 global leader on climate action to set a high bar for the
15 rest of the world to follow.

16 Like many who've spoken, I'm a parent. I have
17 two daughters and they're a big part of the reason I've
18 dedicated my career to fighting climate change. Some
19 argue that California should make progress at home rather
20 than exerting leadership abroad.

21 CHAIR NICHOLS: Please sit down or stand back,
22 sir.

23 MR. KEOHANE: That's a false choice. The climate
24 crisis demands that we take every action available.
25 California can slash its climate pollution, lead the world

1 on clean energy, and protect forest landscapes both at
2 home and in the tropics.

3 What's more, California can't solve this problem
4 alone. If you need evidence for that, just look out the
5 window. The smoke from the wildfires may come from 80
6 miles away, but it is a visible consequence of the carbon
7 accumulating in our atmosphere from global sources.

8 You've heard criticism today about existing
9 voluntary REDD projects. But those criticisms simply
10 don't apply to the standard before you today, which would
11 incorporate lessons from years of experience into a
12 best-in-class approach that requires real, additional,
13 permanent, and verifiable emissions reductions at a
14 jurisdictional level with strong safeguards to benefit and
15 empower indigenous peoples in forest communities.

16 As a first mover with a well-earned reputation
17 for rigor, California can have outsized influence in
18 pushing other countries and sectors to have -- to adopt
19 strong standards in their own programs, including the
20 International Civil Aviation Organization.

21 EDF is proud to have been involved for a decade
22 in this work. We look forward to working with Air
23 Resources Board, with Assemblyman Garcia, and other
24 members of the Legislature, and with other stakeholders in
25 this room as you move it forward.

1 Thank you.

2 CHAIR NICHOLS: Thank you.

3 (Applause.)

4 (Audience noise.)

5 DR. WARREN: Good afternoon. I'm Dr. Matthew
6 Warren, a tropical forest ecologist and research associate
7 at Earth Innovation Institute.

8 I've been witnessing the cutting and burning of
9 tropical forests for about 20 years now. And the air
10 quality that we're experiencing today is experienced by
11 hundreds of millions of people across South East Asia and
12 South America every single year, and that is not an
13 exaggeration.

14 I'm here today on behalf of the environment -- of
15 the Earth Innovation Institute to express strong support
16 for the California Air Resources Board endorsing the
17 California Tropical Forest Standard. Solving climate
18 change requires a transition in land use from
19 deforestation and forest degradation to protecting and
20 restoring forests in the tropics. California is already a
21 renowned leader in policy for achieving the monumental
22 transition to renewable energy and a low carbon economy.

23 Endorsing the Tropical Forest Standard would go
24 far towards demonstrating California's climate policy
25 leadership for achieving the land-use transition as well.

1 Although some countries and states have shown
2 impressive success in reducing deforestation, these
3 efforts have brought little recognition or reward.
4 Endorsing the standard would reduce tropical
5 deforestation, supporting jurisdictions seeking to protect
6 and restore forests by providing economic benefits while
7 safeguarding the rights of indigenous peoples and
8 traditional communities.

9 Tropical forest regions need alternatives to
10 deforestation-driven economic development. The standard
11 is robust, including rigorous carbon accounting, risk
12 mitigation, monitoring, verification, and social and
13 environmental safeguards building on a decade of science
14 and policy analysis. The Governors' Climate Forest Task
15 Force stands ready to help be a platform for the
16 standard.

17 California, along with other members of the GCF,
18 are forging a new model for recognizing and support the
19 rights of indigenous peoples and their role as forest
20 stewards via the recent endorsement of the guiding
21 principles of collaboration and partnerships between
22 subnational governments, indigenous peoples and local
23 communities.

24 By integrating these principles into the
25 standard, California also sets an important precedent for

1 how the international community nations and states engage
2 indigenous peoples and local communities.

3 The time is act now, and I encourage you to
4 endorse the Tropical Forest Standard.

5 Thank you very much.

6 CHAIR NICHOLS: Thank you.

7 (Applause.)

8 THE INTERPRETER: The interpreter will conduct a
9 direct translation of the Spanish text into English.

10 MR. LOPEZ(through interpreter): My name is
11 Robinson Lopez. I am for the Inca people of Colombia and
12 the coordinator for Climate Change and Biodiversity and
13 the Coordination of Indigenous Organizations of the Amazon
14 Basin, COICA.

15 At this international organization convey
16 organizations from nine countries of the Amazon Basin
17 coverage, OPIAC, Colombia; CONFENIAE, Ecuador; COIAB,
18 Brazil; AIDSESEP, Peru; ORPIA, Venezuela; CIDOB, Bolivia;
19 OAG, French Guiana; and OIS, Suriname.

20 With 33 of carbon is found in the nine countries
21 of the Amazon basin with population of 3.5 million people
22 in seven million hectares of tropical forests are today in
23 imminent risk due to deforestation. Mega oil and mining
24 projects, expansion of the agricultural frontier, and the
25 armed conflict. From COICA, we work in the promotion and

1 pervasion[SIC] of the human rights, and territorial rights
2 of the indigenous peoples.

3 We defend ways of live and spirituality. We
4 conserve the forests for the well-being and plainful[SIC]
5 of our people and the planet. As COICA, we're part of the
6 global committee group for indigenous peoples and local
7 communities where we have been coordinating actions for
8 the respect of our rights.

9 From COICA, Maloca of the Amazonian peoples we
10 support the standard of tropical forests of California, we
11 urge the Council of Atmospheric Resources of California to
12 consider important elements from the vision of the
13 indigenous peoples that we have participated in this
14 process of collective construction in the decision making
15 of this process.

16 We believe that the DBTC standard is inclusive
17 and respects the rights of indigenous peoples, their
18 autonomy and free self-determination. It recognizes and
19 values the spiritual and historical life that we have as
20 indigenous peoples with a territory that cost -- gone on
21 spiritual relationship.

22 Thus, we have safety strategies such as free,
23 prior, inform consent. We -- they acknowledge that the
24 contribution that the indigenous peoples of the Amazon
25 have made in mitigating climate changes comes from the

1 traditional knowledge systems.

2 And California's tropical forest standard, it is
3 recognized indigenous governments as strategic allies to
4 work hand-in-hand for the conservation of human rights.
5 The DBTC it's a very important instrument for the
6 construction of public policies in different regions and
7 governments. It is necessary to promote new policies
8 friendly with environment about what is substantial life
9 standards of the traditional knowledge of the indigenous
10 peoples contribute to the sustainability of the planet.

11 Only United we can fight climate change. That is
12 why we're asking this honorable council to approve this
13 important DBTC standard. Only together can we combat
14 climate change.

15 CHAIR NICHOLS: Thank you.

16 MS. RODRIGUEZ GOMEZ: I don't know who's Brian,
17 but I think that's my -- do it in English. Thank you.

18 Good morning -- good afternoon, Chair Nichols,
19 members of the Board. My name is Sayda Rodriguez. I'm an
20 natural resources manager with 15 years of experience, and
21 currently am a secretary of urban development and
22 environment of the State of Yucatán government in Mexico.

23 Yucatán is part of a Miss American magic jungle,
24 second forest massive of America, and reservoir of mega
25 biodiversity and for the mitigation of climate change

1 globally.

2 The forest cover of our state today represent 68
3 percent of our territory. Mainly low deciduous forests,
4 but about 25,000 hectares of forests are lost annually.
5 Today, 51 percent of our forests are classified with some
6 degree of degradation.

7 The government of this state, as well as many
8 others of -- in Mexico are concerned, but also we are
9 busy. We are here as members of GCF to ask to support of
10 the State of California for this standard. Our government
11 today have a challenge, a challenge to work together on
12 climate change, to defend of indigenous rights and also of
13 local communities to self-determination.

14 At the same time, we must strengthen the process
15 of conservation of resources and achieve access for
16 community to use tropical forests and improve their
17 quality of life. We are convinced that in this commitment
18 we can achieve through having criteria and guidelines that
19 allow us to regulate the conservation and use of our
20 resources.

21 At the same time, the right of local and
22 indigenous communities is granted. This standard is the
23 way in which we must empower and move through sustainable
24 development to the American continent.

25 CHAIR NICHOLS: Thank you.

1 MS. RODRIGUEZ GOMEZ: As the government of
2 Yucatán and as part of the State of Mexico, we believe
3 that is our commitment to strength and be together in this
4 pathway.

5 Thank you.

6 CHAIR NICHOLS: Thank you for your comments.

7 MR. LOPES: Good afternoon. I was written here
8 good morning, but it's no more good morning. So I want to
9 recognize your resilience and your determination to be
10 here all this time listening to us, okay?

11 So good afternoon, Madam Chair, members of the
12 California Air Resources Board, community leaders,
13 respected institutions, ladies and gentlemen. My name is
14 Ludovino Lopes. I'm an environmental lawyer. I used to
15 say no one is perfect working in climate change, natural
16 resources, and environmental regulation and legal
17 frameworks in the last two decades. I don't want to say
18 20 years it's too much in more than 20 countries around
19 the world in the last years.

20 I'm proud to say that I've participated as a
21 member of the ROW[phonetic] working group from 2010, 2013,
22 and testify the effort that has been done to produce, I
23 call it, unqualified documentation and recommendations to
24 these boards.

25 I'm glad to be here today and seeing that the

1 leading actions and the years of permanent dedicated
2 efforts of California team government are fortifying in
3 transforming the world the real world.

4 I want to ask your attention and address the
5 importance of the natural Tropical Forest Standards for
6 the climate change legal and regulatory world scenario.
7 I'm a lawyer, so that's the reason why I'm saying that.

8 We could say that this discussion is a technical
9 discussion to approve a great technical document, for
10 sure, the state of the art of regulatory and science
11 knowledge California tropical natural forest standard.
12 I'm not -- no shouldn't -- don't have no doubt about that.

13 That's true it's a high quality document. But if
14 we stay only on that discussion, we will be excluding
15 probably the most significant importance of the standard
16 as part of your contribution to climate change. What you
17 respectable members of the Board are deciding is also
18 about the central and strategical leadership of California
19 climate change actions, about the world efforts and how to
20 address globally climate changes. About the future of the
21 least reminiscent areas of tropical natural forests in the
22 world, and, of course, about the consequences for
23 accident -- for citizens around the world.

24 The tropical natural forest standards as it was
25 designed will establish a new worldwide approach to fight

1 climate change. It will introduce a critical missing
2 elements on the regulatory and legal framework around the
3 world on the natural tropical forests traditional
4 approach.

5 We'll be the guiding tool that -- to that -- will
6 allow jurisdictions, even they are separated by millions
7 and millions of miles, talking different language,
8 practicing different customs, and using different legal
9 frameworks to cooperate and address their common
10 objectives towards the construction of a world forest
11 based low carbon economy.

12 CHAIR NICHOLS: Thank you. I'll have to ask you
13 to stop.

14 MR. LOPES: One last --

15 CHAIR NICHOLS: Sentence. One sentence.

16 MR. LOPES: Allow me.

17 CHAIR NICHOLS: Okay.

18 MR. LOPES: We are proud to be in the homeland of
19 Silicon Valley. And I've watched that in this land things
20 are not addressed by pressing the delete button. Your
21 history has been made of hard courageous decisions.
22 Please make history happen again, and when -- and you will
23 use later today the power of decision, use with your best
24 wisdom and press the key that really makes things happen.
25 Press the enter key, not delete key.

1 CHAIR NICHOLS: Thank you.

2 MR. SALVADOR CAMACHO: Good afternoon. Dear
3 members of the California Air Resources Board, media, and
4 general public. My name is Juan Salvador Camacho. I am a
5 local congressman of the State of Chiapas Mexico,
6 President of the Commission of Ecology and Climate Change.
7 And I want to say that it is a big interest for us that
8 the California Tropical Forest Standard is approved.

9 The State of Chiapas has natural reserves that
10 offer environmental services, such as water, clean air,
11 and value diversity, the Lacandon rainforest, the Sierra
12 Madre of Chiapas, they El Ocotal Protected Natural Area to
13 name a few.

14 In Chiapas, we have the second largest rain
15 forest in the world, only after the Amazon. The standard
16 defines criteria to safeguard the Mayan's people culture,
17 and our natural resources bringing sure benefits to
18 California, to our State, and to the rest of the world.

19 The biodiversity of the tropical forest in
20 Chiapas and the Mayan rainforest includes the quetzal, the
21 macaw, the jaguar, symbols of our Mayan ancestors, home of
22 ancestral leading cultures that urgently requires action.

23 There are voices that are against this standard,
24 critical voices, very respectable. I call you to raise
25 awareness to achieve the care of our planet with action

1 and agreement.

2 As President of the Commission of Ecology and
3 Climate Change of the Congress of Chiapas, I want to
4 highlight that this standard would mark a course on the
5 president for public policies that we can apply in our
6 state and begin to legislate on the matter.

7 Environmental services are very important for the
8 entire planet, including California. That is important of
9 this standard to be endorsed, because no one has ever
10 recognized this work. No benefits have been found before
11 in the communities, there the greatest biodiversity is
12 found. That is why I urge you to approve this standard of
13 tropical forest management.

14 Thank you all.

15 CHAIR NICHOLS: Thank you.

16 (Audience talking.)

17 CHAIR NICHOLS: Michael Carr, are you here?

18 Candido Mezua Salazar.

19 MS. MCCAIN: Number 88 on the list Christina
20 McCain is going to cede her time to --

21 CHAIR NICHOLS: Yes, who are you?

22 MS. MCCAIN: Christina McCain.

23 CHAIR NICHOLS: Are you here -- oh, at the end
24 88, okay. Thank you.

25 MR. MEZUA SALAZAR(through interpreter): Good

1 afternoon, Chair Nichols, members of the board, and
2 indigenous communities of the world watching and present.
3 Good afternoon, Chair Nichols. On behalf of
4 Saranomet[phonetic], President of the Congress of Nacion
5 Embera.

6 My name is Candido Mezua. I'm an ambassador for
7 my nation and my community that unites forward territories
8 and I represent 30,000 -- or 30 million people. I'm the
9 secretary of international relations of mesoamericana
10 organization of forests that unites Mexico, Guatemala,
11 Honduras, Nicaragua, Costa Rica and Panama.

12 We are not an NGO. We are owners of our land.
13 For a few years we've -- for lot a years we've been
14 participating in consultation in California and worldwide
15 in different mechanisms that our forest rights are being
16 discussed. And we are present proposing that our rights
17 are protected.

18 In this scenario, years back we were worried
19 about destruction of forests and the need for California's
20 policy to recognize the rights of indigenous people.
21 Since then, we've contracted safeguards and we have
22 accepted the indigenous principles that have been
23 adopted -- or accepted.

24 We have participated in these discussion because
25 we are about life. We care about the life of our kids and

1 our forests. The standard recognizes the principles of
2 rights of indigenous people in local communities as a key
3 part of the standard.

4 California is leading climate change policy not
5 only of what is applied in California, but also that can
6 be applied worldwide. Before this reality today, it is
7 your decision to make a change to not fall for false
8 statements and to make a change in this reality. This
9 standard is of the highest level recognized by scientists,
10 but which scientists are we talking about? The Indigenous
11 communities and people that are not here today, but that
12 believe that this standard does stand for their rights.

13 We ask for your support and endorsement to
14 protect the forests of the world and not just in
15 California, the forests where we are, and if they're not
16 protected will be lost forever, for your kids and for our
17 kids.

18 Thank you.

19 CHAIR NICHOLS: Thank you.

20 Okay.

21 MR. HAYDEN: Good afternoon. Thank you, Chairman
22 Nichols and members of the Board. My name is Tim Hayden.
23 I'm the natural resources director for the Yurok Tribe.

24 I'm here today to voice support for -- on behalf
25 of the Yurok Tribe, and encourage the Board to endorse the

1 California Tropical Forest Standards.

2 The Yurok Tribe, we're from Northern California.
3 We're the largest federally recognized tribe in California
4 with over 6,200 members. We own and manage over 60,000
5 acres of forest timberlands along the Klamath River in
6 Northern California. We are traditional people, fishing
7 people with federally recognized fishing rights. We work
8 very hard -- we work very hard to practice our traditional
9 life ways and cultural ways, and definitely support the
10 work of the Board to address some of the climate change
11 challenges we're seeing here both in our state and around
12 the world.

13 We believe that the work that the Board has done
14 to develop a Tropical Forest Standard is -- has been a
15 long process, but we do support it. We certainly think
16 that -- well, we're encouraged that it incorporates the
17 guiding principles adopted by the Governors' Climate
18 Forest Task Force last month.

19 We believe that it does support the rights of
20 indigenous peoples and their self-determination goals. So
21 with that, in conclusion, we just want to say we recommend
22 that the Board does endorse the California Tropical Forest
23 Standards.

24 Thank you.

25 (Applause.)

1 CHAIR NICHOLS: Thank you.

2 MR. JOSEPH: I know that this is unprecedented,
3 maybe, but we come -- we're a neighboring tribe.

4 VICE CHAIR BERG: Sir. Sir, you've already
5 had --

6 MR. JOSEPH: And the Yurok Tribe we feel is
7 coerced into signing that agreement.

8 VICE CHAIR BERG: You've already had your
9 opportunity to speak.

10 MR. JOSEPH: I'm just saying that the -- that
11 this is a division --

12 VICE CHAIR BERG: No.

13 MR. JOSEPH: -- that this has caused amongst
14 indigenous communities of California, that this proposal
15 is dividing California tribes.

16 VICE CHAIR BERG: Okay. We're hear that.

17 MR. JOSEPH: And this is a perfect example of
18 that.

19 VICE CHAIR BERG: Okay.

20 MR. JOSEPH: We have Yurok Tribal members here --

21 CHAIR NICHOLS: And you know something, we're
22 actually smart enough to have figured that out.

23 MR. JOSEPH: -- that do not agree with the
24 leadership of the tribe and the stance that they've taken.

25 CHAIR NICHOLS: We heard you before and we heard

1 him.

2 MR. JOSEPH: And this is the division that I
3 wanted everybody to show.

4 CHAIR NICHOLS: We got it that you took two
5 different positions. So we heard you.

6 (Audience noise.)

7 CHAIR NICHOLS: Thank you.

8 (Audience noise.)

9 MR. NICKERSON: Good afternoon, Chairman Nichols
10 and members of the Board. My name is John Nickerson. I'm
11 a Registered Professional Forester in California, and I
12 lead the forest team at the Climate Action Reserve.

13 I came out of the forest out of a position in
14 managing forests back in about 2003 to work with some in
15 this room on the forest offset protocol. And by all
16 standards, I think that was an innovative approach that
17 California took, and I have to say that I think it was
18 very successful. Certainly, it could be improved. We've
19 learned a lot by doing.

20 One thing I will say that all of those projects,
21 if you look at a map of where those projects are today,
22 all of those projects will certainly be managed for a very
23 long period of time at elevated carbon stocks.

24 And the reason I bring this up is because I think
25 that the same innovation could be shown in going forward

1 in approving the Tropical Forest Standard. We, at the
2 Climate Action Reserve, support the standard, and we
3 applaud all the work that's gone into it.

4 Thank you very much.

5 CHAIR NICHOLS: All right. Joanne Fanucchi, Nico
6 van Aelstyn, if you're here. And then Steve Schwartzman.

7 MS. FANUCCHI: Joanne cedes her time.

8 CHAIR NICHOLS: Excuse me?

9 MS. FANUCCHI: Joanne cedes her time.

10 CHAIR NICHOLS: Okay.

11 MR. JOSEPH: Madam Chair?

12 CHAIR NICHOLS: Yes.

13 MR. JOSEPH: Your favorite speaker today.

14 (Laughter.)

15 MR. JOSEPH: There's just some things that I
16 didn't say earlier that I graciously like to thank the
17 lady that gave me her time.

18 And one is if this community, and if this Board
19 her, and if this organization cared so much about
20 indigenous people and their rights, as they claim, their
21 was zero interpretation for indigenous languages today.
22 And every single person in this room knew we would have
23 indigenous representation from around the nations. And so
24 shame on you. You guys were caught red handed for trying
25 to say that you care about indigenous peoples and their

1 rights. There was zero translation for them today.

2 I'd also like to state that this -- the vision
3 that's going on because of these programs in Indian
4 countries are real. You know, we -- these are people that
5 we share ceremony with. These are people that we pray
6 with. These are people that we've lived a long time for
7 thousands of years together as nations to nation, tribe to
8 tribe. And you're committing another form of genocide
9 amongst our people to cause division, to destroy lands --

10 You can shake your head, Mary.

11 CHAIR NICHOLS: Well, I'll tell you why I'm
12 shaking my head is because --

13 MR. JOSEPH: Are you going to add more time on to
14 me?

15 CHAIR NICHOLS: You could have, apparently, as
16 much time as you want --

17 MR. JOSEPH: Thank you.

18 CHAIR NICHOLS: -- because somebody is going to
19 give you a right to speak.

20 CHAIR NICHOLS: I'm shaking my high head about
21 your translation point, because under our rules anyone who
22 asks for translation in advance, if they know they're
23 coming, can have translations. We don't do this for show
24 or to look good. We do it because people need to have
25 translation.

1 MR. JOSEPH: But you don't do it with intent
2 either, because if you had intent --

3 CHAIR NICHOLS: That's not true.

4 MR. JOSEPH: -- you would make sure that your
5 guests would have translation.

6 CHAIR NICHOLS: For every language only if they
7 say they're coming, if they tell us they're coming --

8 MR. JOSEPH: You know they were coming.

9 CHAIR NICHOLS: -- and they need translation.
10 No, that's not true.

11 So go ahead. You -- go ahead.

12 MR. JOSEPH: Mary, I know that some reason our
13 politics seem to differ and it seems to emotionally affect
14 you.

15 CHAIR NICHOLS: All right.

16 MR. JOSEPH: And you present your Board in making
17 these comments personal. But the facts are real.
18 We're -- we are the cause of climate change. And because
19 of negligence, be it from this Board or the Chair, is the
20 reason why --

21 CHAIR NICHOLS: We're all in this together.

22 MR. JOSEPH: -- we're in this predicament.

23 Thank you.

24 (Cheering.)

25 CHAIR NICHOLS: We're here because we -- we did

1 not need to take this on. We weren't ordered to deal with
2 this issue. We have given a lot of time and listened to
3 this, because we thought we should.

4 We though we should.

5 MR. SCHWARTZMAN: So thank you, Chair Nichols,
6 the Board. I've see I've got the worst slot here, so I'm
7 going to be brief and try and spare your patience.

8 I'm Steve Schwartzman. I'm senior director for
9 Tropical Forest Policy at the Environmental Defense Fund.
10 EDF has worked in the Amazon for over 30 years, and I've
11 worked there for considerably longer than that. I'd like
12 to tell you first about kind of paradigmatic project that
13 we did back starting in the early nineties that I think is
14 really at the root of everything we've done. That's basis
15 of everything that we've done in the Amazon.

16 It's a project with Panará people. Panará are
17 people who are an isolated indigenous group who lost about
18 two-thirds of their population at the end of the 1960s
19 when the government ran a road through the center of their
20 territory, and picked up a handful of survivors and
21 relocated them, essentially forcibly, on what was, from
22 their perspective, another planet.

23 Some years after that, I had the great privilege
24 to live with them for a year and a half and learn their
25 language. And a number of years after that, they called

1 on me and some of my Brazilian partners to come help with
2 new ideas that they had. So we were, in short, able to
3 enable them to return to their traditional territory,
4 that's -- the still intact -- intact forested part, an
5 area about the size of the State of Delaware, and reoccupy
6 it and get legal recognition for it.

7 About five years ago, their population reached
8 and surpassed its pre-1968 level for the first time.
9 They're doing very well there.

10 Today, we're working in a much larger area with
11 about 20 indigenous groups, and some -- dozens of
12 traditional communities. It's an area -- continuous area
13 of protected forest, mostly indigenous territory, about
14 half the size of the state of California. And our
15 partners, these indigenous and traditional communities and
16 their organizations are on the front lines of a very tough
17 fight to protect their territories from illegal gold
18 mining, logging, land grabbing.

19 And really I'm very grateful to be able to
20 support them in this fight, and they're -- they're doing
21 pretty well. They're -- you know, there's -- they're
22 holding on, but they need support.

23 The point is, in our view, the most important
24 thing that California could do at this moment to support
25 those struggles would be to approve the Tropical Forest

1 Standard, because it sends exactly the right message. It
2 says California understands and cares about, recognizes
3 the importance of stopping deforestation to dealing with
4 climate change, and it recognizes the centrality of
5 indigenous rights to dealing with deforestation.

6 That is a very powerful message. And it's not
7 just indigenous peoples in the traditional communities
8 that need to hear it. There's a lot of governments that
9 really need to hear it as well. There's a bunch of
10 governments that are still back in their thinking at the
11 beginning of the 20th century, who think that
12 environmental devastation, destroying the forest is the
13 price of progress, and inevitably development and
14 environment are irretrievably --

15 CHAIR NICHOLS: Right, like the new government of
16 Brazil, for example. We can hear.

17 MR. SCHWARTZMAN: Opposed. You approved the --

18 CHAIR NICHOLS: I extended your time. You can
19 let him finish just one or two more sentences, please.
20 And the last witness is going to be a person who came in
21 late, and who's an opponent, I believe. So let's just
22 give it a couple minutes, please.

23 MR. SCHWARTZMAN: Thank you.

24 Approving the Tropical Forest Standard would send
25 the right message to the governments, the indigenous

1 peoples, and the private sector. Those people that are in
2 the 20th century -- California is in the 21st century.
3 California has demonstrated to the world that you can
4 reduce your emissions and grow your economy at the same
5 time. That's an important message.

6 Thank you.

7 CHAIR NICHOLS: Thank you.

8 All right. Last witness, Mr. Paul Ehara, I
9 believe. Yes. Sorry, if didn't say your name right.

10 MR. EHARA: Thank you. I just wanted to quickly
11 explain that actually I turned my card in at the begin --
12 before the meeting started, and I ceded my time to Isaac,
13 but then was told that he had enough time. So would I
14 like to just give up my time or should I -- would I like
15 to speak and use my time. And I said I think I'd like to
16 use my time.

17 CHAIR NICHOLS: Okay.

18 MR. EHARA: So I can understand the confusion and
19 why the mistake.

20 CHAIR NICHOLS: Okay. That's all right.

21 MR. EHARA: So now that I've used a quarter of my
22 time explaining that.

23 (Laughter.)

24 MR. EHARA: I do -- I do hope for those of you up
25 there that the seat cushions you're sitting in are fairly

1 new and still resilient, so you're not uncomfortable
2 through this whole thing.

3 I'm an ally with Idle No More SF Bay, a Richmond
4 resident, grew up in Richmond. My wife Allison already
5 spoke before me. And, yes, I am a grandfather. And what
6 I would really like to do is to show you my Google photo
7 album of my granddaughter, because I'm crazy in love with
8 her.

9 But I do realize that I can talk about her in the
10 context of everyone's concern about climate change and
11 what's been happening. I also work at a bike shop in
12 Richmond called Rich City Rides. And we had a partnership
13 with the East Bay Regional Park District. We're supposed
14 to have a day trip to Castle Rock Park in Walnut Creek,
15 but I've been on the phone last two days to cancel -- to
16 tell people that trip is canceled, because of concerns for
17 air quality and people's health.

18 In my back -- in my parents' backyard, my father
19 was a key bay gardener. He planted a tree when my brother
20 Richard, who's 13 years younger than I am, was born. That
21 tree has died. So these are just some personal
22 reflections on how global warming is impacting my family.

23 And I represent, not thousands of people, but I
24 think I can say I represent six people including myself.
25 That would be my wife, my sons and their wives.

1 Oh, yeah, Aiya, the granddaughter, that would be
2 seven.

3 So anyway thank you. And I just do want to say
4 that I really do not support the Tropical Forest Standard,
5 because I don't trust Chevron.

6 (Applause.)

7 MR. EHARA: And it seems like we're abetting
8 Chevron's pollution by allowing them to continue to
9 pollute by having them pay money to subsidize this
10 project, which in and of itself, I think -- I can
11 understand the reasons why people really want it to
12 happen.

13 So thank you.

14 CHAIR NICHOLS: Thank you.

15 That concludes the public testimony part of
16 today's meeting. And it will -- the record will be closed
17 at this point.

18 However, I'm going to ask that we take a break.
19 Again, the court reporter has gone about four hours
20 without one, I think. And we could all use a stretch. So
21 we will come back and resume our discussions at 3:30
22 exactly, but I really mean 3:30. Okay.

23 Thanks.

24 ASSISTANT CHIEF COUNSEL HULTS: Madam Chair, We
25 will need to respond to a couple of environmental comments

1 we received.

2 CHAIR NICHOLS: So when we get back you'll do
3 that?

4 ASSISTANT CHIEF COUNSEL HULTS: Yes, sur.

5 CHAIR NICHOLS: That's fine. Okay.

6 (Off record: 3:18 p.m.)

7 (Thereupon a recess was taken.)

8 (On record: 3:30 p.m.)

9 CHAIR NICHOLS: Thanks, everybody. And it's -- I
10 need to clarify one thing that may not have been clear
11 when we broke. Are we on? Can I be heard?

12 Now I can. All right. Before we broke, I said
13 that the record was closed when I was referring to the
14 public testimony part of the record. So the little
15 discussion there at the end related to the fact that part
16 of the record is the staff response to comments. If
17 environmental comments are made that need to be responded
18 to.

19 So what our attorney was trying to explain was
20 that he needs to enter a couple of additional comments
21 into the record -- responses to comments. And so after he
22 does that, then we will really close the record
23 completely.

24 So Mr. Hults, would you like to go ahead and do
25 your thing.

1 ASSISTANT CHIEF COUNSEL HULTS: Thank you, Madam
2 Chair. My name is David Hults, and I'm Assistant Chief
3 Counsel here at the California Air Resources Board. We
4 heard several comments today that involve previously
5 raised environmental concerns. Those concerns have been
6 addressed in the Final Environmental Analysis, and the
7 responses to environmental comments prepared for this
8 item. We would like to respond to a couple of points
9 raised today.

10 One commenter stated that CARB did not perform a
11 worst case environmental analysis, and did not address
12 impacts to communities in the jurisdictions in which this
13 program would or might take place.

14 Though this was a general comment that did not
15 raise specific environmental concerns, CARB staff
16 respects -- respectfully disagrees with this comment.
17 CARB's environmental analyses are designed to analyze,
18 reasonably foreseeable environmental impacts using
19 conservative assumptions to ensure CARB meets its
20 environmental disclosure and related CEQA obligations.
21 CARB has done so here.

22 Furthermore, CARB responded to concerns about
23 public commenters claimed impacts to indigenous
24 populations in master response number one, and the
25 responses to environmental comments and -- in the

1 responses to environmental comment document prepared for
2 this item.

3 I would also like to address a comment we heard
4 today that our environmental analysis purportedly did not
5 adequately address the possibility of creating a legal
6 recourse for tribes affected by jurisdictional actions due
7 to the California Tropical Forest Standard.

8 I would like to point out that the Tropical
9 Forest Standard provides the framework for such a
10 mechanism. Chapter 10 of the standard identifies the
11 social and environmental safeguards, and specifically
12 requires implementing jurisdictions to have a publicly
13 accessible grievance mechanism.

14 To the extent the commenter was requesting
15 inclusion of a California based recourse mechanism, that
16 is not legally feasible, because CARB lacks the authority
17 to create new legal remedies for issues arriving in a
18 foreign jurisdiction.

19 Staff requests that Board take these responses
20 into consideration and that the Board consider approving
21 them as part of its vote on today's resolution for
22 inclusion of the record as a written response to these
23 comments should the Board decide to approve the
24 resolution.

25 Thank you.

1 CHAIR NICHOLS: Okay. Thank you for that.

2 So at this point then, we can close the record,
3 and those comments will be part of what's before us when
4 we take up the resolution.

5 But I think before we do that, it's probably a
6 good idea to have some general comments about where we
7 find ourselves at this moment. As I said before in my
8 colloquy at the end, the -- this is not something to do
9 for fun. This is not something that the Board needed to
10 undertake out of any mandate. And indeed, there have been
11 many who have advised us that it was such a controversial
12 topic that we should not deal with it. And over the
13 course of the years that our staff has been working with
14 many other people towards the standards that are now in
15 front of us. They have I think been well aware of the
16 fact that there are communities that really embrace the
17 idea, and there were communities that were unequivocally
18 opposed to it.

19 And I wouldn't say -- I would say they have not
20 come any closer to each other from anything that I can
21 tell. There may be a few people out there who have
22 changed their minds. But by and large, there's two kind
23 of basic things that divide people.

24 One is the issue of whether you believe in any
25 kind of a Cap-and-Trade Program that allows for offsets at

1 all. And clearly, there are people who fundamentally
2 disagree with that very notion. And, you know, they will
3 continue to believe as they do.

4 But California's Cap-and-Trade Program has an
5 extremely limited role for offsets. And as we've heard
6 many times ours are difficult to get, they're difficult to
7 use, they're difficult to deploy. And because of that,
8 not very many projects have been undertaken, and they've
9 all been in the United States, because we don't recognize
10 any foreign offsets.

11 We are now venturing into an area, by even having
12 this discussion, which is way beyond CARB's normal areas
13 of operation. And I think we've had legal, and technical,
14 and expert staff who've worked with us every step of the
15 way. But clearly, there's the -- there's a danger of
16 California's name being misused, abused. There were
17 allegation made that, in fact, the very fact that
18 California has been talking about this topic had been used
19 to cause harm.

20 That's very troublesome. I don't think any of us
21 feels okay about that comment. And I would certainly like
22 to think about what we could do to prevent that from
23 happening. On the other hand, we're also out there.
24 We're going to the UN meetings, not just about forestry,
25 but for many other things. We're engaging with people

1 from other states and other countries around the world.

2 We actually trade carbon allowances with a
3 foreign jurisdiction in the form of Quebec. And we've --
4 you know so we have our toes more than just in the water
5 on this issue of, you know, being out there in a larger
6 environment.

7 And so we do sort of have to ask ourselves, which
8 is the -- which is the more harmful or which is the least
9 harmful thing to be doing in this topic area?

10 I have to confess that if there's one person who
11 spoke to us whose views I at least tend to be most guided
12 by, because she's been a hero of mine forever, it would be
13 Jane Goodall. And her letter did capture my thinking at a
14 particular point when I was really feeling concerned about
15 whether we should be speaking on this area, because of her
16 deep concern, and we all know it, that the tropical
17 forests are, in fact, vanishing, whether they're vanishing
18 because of foreign influences, or local greed, or
19 criminals, or many other things, they are -- they are
20 being destroyed.

21 And so that problem is going to exist whatever it
22 is we do, and we -- we should be trying to find a way to
23 do something.

24 So the idea of having the standard out there is
25 that it would help guide investments, which nobody denies

1 are needed to help strengthen the role of whoever it is
2 that owns forests and strengthen their jurisdiction,
3 strengthen their ability to be stewards of their forests.
4 And that's very much how this has worked with the Yurok.
5 And it's been unequivocally, as far as I can see, a
6 success from that perspective.

7 But on the other hand, that -- I feel like I've
8 got about six hands here -- I really object to the idea
9 that by doing anything that would encourage investments in
10 forestry in tropical areas, we would be delaying,
11 encouraging, postponing otherwise failing to deal with the
12 need to reduce petroleum emissions. That would be --
13 that's just not okay, right? I mean, that's -- our
14 business is to be dealing with the things that cause
15 pollution here and everywhere else.

16 I don't think the two things are commensurate. I
17 mean, I don't think the two of them are connected in
18 any -- in any good way. The emissions from the
19 refineries, from the production, from the driving, the use
20 of petroleum products are going to have to go to zero. I
21 mean they have to go to zero or we are completely going to
22 fail in our mission.

23 At the same time, we also have to deal with the
24 loss of the forests, or we're also not going to be able to
25 survive as a planet. We have to do both.

1 Can we find a way to de-link these two things, in
2 the sense that if we approve a standard, we can also
3 prevent it from being used as a way to give aid and
4 comfort to the specific activities that we -- that we want
5 to see ended? I would -- I would like to think that we
6 could. Within our own jurisdiction at least we could,
7 because we could decide what kind of offsets we are
8 willing to accept.

9 In other places, we don't have that same degree
10 of control obviously over how people think about these
11 issues. And I have to say that when our witness -- or the
12 representative of Norway came, you know, Norway has been
13 the biggest funder, I believe without a doubt, of
14 activities that are attempting to support actions to save
15 forests.

16 And Norway is a big oil and gas producing
17 country, and they're producing a lot of oil and gas that
18 other people are -- including us, are using. So it's not
19 like they're -- that there's no connection. They're not
20 just spending money only out of the goodness of their
21 heart. Although, they've chosen a way to spend money that
22 I think has put them out there on the front lines of doing
23 something good that nobody else was doing.

24 So it is a very complicated topic area, and we've
25 just heard bits and pieces of it, as we've moved forward

1 on this discussion today, despite having been here for a
2 long time, and I think listened very carefully to
3 everybody who came to talk to us, and frankly put up with
4 some pretty insulting comments as well. But we get it
5 that people feel strongly about this, and, you know, so
6 we're going to have to take that.

7 But at this point, I guess I feel like it is a --
8 it is a real balancing decision that we have to make as to
9 whether we go forward at this point. And I guess before
10 asking the other Board members if they want to weigh in on
11 any of what I just said or have other things to offer, I
12 would like to give the staff at least an opportunity to
13 respond to the situation and to the overall state of the
14 discussion here.

15 ISD CLIMATE CHANGE PROGRAM EVALUATION BRANCH
16 CHIEF GRAY: Sure. Thanks, Chair Nichols and members of
17 the Board for a long afternoon. And thank you for the
18 audience for all your testimony.

19 I think we share, at the staff level, the same
20 concerns that many of the folks in the room raised. I
21 think one of the main concerns we heard expressed on
22 trying to address tropical deforestation relates to how
23 it -- how it relates to indigenous communities. That is
24 something that's been documented. We've seen that
25 evidence. Folks have brought that to us.

1 A lot of that has been in the project space.
2 We've looked at that and tried to design a standard that
3 would not have those same impacts, that would be looking
4 to ensure that local communities indigenous communities
5 are at the table and are actually drivers in the seat.

6 We heard some compelling testimony I think from
7 Candido Mezua from Panama expressing -- as well as some
8 other folks who were in the GCF indigenous coalition
9 expressing interest in the fact that the standards -- the
10 principles that those indigenous leaders brought to the
11 GCF governments to say you need to include these in
12 whatever you do. And that's what the standard includes.

13 The safeguards, protections, the increasing of
14 the level of engagement of sunshine on that type of
15 engagement on the verifiability of that engagement, and on
16 having governments, including our GCF partners, including
17 ourselves, having our feets[SIC] held to the fire for that
18 accountability by our tribal and indigenous partners, that
19 is what the standard is trying to do on that front.

20 So I guess from -- on that specific comment, and
21 that specific kind of line of comments, we believe we've
22 included a really rigorous, best-in-class, because it
23 builds on the recommendations, and on the principles that
24 were brought to us by indigenous leaders, that that is
25 something that if this standard were endorsed and were

1 used, those indigenous communities, as we heard from some
2 of them today, can use to push better engagement and
3 increased action.

4 I think on that -- the higher level question on
5 relation to the Cap-and-Trade Program or to offsets, I
6 think -- Chair Nichols, I think you just addressed that.
7 So I don't really have anything more to add there.

8 I think that the fundamental question I guess in
9 my mind is, is there something we can do to help on the
10 drastic emissions that are coming from tropical forests?

11 And based on the ten years of work we've done,
12 based on our expertise in our own programs, is there some
13 guidance we can offer that others may take up, because
14 California does have this climate leadership mantle.

15 And I think from the staff perspective that is
16 what the standard is attempting to do. We've heard from
17 folks who, from my view, it's very exciting that folks
18 like Norway, and the UN, and some of the indigenous
19 leaders we heard from Panama and Guatemala, that this is
20 something they can take home and incorporate into their
21 own processes to push their own governmental actions with
22 subnational and national governments.

23 And I think that's really the intent here. The
24 drivers of deforestation are rampant. The trends are not
25 good. We showed that map earlier from the World Resource

1 Institute. The economics behind those drivers are valuing
2 cutting down those forests for other purposes. I think we
3 agree with the commenters saying that we need to figure
4 out ways to reduce all those different things that are
5 coming out of the forests that are not sustainable.

6 From the staff perspective, the standard really
7 helps us do that. A jurisdiction using the standard has
8 to assess those drivers publicly. It has to have that
9 done through a reporting that is third-party verified in
10 consultation with indigenous communities for everyone to
11 see.

12 And I think that testing this out, seeing whether
13 folks -- what difference that is making, I think that's
14 something we can continue to observe.

15 And I guess my final point would be that it
16 sounds like there's actually a venue for that to happen.
17 The GCF Task Force, this indigenous communities working
18 group that helped develop the principles that we've been
19 hearing about today is ready to be the testing site for
20 that to really see whether that's being involved, whether
21 that's pushing action at the government level in their own
22 jurisdictions. And it sounds like that's a place where we
23 can observe what's happening, and report back, I think.

24 And it sounds like that space may also be a place
25 for some of the other folks who were in the room, if

1 they're interested, to engage as well. And I think for
2 some of the researchers and others, that would be really
3 valuable to be able to participate with that GCF
4 indigenous persons working group to see, you know, what
5 are improvements that could be made, what are successes.

6 So I don't know if that's helps, but...

7 CHAIR NICHOLS: Questions, comments? Did you,
8 Mr. Serna, yes.

9 BOARD MEMBER SERNA: Thank you, Chair Nichols.

10 First, I'd like to start by thanking everyone,
11 regardless of what side of the issue you're on this, for
12 taking the time to be here. Some coming from across the
13 globe to be here to address us, and certainly with a great
14 deal of passion express your position.

15 Regardless of again the -- what side you're on, I
16 think it always helps this Board to hear in great detail
17 the reasons why you hold the positions that you do. And
18 this is -- this afternoon is no different. So I
19 appreciate everyone that took the time to be here.

20 I guess for me this is -- today's decision in
21 front of us, the recommendation in front of us is really
22 no different than what we do on a fairly standard basis.
23 And that is when we get down to brass tacks, the body that
24 we serve on here is asked to rule make, is asked to
25 implement legislation, to be thoughtful about it, but

1 there is a theme to it.

2 At some point, there is a trust-me moment, right?
3 There's a moment where after all of that thoughtful --
4 that thoughtfulness and thinking carefully about how we're
5 going to implement policy, and hopefully affect the change
6 that we all want, there has to be a trust-me moment. And
7 this is no different. I guess to follow up on what Jason
8 just mentioned. And if you look at the details of the
9 staff recommendation, there are a number of paragraphs
10 that begin with the implementing jurisdiction shall do X,
11 Y, and Z.

12 What I'm -- what I want to hear more from staff
13 about, and I think it really does speak to a number of the
14 comments by folks that have their concerns about this, is
15 how do we avoid, as the State of California, simply saying
16 one and one, check the box, we -- you know, we've passed
17 the threshold of this afternoon, and we're leaving it up
18 to others to make sure that what we think this is going to
19 do actually happens?

20 You mentioned third-party, you know,
21 confirmation. Well, what does that mean? I think the
22 people that again spoke today, mostly in opposition to
23 this, or expressing a great deal of concern deserve to
24 understand that as best we can explain it today. And I
25 know that you can only put so much in a staff report or

1 staff recommendation. But I think that really deserves a
2 little more conversation.

3 ISD CLIMATE CHANGE PROGRAM EVALUATION BRANCH

4 CHIEF GRAY: That's a great set of questions. I'll do my
5 best to respond.

6 A lot of the action that this standard would
7 hopefully be incentivizing will be in other jurisdictions.
8 And technical speak in the standard we call that the
9 implementing jurisdiction, so the jurisdiction that will
10 be doing the actions.

11 The premise of the standard in a lot of the
12 provisions -- all the provisions in the standard really
13 that that jurisdiction is doing. So in a way, that one is
14 real, one is working with and communities, and two that is
15 completely transparent and accountable. The
16 accountability framework in the standard would be
17 leveraging the third-party verification auditing process
18 that we have for our own greenhouse gas verification
19 program.

20 So the MRR data that feeds into our greenhouse
21 gas inventory and to our Cap-and-Trade Program. It would
22 be based on the international standards that auditors are
23 doing on other types of programs as well, but really
24 building into it a robust requirement that that auditing
25 team works directly with indigenous communities, has a

1 human rights expertise, indigenous rights expertise, and
2 an ability -- demonstrated work experience on those types
3 of topics in tropical jurisdictions.

4 So the third-party auditing would be an
5 independent assessment by an expert auditing group of the
6 types of actions the jurisdiction is taking, the type of
7 engagement, public process, consultation process it's had
8 with its indigenous communities.

9 And then the larger accountability framework here
10 is all this would need to be publicly proposed. We could
11 see it, others could see it, and folks -- that would be
12 very transparent in terms of what were the reports, what
13 were the results of that audit, what were the results of
14 the actual action on the ground?

15 BOARD MEMBER SERNA: So it would very inaccurate
16 to believe that today represents the one and only bite at
17 the apple, so too speak, in terms of advocates feeling
18 like they -- you know, that this is such a threshold
19 moment, that they would not have the ability to actually
20 intervene, show up perhaps in even greater numbers next
21 time, if they thought there was a real concern about how
22 this is being implemented as designed?

23 ISD CLIMATE CHANGE PROGRAM EVALUATION BRANCH
24 CHIEF GRAY: I think that's exactly right. And I think
25 that a lot of the expertise we heard on all sides of this

1 discussion today ideally would be feeding into those
2 audits to see if this is actually the work that's going on
3 in a specific implementing jurisdiction.

4 CHAIR NICHOLS: Well, let me, if I may, just
5 piggy back on that and drill down a little more. I don't
6 think that we're under any illusions that the Government
7 of the Cross River State in Nigeria is any better than the
8 witness here said it is. And he believes, and people he
9 represents believe, that the standard is going to be used
10 by that government in ways that are going to be hurtful to
11 the interests that he represents.

12 He's got an opportunity to raise that issue in
13 courts and politically, I suppose, in Nigeria. But how is
14 this going to impact that situation that he finds himself
15 in?

16 ISD CLIMATE CHANGE PROGRAM EVALUATION BRANCH
17 CHIEF GRAY: Well, thanks. That's -- I think it -- I
18 don't think any of us would sit here today, including
19 likely our GCF jurisdiction members, and say that all
20 those jurisdictions can meet this standard yet.

21 And I don't know that all those jurisdictions
22 will want to try to meet the level of rigor that's in the
23 standard. If a jurisdiction wanted to claim that it was
24 meeting the type of rigor that was required here, it would
25 have to go through this public process, this auditing

1 process.

2 And if another partner, a commodity company
3 looking to work with that jurisdiction for more
4 sustainable sourcing, another emission trading system,
5 another type of financing mechanism, if they wanted to
6 work with that jurisdiction, all that information would be
7 very public. And if the claim from the jurisdiction is we
8 met the standard, but the auditing report, the indigenous
9 peoples engagement in that process did not show that, then
10 that jurisdiction wouldn't be able to meet the standard.

11 CHAIR NICHOLS: So, in theory -- again, in
12 theory, this could actually add greater transparency and
13 more rights to the process?

14 ISD CLIMATE CHANGE PROGRAM EVALUATION BRANCH
15 CHIEF GRAY: That's the idea. And I think we heard from
16 some of the folks that are -- that developed the
17 principles of engagement from the GCF Indigenous Peoples
18 Working Group, that that was the intention and the hope
19 behind those principles, is it leverages additional power
20 essentially for indigenous communities in working with
21 their governments.

22 BOARD MEMBER SERNA: And it wouldn't just be in
23 the context of policy or resource allocation to carry it
24 out. The way I read this is it also would be scientific.
25 I mean, there's some -- some very particular requirements,

1 for instance, for remote sensing baselines.

2 ISD CLIMATE CHANGE PROGRAM EVALUATION BRANCH

3 CHIEF GRAY: That's right.

4 BOARD MEMBER SERNA: Okay.

5 ISD CLIMATE CHANGE PROGRAM EVALUATION BRANCH

6 CHIEF GRAY: So it would be on those -- both those fronts
7 in terms of looking at your carbon -- looking at your
8 forest stocks, looking at the reductions you've achieved,
9 as well as looking at the process, the engagement, and the
10 respect for rights.

11 BOARD MEMBER SERNA: Thank you.

12 CHAIR NICHOLS: Other questions or comments at
13 this point?

14 Ms. Berg.

15 VICE CHAIR BERG: Thank you.

16 Just piggyback on these conversations. And then
17 is it our organization, CARB, that will be reviewing these
18 reports and approving?

19 ISD CLIMATE CHANGE PROGRAM EVALUATION BRANCH

20 CHIEF GRAY: So I think that depends on which other types
21 of programs would use the juris -- sorry, use this
22 standard. If it's not something that's coming into ARB's
23 program, then I think we're -- the interest that we would
24 have is seeing if the standard is being used, and how it's
25 being applied in those other types of programs.

1 So if an implementing -- if a -- sorry. If an
2 implementing jurisdiction, if another jurisdiction is
3 using this to demonstrate that their deforestation rates
4 are going down, they've done so in a way that's benefiting
5 indigenous communities, and they're working with a
6 jurisdiction like Norway that's going to be recognizing
7 that action, or a commodity company that's looking to
8 source material from there, I think we have an interest in
9 seeing how that's working.

10 But if that other program, if Norway or the
11 commodity company, they would be the ones assessing does
12 that meet the level of their program?

13 We're hoping that those other programs will take
14 our standard to say this is what we'll assess it against.
15 So if Norway or -- or ICAO - I know that was mentioned -
16 is adopting this model into their process, they'd have to
17 be looking at how that works. And all of us would be able
18 to say what -- you're meeting that or you're not meeting
19 it.

20 VICE CHAIR BERG: But in the case of the example
21 here, ICAO, the U.S. carriers that the airlines - I mean,
22 you identified the airlines as an example - then the U.S.
23 airlines that are going -- that might be interested in
24 this, then who's going to monitor that within the United
25 States?

1 ISD CLIMATE CHANGE PROGRAM EVALUATION BRANCH

2 CHIEF GRAY: So that specific example I think would be the
3 treaty body itself. And as we mentioned in the
4 presentation, there's a risk of the level of rigor that
5 treaty bodies will adopt. And I think that's one area
6 where this model would be a rigorous model that they could
7 look to at least.

8 The airlines would not be the -- in that context,
9 if that were to happen, they would not be the entities
10 that assess whether the standard is being met. The treaty
11 body I think would be.

12 VICE CHAIR BERG: So given that California's name
13 is going to be associated this California standard, then
14 what comfort do we have that the rigor that obviously we
15 really believe in is, in fact, going to be carried
16 through?

17 ISD CLIMATE CHANGE PROGRAM EVALUATION BRANCH

18 CHIEF GRAY: I think that ability for us to report back on
19 the use of the standard, on what's being done to meet the
20 different requirements, I think that gives us an
21 opportunity -- multiple opportunities to say we think
22 it's -- it needs to be improved or it's not being used in
23 the way that it's drafted, or, you know, that's not living
24 up to the rigor that's required.

25 VICE CHAIR BERG: And then maybe if there's only

1 one other thing you could help me with. If we didn't pass
2 this standard, if we decided to pass on this just out of
3 discussion, what is the dis-benefit versus what is the
4 benefit of what we're hoping the benefit will be?

5 ISD CLIMATE CHANGE PROGRAM EVALUATION BRANCH
6 CHIEF GRAY: I think that the economic realities for
7 deforestation are pretty stark, and -- sorry, too close to
8 the microphone.

9 If we're seeking to provide some ability of folks
10 to assess a different type alternative, the California
11 name on this, the California stamp of approval really
12 sends the signal that we -- that we, as California, take
13 that very seriously, and that we're looking to help drive
14 reductions in a way that's -- that has different
15 incentives to keep forests standing the way it protects
16 people.

17 If we -- I think if we didn't act on this, that
18 status quo just maintains. There's not an additional
19 model. There's not an additional level of rigor out there
20 that folks would be able to use.

21 CHAIR NICHOLS: Yes, Mr. Gioia.

22 BOARD MEMBER GIOIA: Okay. Thanks.

23 First, I want to thank the staff and -- for their
24 work. And I want to thank folks who've spoken on all
25 sides of this issue. This is clearly an important policy

1 issue. And I think we need to -- we under -- we clearly
2 understand that.

3 And so I want to address my comments more to sort
4 of public expectation and trust in what we do, and our
5 role in maintaining support for our ambitious climate
6 change policies. So I want to start and acknowledge that,
7 and I think everybody in this room does, that we need to
8 stop deforestation, and to take action to protect and
9 restore our tropical forests around the world, and that
10 protecting forests globally does have climate benefits.
11 And we also understand that developing and supporting
12 policies to prevent deforestation is important. And as a
13 state, we may have a role in that.

14 But saying all that, I also believe that -- and
15 I'll explain why here, that we need to continue to sharpen
16 our focus on pursuing our greenhouse gas reductions and
17 our climate change goals in a way that directly benefits
18 all Californians. And I worry a bit that if we -- that
19 endorsing this policy today could lead to some distrust
20 about our -- about those efforts.

21 I know we've developed -- and I think this state
22 should be proud, we've developed policies to transition
23 our energy use from fossil fuels to renewables, and to
24 achieve emissions reductions in California. And I think
25 this Board should be proud of that. It has led the world

1 in that. And I think our policies are driving innovation
2 to achieve zero-emission technology. And that, of course,
3 has health benefits for all Californians, and it also
4 grows our economy in the clean energy sector.

5 And so I think we need to double down on that
6 focus. The focus of achieving reductions that primarily
7 benefit Californians, especially at a time when we're
8 continuing to see great disparity in pollution impacts
9 among communities around our state.

10 And, in fact, I remember when I went before the
11 State Senate Rules Committee about five years ago to get
12 confirmed to this Board, I heard from both Democrats and
13 Republicans on the Committee about the importance of
14 focusing on achieving our reductions here in California.

15 And AB 32 and all the legislation since then that
16 lays out our climate goals clearly provide that we should
17 achieve greenhouse gas reductions in a way that also
18 provides co-benefits to Californians, right, co-benefits
19 that include improved air quality, improved health, and
20 economic benefits.

21 And I think we saw the public's and the
22 Legislature's strong desire to get emission reduction
23 benefits here in California through the passage of AB 617,
24 right, the community blueprint process.

25 And so when the Legislature voted to extend cap

1 and trade through 2030, it also passed a companion bill,
2 AB 617, to focus on developing plans to reduce emissions
3 in the most impacted communities in California. And I
4 think the passage of AB 617 was in response to the -- to
5 public concern that in addition to cap and trade, that we
6 need to achieve real and tangible air quality improvements
7 that benefit the most impacted communities in our state.

8 And I think we also need to remember that it was
9 the voters of California who protected AB 32 when it was
10 challenged by the oil companies in Prop 23. And if we
11 look back at that campaign, we can see that the voters
12 rejected Prop 23, which would have overturned AB 32,
13 because they demonstrated that they cared about fighting
14 global climate change, but also in seeing emission
15 reductions and co-benefits primarily in California.

16 And they trusted the State and they trusted this
17 Air Board to do that. And so I want to ensure that every
18 action we take continues to build and -- maintain and
19 build on the public trust, because we also don't know when
20 there will be another attempt to try to overturn, stop, or
21 delay this state's efforts on climate change. And
22 ultimately, we need the public support if we're going to
23 keep doing that work.

24 So I think we need to be mindful about how we
25 focus our greenhouse gas reduction strategies in a way

1 that builds this public support. And I think while there
2 was a lot of work done in developing the standard before
3 us today, and while I know it does not link today to the
4 Cap-and-Trade Program, it's clearly intended as a
5 foundation to eventually link to cap and trade. And, you
6 know, one of the -- one of the whereas clauses in the
7 resolution does say while the standard has been developed
8 to enable international action by other jurisdictions, it
9 could also provide a framework to potentially connect with
10 the California Cap-and-Trade Program in the future, only
11 after a public process and Board action. So we know that
12 there would need to be public process and Board action,
13 but we also know it's the first step in doing that.

14 So I'm concerned that many communities impacted
15 by pollution will see this policy, and the possible use of
16 offsets to protect forests in other countries, as noble as
17 a goal that is, as a diversion from focusing our efforts
18 on the pollution reduction benefits here in California.

19 So I just think we need to be mindful of these
20 things as we consider this policy today, so that's why I'm
21 not comfortable in acting on this policy today. And I
22 think that this policy has international implications, and
23 that maybe, you know, we should consult with the State
24 legislature and get their formal input before some final
25 action, as well as our EJAC, the Environmental Justice

1 Advisory Committee, which we would normally would seek
2 official input from on policies that have implications for
3 impacted communities.

4 So I think that's how I view, you know, maybe
5 what's a prudent approach before accepting a policy that
6 puts California's stamp of approval on something that is
7 clearly still debated internationally. And how we
8 continue to focus, because we've done great things here in
9 California, and to keep the focus on that, and to continue
10 the public trust in what we do, and to continue to make
11 progress.

12 CHAIR NICHOLS: Thank you.

13 Mrs. Riordan.

14 BOARD MEMBER RIORDAN: Just a follow up in a
15 little different way. There is one very important factor,
16 Supervisor Gioia, that I think we need to remember, and
17 that was on the -- I guess, the second slide. And the
18 research is that tropical forests have a real relationship
19 on California's snowpack. And all of us in this room
20 enjoy a very good snowpack in California when it occurs.
21 And when it doesn't occur, we are very stressed, not only
22 our forests are stressed, but people like myself, we have
23 watering issues. We can't water our landscape anymore, as
24 we used to. So I do think there is a very clear link
25 between the tropical forests and our efforts to save them,

1 and our own forests, and our own snowpack, and our
2 Sierras. And we all enjoy, to some degree, some of that
3 snowpack, regardless of where we live in California. It's
4 just a critical thing. I just remind you of that.

5 CHAIR NICHOLS: Yes.

6 BOARD MEMBER TAKVORIAN: Thank you. I just want
7 to add my thanks to everyone who's here today, and
8 particularly those who have traveled so far from the
9 communities that are so impacted by climate change, both
10 here in California, throughout the country, and throughout
11 the world, particularly the global south. And really,
12 it's as a result of the overconsumption of resources by
13 first-world countries. So I think that this conversation
14 has a lot of impacts for us across the globe really.

15 And I am reminded of the time that I spent as an
16 appointee of President Obama on the NAFTA Commission on
17 Environmental Cooperating, which was an ironic place for
18 me to end up, since my organization is an organization
19 that's bi-national in San Diego Tijuana, and we spent a
20 lot of time opposing NAFTA.

21 And so I sat on this panel. And I just want to
22 point out that while I think that it's very well
23 intentioned to talk about how we can verify, and how there
24 can be enforcement of the provisions that are being put
25 forward, that continues to be something that is only for

1 privileged people, no matter what country you're in.

2 (Applause.)

3 BOARD MEMBER TAKVORIAN: So what I watched was
4 that the Canadian environmental groups had great access to
5 that process for the petition process for enforcement of
6 environmental regulations, and Mexico poorer communities
7 had virtually none.

8 So it just kept going around like that, that the
9 violations of environmental rules in Mexico went
10 unfettered and those in Canada were able to be changed.
11 So I think that we need to be cautious and look at some of
12 the models that already exist, and whether or not those
13 are successful. So I would say I don't have a lot of
14 faith in that system that you're talking about, so I'm
15 concerned about it.

16 And, of course, we're all concerned that climate
17 change is a really urgent issue, but I don't think that
18 endorsement of this standard is one. And I would like us
19 to not conflate those two things.

20 (Applause.)

21 BOARD MEMBER TAKVORIAN: So that's one.

22 And I also agree that sending a strong signal is
23 important, but I think approving this standard is exactly
24 the wrong signal to send around the world. And I think it
25 revolves around authority. And our Chair talked about

1 that a little bit, and I appreciated that. Because in
2 California, to my knowledge, CARB has not -- does not have
3 a mandate to adopt this policy or this proposal. We
4 haven't been directed to do so by the Legislature. Staff
5 hasn't actually been directed to do this by the Board.
6 It's not actually even referenced in the scoping plan.

7 And the scoping plan was mentioned in the
8 presentation. The 2017 scoping plan doesn't mention a
9 Tropical Forest Standard. It mentions deforestation, of
10 course but not -- it doesn't -- it doesn't go into
11 anything about a standard like this.

12 So that was, you know, just less than a year ago
13 actually that we adopted that. So I would think if we
14 were working on this, it would have had a stronger role in
15 the scoping plan. And it didn't, so I don't think we're
16 depending on this kind of a standard in order for us to
17 fulfill our scoping plan and our targets.

18 I think the broader thing is is that we don't
19 have the authority with communities around the world to be
20 the, what I would consider, a patriarchal mediator here.
21 I mean, it's clear that there are issues in every country
22 in the world, and every country that's represented here,
23 and that things are not going well, as it relates to
24 deforestation and protection of our forests, but that
25 doesn't make California's role the one to step in.

1 We should do what we can to support international
2 entities and international coalitions, like we did in
3 this -- in the recent global forest task force when the
4 principles for collaboration and partnership were adopted.
5 But one of these principles is we advocate for subnational
6 bottom-up leadership in national policies for reducing
7 emissions from deforestation and degradation and low
8 emissions rural development that affects indigenous
9 peoples in local communities and environmental governments
10 in GCF members states and provinces.

11 So how do indigenous communities fit into those
12 member states and provinces? How do their voices get
13 heard? That's my concern. And I don't think that we have
14 a methodology for making sure that that happens.

15 And I'm pretty sure that's not CARB's role to try
16 to figure that out. How are we going to mediate between
17 folks that we've talked to -- that have talked to us today
18 from the same jurisdictions that have such stark
19 differences about how their communities should be --
20 should be protected or, in some cases, should be
21 exploited?

22 That's -- these are serious issues that are --
23 that touch on hundreds and thousands of years of
24 indigenous culture.

25 (Applause.)

1 BOARD MEMBER TAKVORIAN: And I just don't see how
2 it's CARB's role to try to mediate that.

3 I want to just remind us that I think it was last
4 month that we adopted our first Tribal Policy --
5 Consultation Policy with CARB.

6 (It's about time.)

7 (Applause.)

8 BOARD MEMBER TAKVORIAN: Right.

9 So I wouldn't say that we have a ton of
10 experience with this. And I don't know that we're the
11 ones who are -- should be weighing in on how tribal
12 communities or sovereign nations should be relating to
13 first-world countries. So that's -- that's a concern.

14 And a big one for me is that alternatives have
15 really not been evaluated here. And I don't mean
16 alternatives in the narrow legalistic frame that I think
17 is in the proposal. And I'm not questioning whether or
18 not the legal standard was met.

19 But I do think that we haven't had workshops on
20 what the alternatives could be for reducing consumption,
21 for looking at both demand and supply side, and non-market
22 mechanisms that could be utilized. Why aren't we looking
23 at disincentives for California companies to not be using
24 Amazon crude, and using those lands for beef, and timber,
25 and paper.

1 So those are some things that I would suggest we
2 need to do. In addition, I would really support
3 Supervisor Gioia's thoughts about what the impacts are on
4 environmental justice communities here.

5 So I'd like to recommend that we not take action
6 today, and ask that CARB actually go back and consult with
7 the Legislature. And I would ask that our legislative
8 members provide the liaison between CARB and the
9 Legislature to provide the best route for communication,
10 collaboration, and direction, and find out what the
11 Legislature thinks about that, and to also look and
12 examine those alternatives on both the supply side and
13 demand side, and expand from beyond the market-based
14 mechanisms, and consult with the indigenous communities,
15 and -- in a big way, in order to come back perhaps, if
16 warranted, with a proposed policy that incorporates more
17 alternatives and other methods for achieving the goal of
18 fighting and preventing deforestation. That's what I
19 would recommend.

20 (Applause.)

21 CHAIR NICHOLS: So -- thank you. When we first
22 started working on this, or Jason first started working on
23 it a number of years go, I raised exactly the same
24 questions that you did in terms of other things that we
25 should be doing, not necessarily in lieu of, but at least

1 side by side with anything that related to a standard
2 having to do with our own import practices, you know, the
3 problems with certification. I even had conversations
4 with the people over at PERS, who do a lot of auditing of
5 companies, and we're looking at standards for what
6 California pension funds would be invested in, in terms of
7 corporate behavior around international forestry.

8 And I have to say that all of that kind of went
9 to the back-burner simply because we didn't have resources
10 or, you know, staff assigned to work on all of that. And
11 so it's not been an area of tremendous activity, and it
12 really should be part of something bigger.

13 I do -- I hope this doesn't sound facetious, but
14 consulting with the Legislature is not really something
15 that is easily done. I mean, we have -- I'm not -- we
16 have a legislator. I'm not saying we don't. What I'm
17 saying is the Legislature, as a body, tends to act through
18 the budget, through legislation, through oversight
19 hearings or whatever. They don't consult, in the sense
20 that you're referring to.

21 However, we do have on this Board the
22 representative of the Assembly who chairs the Joint
23 Committee on Climate Change, or co-chairs I guess. And so
24 I would be interested at this point in asking for his
25 opinion.

1 ASSEMBLY MEMBER GARCIA: Well, thank you.

2 In español?

3 (Laughter.)

4 ASSEMBLY MEMBER GARCIA: (Spoke in Spanish.)

5 That being said, I want to say that, you know, I
6 think Supervisor Gioia and Board Member Takvorian have
7 articulated a couple of things that colleagues from the
8 State Assembly that I represent here on this body have
9 raised to me to convey on this item, not with the
10 intention of tabling, killing the item before us, or just
11 completely moving in a different direction, but simply to
12 raise the concerns as it relates to legislative input.

13 And perhaps the Joint Legislative Committee on
14 Climate Change Policies could serve as a vehicle to allow
15 for both the Senate and the Assembly to weigh in on the
16 matter and give some direction, shed some perspectives
17 that could maybe lead to the continuation of this
18 conversation.

19 That being said, I -- you know, I want to tell
20 you that I think that California can play a role
21 internationally. But the concern I think also lies with
22 the work that we have before us here in California in
23 Indian country, in disadvantaged communities throughout
24 California. And the message that may be received is that
25 we may be moving in a direction without really taking care

1 of the home first. And we've heard that message time and
2 time leading up to this conversation.

3 I'm of the mindset, and truly believe, that we
4 have the organizational capacity here at CARB to, as they
5 say, walk and chew gum at the same time, but we have a
6 significantly sensitive issue before us that we heard
7 clearly today is a major concern.

8 Now, I do want to just differentiate the
9 perspectives that we heard in public comments. On one
10 hand, we heard, no, we don't want this from members of the
11 audience who took the opposing position, and very little
12 of we see that there's room for improvement for the policy
13 standards that are before you. So on one end, the
14 question is do we delay to have additional input that
15 perhaps may result in the same outcome of, no, we don't
16 want this, or does that additional input improve the
17 standard that's before us, right?

18 And I don't know that that ultimately is the
19 case. I know there are groups in the environmental
20 justice community that want to have a say and ensure that
21 we're not picking winners and losers in the work that
22 we're doing to address climate work in our communities.

23 But, you know, look, I'm here to serve on behalf
24 of my colleagues in the Assembly. And I think that the
25 comments that have been raised by two board members, I

1 think are reflective of some of the concerns that have
2 been raised. And so those are the comments that I wanted
3 to share.

4 CHAIR NICHOLS: Thank you. I -- before we sort
5 of continue on with sort of what do we do, I do want to
6 again turn to staff, because this has been a very lengthy
7 process, with a lot of workshops and a lot of opinions
8 expressed. And I, too, was struck by the fact that people
9 either said this thing is terrible or they say you should
10 adopt it.

11 I didn't hear anybody saying I'd like it if you
12 could just fix this section or change that about it. And
13 I don't know whether there's any indication that if we did
14 say, you know, here's your opportunity to strengthen the
15 standard, whether we would find people who actually wanted
16 to do that or whether they just really want to reject it.

17 Yes.

18 ASSEMBLY MEMBER GARCIA: Well, I will say that we
19 did hear about the issue of leakage, right?

20 CHAIR NICHOLS: True.

21 ASSEMBLY MEMBER GARCIA: We did hear about
22 legislative authority, if questioned.

23 CHAIR NICHOLS: Those were concerns. You're
24 right, they were raised as concerns.

25 ASSEMBLY MEMBER GARCIA: And I don't know if

1 those are -- or can make up part of the improving of the
2 potential standard, but certainly those are some things
3 that I wrote down.

4 CHAIR NICHOLS: Yeah. I'm -- I understand.
5 Jason, do you want to comment further?

6 ISD CLIMATE CHANGE PROGRAM EVALUATION BRANCH
7 CHIEF GRAY: Sure. No, really good discussion.

8 I think a lot of the comments that came in in the
9 public docket before -- during the written testimony
10 portion, before today -- woops. Sorry. I'll not talk
11 with my hands -- focused on improvements that folks, both
12 on the supporting side, and the opposing side, and the
13 neutral side, thought that could be made moving forward
14 with the standard.

15 So even a lot of the folks that came today to
16 support endorsement, in their written testimony had ideas
17 of how to strengthen different elements of it. We did
18 strengthen some of those elements in -- after the written
19 comment portion, including requiring adherence to the GCF
20 principles of engagement with indigenous communities.

21 But I think many of the supporters also had areas
22 where they would like to see improvements. And I think we
23 heard a potential forum for that through the indigenous
24 working group of the GCF to test it out, to work directly
25 for that forum to work with indigenous communities and

1 those jurisdictions in which they live, and others who
2 were interested in helping improve that process.

3 So even those today I think that said just go
4 forward and endorse it in their written testimony also
5 said we think there's room for improvement. And I don't
6 think staff would ever say we do a document that doesn't
7 have room for improvement. I think there's space for
8 that.

9 CHAIR NICHOLS: Well, I know it was, to some
10 extent, an accident of timing. But the fact that we had
11 the report earlier today on what's going on with the
12 Natural and Working Lands Policy for the State of
13 California is somewhat fortuitous, because the two of them
14 logically could be linked together.

15 And so in thinking about how to move this
16 forward, because I'm -- I'm not in favor of tabling it,
17 because tabling things just leaves them hanging in space.
18 I want to have a specific set of directions and a way to
19 work -- to keep working on this that would be more likely
20 to get to success.

21 So it seems to me that -- although, I know it's
22 possible on an emergency basis to meet earlier. It's not
23 likely that the Legislature is going to reconvene before
24 January to take up this item. And I also think that we've
25 been indicating a strong desire to get an earlier action

1 than the one-year report back that was being proposed for
2 the natural and working lands strategy, and had said, you
3 know, six months, maybe less than six months, could they
4 get to us, you know, with something that looks more like a
5 real action document.

6 Maybe we could link these things together and
7 bring them both back in front of the Board within, you
8 know, something like a 90-day period. Maybe that's too
9 ambitious, 120 days okay. But ask the Legislature then
10 through our -- through the good offices of our Assembly
11 Member to convene the joint committee and have us at -- at
12 least a discussion session before that.

13 I see Senator Florez had a idea.

14 BOARD MEMBER FLOREZ: Yeah, just to add to
15 Diane's comment about the -- and our Assembly Member's, I
16 think just hearing in the length of the hearing today, I
17 think a pause, or 120 days, would be a good thing. And
18 linking it to what our policies were earlier on the lands
19 conversation I think would be something we should think
20 about.

21 Because I think at the end of the day, Hector and
22 I were just talking about resolutions that came to the
23 Senate or the Assembly versus bills. And it seemed as
24 though the resolutions had a much lengthier conversation
25 in many cases than bills. And the reason for that it's

1 philosophical. And I think what we're having here is a
2 very deep conversation, and yet a real impact to the
3 communities who are here.

4 And I think the frustration is kind of where you
5 start. You know, I think I joined this Board saying, you
6 know, let's focus on California first and the world
7 second. So it's not going to be a surprise where I'd be
8 on this particular issue to a lot of folks.

9 But even before that, even before the Air Board
10 moved into this issue of AB 32, as a Senate member looking
11 at whether to vote on AB 32 at the very beginning of this
12 as it moved through the Senate, I think the issue is and
13 always was for me whether or not we should look at carbon
14 emissions to be reduced at the source.

15 So in other words, in the old days, it was the
16 source, there was a penalty, and we moved forward. And
17 this was the Air Board prior to the stacking of carbon, if
18 you will. And then we moved to carbon, and it seemed
19 that -- and my worry even then was that the Board was
20 going to be less focused on pollution, more focused on
21 carbon emission. And when you focus on carbon emission,
22 then we begin to talk about offsets and trading of carbon
23 and markets.

24 At the end of the day, they're both linked in
25 some way, carbon and pollution are. You know, what is a

1 subset of each other? Who knows. But in some sense, it
2 is very much linked. And I think the philosophical
3 conversation to be linked with what you said, Mary, at the
4 very beginning of what we're doing here with lands is a
5 very positive conversation to have.

6 I think what we do here and with carbon affects
7 pollution, pollution affects carbon, whether it's at the
8 source, I would probably say I would prefer it to be
9 there; whether it should be put in a offset, not much in
10 favor of that; and I'm not much in favor of trading. But
11 we are in the system that we are. But I think until we
12 get our system right here in California, maybe we ought to
13 pause and think about what happens in other places.

14 And it just seems like that's one of the nice
15 things I think you mentioned, Mary, is that giving it that
16 opportunity I think if there is that linkage, it would be
17 a positive step for the Board, and trying to figure out
18 how we kind of move forward, so that would be kind of
19 where I'm at. And I really appreciate the comments of
20 both John Gioia, and I'll associate myself with Diane's
21 comments as well. I thought they were very well put.

22 CHAIR NICHOLS: Um-hmm. Thank you.

23 (Applause.)

24 CHAIR NICHOLS: Okay. I think we're kind of
25 moving in the direction of a resolution here, but I'd like

1 to hear from others, if there are any other comments from
2 other Board members at this point.

3 Oh, I could do that. I don't usually make
4 motions, but I could.

5 All right. I would suggest a motion to move this
6 resolution to our March Board meeting. Too soon? April.
7 All right. April. I stand corrected by my Vice Chair.
8 That we move this item to the April Board meeting, and
9 that we take it up along with a report at least on where
10 we are on our Natural and Working Lands Policy for the
11 State of California. And then in the interim, we seek to
12 have a meeting of the Joint Committee on Climate Change,
13 and an open discussion about those two items, and where
14 we're headed. And that we make sure that we also have an
15 opportunity to consult around the time of that hearing, if
16 not before, with groups that may have suggestions of how
17 to strengthen and improve the standard themselves.

18 I, too, want to express my appreciation for the
19 staff for the work that they've done on this and their
20 amazing persistence and diligence in wanting to keep alive
21 the role of California as an international player on these
22 issues, because I would be extremely disappointed if I
23 thought that we were turning so far inward that our only
24 interest was in ourselves and, you know, what we could do
25 for ourselves on a problem that has the kind of global

1 impact that this one does. So I think that's a
2 resolution.

3 BOARD MEMBER DE LA TORRE: Second.

4 CHAIR NICHOLS: Thank you. And a third.

5 No, a comment. Sorry.

6 BOARD MEMBER TAKVORIAN: Sorry. I was just going
7 to ask, I wasn't sure what you meant by your comment
8 about -- I like your motion, but I was not sure what you
9 meant about the comment about, that you had made the
10 comment that alternatives should be reviewed, and how were
11 we disincentivizing the use of the rain forests?

12 CHAIR NICHOLS: I guess I view the -- thank you.

13 BOARD MEMBER TAKVORIAN: And could that be in --
14 so my question is could that be incorporated at least as
15 a --

16 CHAIR NICHOLS: Yes.

17 BOARD MEMBER TAKVORIAN: -- initial review in
18 this --

19 CHAIR NICHOLS: I would include them, not only as
20 alternatives, but as - what should I say - companions,
21 that even if we did it -- even if we did adopt the
22 standard as is with no changes, they still ought to have
23 these other items along with it, because they're equally,
24 if not, more valuable in terms of how California could
25 have an impact on the practices that are going on in other

1 parts of the world. So we could still continue
2 potentially to disagree or agree about whether the
3 standard should be adopted, but we'd have these other
4 pieces as well.

5 BOARD MEMBER TAKVORIAN: So can we add that?

6 CHAIR NICHOLS: We can add that to the
7 resolution. They should be a part of it. Yes. Thank
8 you.

9 All right. Does everybody understand what the
10 motion is?

11 All right. Then I'll call for a vote, please.

12 All in favor, please say aye?

13 (Unanimous aye vote.)

14 CHAIR NICHOLS: Opposed?

15 None.

16 Abstentions?

17 Great. Thank you all very much.

18 (Applause.)

19 (Cheering.)

20 (Thank yous.)

21 CHAIR NICHOLS: And our meeting is not over. We
22 have two more items on our agenda today before the Board
23 breaks. So we'll ask you all to celebrate and we'll move
24 on.

25 VICE CHAIR BERG: All right. So as the room

1 starts to clear out, we're going to go ahead and move on
2 our next agenda item 18-9-7.

3 The next item is the cap-and-trade auction
4 proceeds Third Investment Plan, which provides guidance to
5 the Legislature when appropriating money from the
6 Greenhouse Gas Reduction Fund and for the California
7 Climate Investments. This is an information item, and the
8 Board will not be taking action.

9 California continues to be a leader in climate
10 policy and air quality. The Legislature re-commitment
11 last year to continue Cap-and-Trade Program signals to the
12 rest of the nation and the world that California is
13 serious about taking action to address and invest in
14 climate change. As the federal administration has
15 weakened our nation's stance on climate change, California
16 is committed to even stronger goals making these
17 investments more important than ever.

18 We all know or we all should know by now that
19 most of our vulnerable population suffers
20 disproportionately from air pollution burdens and
21 increasingly the effects of climate change. The
22 Legislature and this Board have responded by focusing on
23 these communities through many California climate
24 investment programs, including AB 617, Community Air
25 Protection Program, and low carbon transportation

1 programs.

2 Climate investment funding continues to represent
3 a critical opportunity aligning our climate and air
4 quality goals, while providing greater assistance to those
5 who need it most.

6 Mr. Corey, would you please introduce this item?

7 EXECUTIVE OFFICER COREY: Yes. Thanks, Vice
8 Chair Berg. So as you know, the triennial investment plan
9 is called for under Assembly Bill 1532 and is designed to
10 lay out the investment priorities for the annual
11 expenditure plan. The statute requires CARB to hold two
12 workshops and also to hold a Board hearing to discuss the
13 plan.

14 The statute calls for the Climate Action Team to
15 provide input on the plan and to participate in the
16 workshops and this hearing. And as you noted, Vice Chair
17 Berg, the Board is not being asked to take any action on
18 the item, as it's an informational item.

19 So for this draft investment plan, the
20 recommendations reflect input from our State agency
21 partners, the Climate Action Team, and the public. After
22 this Board meeting, we'll transmit the plan to the
23 Department of Finance to submit to the Legislature.

24 I'll now ask Natalya Eagan from the
25 Transportation and Toxics Division to begin the staff

1 presentation.

2 Natalya.

3 (Thereupon an overhead presentation was
4 presented as follows.)

5 AIR POLLUTION SPECIALIST EAGAN: Thank you, Mr.
6 Corey.

7 Today, I will be presenting the draft third
8 investment for California Climate Investments. This
9 investment plan will cover the next three years starting
10 in 2019. First, I'll give you some background on
11 California Climate Investments. Next, I'll present a
12 summary of the comments we received and outline the main
13 recommendations in the plan.

14 --o0o--

15 AIR POLLUTION SPECIALIST EAGAN: Funding for
16 California Climate Investments comes from the Greenhouse
17 Gas Reduction Fund, which holds monies generated by
18 cap-and-trade auctions. The Legislature appropriates the
19 funds to State agencies. These agencies then develop
20 programs and select projects.

21 The programs are required to facilitate
22 greenhouse gas emission reductions. They must also invest
23 in priority populations and provide other benefits, such
24 as improved air quality and job opportunities.

25 The investment plan was developed for the

1 Department of Finance through a broad public process in
2 coordination with other agencies. The plan will provide
3 the Legislature with recommendations on funding priorities
4 as they make their annual funding decisions.

5 --o0o--

6 AIR POLLUTION SPECIALIST EAGAN: California
7 Climate Investments fund a diverse array of projects and
8 provide many benefits across transportation, energy,
9 natural resources, and waste sectors, with just a few of
10 the benefits listed on this slide.

11 To date, over \$8 billion have been appropriated
12 to implement Climate Investments programs. There are now
13 19 State agencies implementing 40 programs that are
14 providing greenhouse gas reductions. These programs are
15 also investing in communities most vulnerable to the
16 impacts of climate change.

17 --o0o--

18 AIR POLLUTION SPECIALIST EAGAN: This investment
19 plan recognizes the Legislature has already committed most
20 of the funds to specific programs to provide long-term
21 stability for major projects. Less than 25 percent of
22 funds may be available for appropriation in the coming
23 fiscal year for a variety of reasons.

24 First, in 2014, the Legislature committed 60
25 percent of ongoing funding to transportation and

1 affordable housing programs. In 2017, the Legislature
2 committed additional funds to fire prevention and other
3 activities that may account for 15 to 30 percent of funds.

4 We also don't know what amount of money future
5 auctions will bring in, and the number of allowances that
6 will be available in future auctions will decline over
7 time. These obligations and uncertainties are important
8 to keep in mind as we discuss the plans's recommendations.

9 --o0o--

10 AIR POLLUTION SPECIALIST EAGAN: Now, I'd like to
11 discuss this investment plan, which builds on the success
12 of the existing Climate Investments programs. This plan
13 focuses on how to make the existing suite of programs even
14 more effective at reducing greenhouse gases and providing
15 many other important benefits.

16 --o0o--

17 AIR POLLUTION SPECIALIST EAGAN: The public
18 process for the investment plan, included two workshops,
19 one in Fresno and one in Los Angeles. Eleven panelists
20 representing -- excuse me -- Climate Investments programs
21 heard directly from community members, and this slide
22 summarizes their comments.

23 Most comments were supportive of both the
24 investment plan and California Climate Investments
25 programs. People did identify areas for improvement and

1 these are reflected in the plan's recommendations.

2 --o0o--

3 AIR POLLUTION SPECIALIST EAGAN: The feedback we
4 received resulted in two key recommendations. First,
5 people wanted investments to focus more on communities.
6 There was a lot of support for programs like
7 Transformative Climate Communities, and Community Air
8 Protection. These programs fund coordinated projects.
9 And project leaders go into communities, solicit input,
10 and design projects that are shaped by the needs of the
11 community.

12 The plan also is recommending the Legislature
13 focus investments on programs that continue to reduce
14 greenhouse gases and incorporate other legislative
15 priorities like low carbon transportation and resiliency.
16 We also heard that programs with predictable funding from
17 year to year have significant advantages. These programs
18 can establish long-term relationships with communities and
19 each other to enhance outreach, technical assistance, and
20 long-term planning.

21 Funding stability also helps agencies be more
22 creative, and aim high to implement projects that will
23 support California's low carbon future for decades to
24 come.

25 --o0o--

1 AIR POLLUTION SPECIALIST EAGAN: After today's
2 public hearing, the Department of Finance will finalize
3 the Third Investment Plan and transmit it to the
4 Legislature for their use during the 2019 budget process.

5 Thank you for your time today.

6 VICE CHAIR BERG: Thank you very much.

7 Board members, do you have any questions of
8 staff?

9 I'm sorry?

10 Oh. Secretary Rodriguez, are you joining us
11 to -- with some input?

12 CALEPA SECRETARY RODRIGUEZ: There we go.

13 (Laughter.)

14 VICE CHAIR BERG: Welcome, sir.

15 CALEPA SECRETARY RODRIGUEZ: It's easy up there
16 rather than down here.

17 So I will be very, very brief. I know that
18 you've had a very, very long day. And I'm here because we
19 take the instruction from the Legislature very seriously.
20 And the Legislature has directed the Climate Action Team
21 to provide testimony to the Board when it's looking at the
22 Investment Plan.

23 Why do they do that? Well, you know, it's the --
24 Climate Action Team, as you all know, consists of
25 representatives from all the boards, departments, and

1 agencies within California that have some piece of this
2 very, very complicated climate puzzle that we're dealing
3 with on a daily basis.

4 An it really is the Legislature's effort to bring
5 us out of our silos. I really hate that term, because
6 over the last seven years we've really tried to work very
7 hard not to be siloed. But it really is designed to bring
8 us out of our silos to make sure that all the boards and
9 agencies are working together, and discussing our various
10 programs. Because as you look at the climate issue, it
11 involves all the programs within the State of California.
12 It involves transportation and vehicle miles traveled. It
13 involves sustainable communities planning. We have to
14 change our energy sources. We have to use our energy more
15 efficiently, and we need to make sure that all our
16 programs are working together to ensure that we do that.

17 So I'm very proud to say that we've been working
18 with the staff on the development of the investment plan.
19 We have had representatives from the Climate Action Team
20 at the workshops. And we think that you've got before you
21 an investment plan that has benefited from this
22 collaborative effort. It does build on the experience
23 that we've developed over the previous investment plans.
24 And it provides you with a suite of programs that will
25 reduce greenhouse gas emissions, help us to sequester CO2,

1 help us to respond to the changing world that is around
2 us.

3 So we would endorse the plan. And I also want to
4 add that we are proud of the fact that it really is a plan
5 that really provides programs that will benefit all
6 Californians, including those who are already overburdened
7 by pollution, and -- or those communities that are
8 low-income communities or don't have resources to deal
9 with some of these issues on their own.

10 That's not just a statutory requirement that we
11 provide investments in those communities, but it's a moral
12 requirement as well. So we think it's a very, very good
13 investment plan. And I would encourage you to submit it
14 to the Department of Finance and get it to the Governor,
15 the Govern-elect and the Legislature as well.

16 So that's my testimony, and unless you've got
17 questions, I'm ready to let you move on.

18 VICE CHAIR BERG: Well, we want to thank you for
19 taking the time to come down and address us and to give
20 that words of wisdom, and also to encourage us, because
21 this is a critical part of what is going to help us make
22 that transition. And so thank you, sir.

23 CALEPA SECRETARY RODRIGUEZ: Okay. Thank you.

24 VICE CHAIR BERG: We also have Ashley
25 Conrad-Saydah. Would you just like to make a quick

1 comment?

2 MS. CONRAD-SAYDAH: Sure.

3 VICE CHAIR BERG: Please.

4 She is of course we know because she was with us
5 earlier on national lands.

6 MS. CONRAD-SAYDAH: Yes.

7 VICE CHAIR BERG: Deputy Secretary for the
8 Climate Policy at CalEPA. We'd love to hear from you.

9 MS. CONRAD-SAYDAH: Yes. Of course, Matt is my
10 boss, so he captured everything perfectly.

11 (Laughter.)

12 VICE CHAIR BERG: Well, I understand. You can --

13 MS. CONRAD-SAYDAH: But I will -- I will add
14 that, you know, Matt echoed thanks for the staff. And I
15 think it's also important just to recognize that this plan
16 and all of the work over the last many years of
17 implementing the Greenhouse Gas Reduction Fund benefits
18 from 20 to 25 agencies at any given time working together.

19 And it's herculean effort to work together and
20 get all of this money out the door. And I think we're
21 seeing Californians benefiting from it across the state.
22 So we really appreciate the staff, all of you, and the
23 work being done on the ground to make sure that these
24 investments are reaching Californians and reducing
25 emissions. And we look forward to seeing what the next

1 Governor does to take this investment plan and move it
2 again to more Californians.

3 So thank you so much for having us today. And,
4 of course, I just echo everything Matt said.

5 VICE CHAIR BERG: Thank you very much, Ashley.

6 And then do we have a representative from the
7 Department of Finance?

8 Welcome. Thank you for being with us on a Friday
9 almost evening. Appreciate that.

10 MR. ALMY: Yes. My pleasure. Thank you for
11 having me. My name is Matt Almy from the Department of
12 Finance, otherwise known as the other Matt.

13 (Laughter.)

14 MR. ALMY: First and foremost, I would like to
15 express my sincere appreciation to the Air Resources Board
16 staff for their efforts in coordinating the public
17 workshop earlier this year, as well as drafting the Third
18 Investment Plan. I am looking forward to our continued
19 collaboration in the coming year.

20 The development of the cap-and-trade investment
21 plan through public workshops provides an opportunity for
22 extensive public input in the identification and -- of
23 priority programmatic expenditures which ultimately
24 informs the decision-making process on cap-and-trade
25 expenditures.

1 Today's hearing is a necessary next step before
2 we finalize the three-year investment plan and submit it
3 in conjunction with the Governor's budget.

4 Thank you.

5 VICE CHAIR BERG: Thank you very much Matt. And
6 thank you for the partnership. We really do appreciate
7 it. And we'll get that right over to you after we hear
8 what other improvements we could make.

9 Well we do have nine people set up to testify.
10 If you wouldn't mind, keeping track of your name and come
11 down if you're the next speaker. That will help us all
12 get out to Friday dinner.

13 And so, Thomas, we'll start with you.

14 MR. SHEEHY: Great. I'm delighted. Thank you so
15 much. I know it's been a long day. And I admire
16 everyone's stamina up on the dais. I know it's not easy.
17 I'm Tom Sheehy. I'm here today on behalf of the Air
18 Conditioning, Heating, and Refrigeration Institute. AHRI
19 is a national trade association made up of about 300
20 manufacturers of HVACR equipment, both commercial
21 equipment, as well as for homeowners.

22 AHRI has been engaged with the California Air
23 Resources Board rulemaking process to reduce HFC emissions
24 from stationary air conditioning and refrigeration
25 systems. We very much appreciate working with your

1 technical staff here. AHRI has provided your staff with a
2 number of different suggestions on how to make these
3 regulations workable to achieve the HFC reduction targets
4 defined in SB 1383, which AHRI supported and continues to
5 support.

6 To accomplish the incentive program established
7 in SB 1383, AHRI believes that California needs a defined
8 program and a dedicated funding source to promote the
9 adoption of these different refrigerant technologies, so
10 that we can achieve the short- and long-term climate
11 benefits that we're all working for, also the energy
12 efficiency and the other benefits that come along with
13 this.

14 We believe that the incentive funding allocation
15 should depend on -- should depend on many considerations,
16 including conversion to maximize reduction of greenhouse
17 gases both from direct and indirect emissions, and from
18 refrigeration and air conditioning equipment. The
19 incentives should ensure that there's room for innovation
20 by including options for multiple refrigerants. With
21 these goals in mind and to maximize GHG reduction and
22 accelerating conversion to higher efficiency products, we
23 would like to make the following suggestions on the
24 program.

25 We would recommend that the incentive program be

1 funded. Funded projects should be demonstrated best in
2 class greenhouse gas emission reduction, including the
3 impact on refrigerant emissions and emissions related to
4 energy consumption and climate zone. We believe that CARB
5 should fund incentives for conversion of existing
6 commercial refrigeration and AC systems that can
7 achieve -- we believe can achieve as much as 60 percent or
8 greater reduction in GWP. This type of incentive will
9 also be especially important for low-income and
10 environmental justice areas of the state.

11 We also believe that funding should be made
12 available for a range of replacement refrigerants so that
13 we don't inhibit innovation and we don't pick winners in
14 the marketplace. And ultimately, we think that this will
15 lead to lower emissions in all applications by setting
16 funding requirements in 750 GWP for AC systems and 1,500
17 GWP for commercial refrigeration, existing bases will be
18 able to be addressed more quickly in our belief.

19 We also support the requirement that funded
20 projects ensure proper installation and maintenance of
21 alternative refrigerants and air conditioning equipment in
22 order to maximize energy efficiency and minimize
23 emissions.

24 I'm almost done, Madam Chair.

25 AHRI also supports regulations that encourage

1 recovery, reclamation, and destruction of existing
2 higher -- high GWP refrigerants and funding to enable an
3 enforcement structure that ensures that counterfeit
4 reclaim refrigerants are not being sold on the market in
5 California.

6 Given the importance of reducing HFC emissions, I
7 will just close by saying thank you very much for the
8 opportunity to provide our recommendations for you today.
9 I know it's been a long day. Appreciate your patience and
10 the ability to testify today.

11 Thank you very much.

12 VICE CHAIR BERG: Thank you very much for staying
13 with us and for testifying. I am going to go ahead and
14 reduce the time to two minutes, given the lateness of the
15 hour, as well as we do have another item to hear after
16 this. And so, if you wouldn't mind, when you start, start
17 exactly with what you want to recommend, and that would be
18 really helpful for all of us.

19 So our next --

20 BOARD MEMBER GIOIA: And thank you, Madam Chair,
21 because some of us have to leave to catch a train, or a
22 plane, or something, and I know you want to keep a quorum
23 for the next item, because it's an action item.

24 VICE CHAIR BERG: Yes, that is correct.

25 Yes, sir.

1 BOARD MEMBER FLOREZ: Madam Chair, just -- I know
2 it's a long hearing, but I -- I'm just wondering. I don't
3 meant to interrupt this, but the next item is an action
4 item. Why?

5 Maybe staff can -- maybe staff can --

6 VICE CHAIR BERG: Well, maybe they could come up
7 with that, so we could get through this one.

8 BOARD MEMBER FLOREZ: Yeah, I'm just wondering if
9 we could get through this and carry over the next item to
10 the next meeting.

11 VICE CHAIR BERG: Why don't they think about that
12 while we finish up --

13 BOARD MEMBER FLOREZ: Okay. Maybe staff can
14 think about that while we're doing that.

15 Thanks.

16 VICE CHAIR BERG: -- so we can -- so we don't
17 have a break, okay?

18 BOARD MEMBER FLOREZ: Yes.

19 VICE CHAIR BERG: Okay. Mr. Gonzalez.

20 Thank you, sir.

21 MR. GONZALEZ: There we go. I'll make this
22 quick.

23 My name is Eduardo Gonzalez. I'm the director of
24 San Joaquin Valley Rural Development Center, and the
25 director of the San Joaquin Valley Regional Broadband

1 Consortium at California State University Fresno.

2 Today, I'm here representing the Regional
3 Broadband consortiums from throughout the state to bring
4 awareness of the advantages of broadband in helping reduce
5 greenhouse gas.

6 First of all, I would like to thank you the Board
7 and staff for meeting with us and considering the comments
8 that you have in front of you we submitted, by consortiums
9 and CBOs from throughout the state encouraging staff and
10 the Board to consider broadband as a greenhouse gas
11 reduction strategy.

12 In show of hands, how many of you have broadband
13 at home?

14 (Hands raised.)

15 MR. GONZALEZ: Everybody. Well, thank you.
16 You're already doing your part in reducing greenhouse gas.

17 Broadband is obviously a strategy. And that
18 being said, the communities of the San Joaquin Valley,
19 unfortunately we don't have that opportunity. As you
20 know, the San Joaquin Valley has the worst air quality in
21 the state among worst and highest, and other topics;
22 including highest disadvantaged communities in the state,
23 highest water shortage, largest digital divide, and
24 highest poverty and unemployment rates in the state.

25 Yet, the billion dollar ag industry is -- in the

1 San Joaquin Valley is vital to the economy in California
2 and key to reducing the greenhouse gas. Obviously, on
3 your map, starting your meeting you show that private land
4 was almost owned by 39 percent, most of which is in the
5 Central Valley, right?

6 And efforts to demonstrate the value of broadband
7 the California Emerging Technology Fund provided funding
8 to Fresno State to develop and implement an ag tech pilot
9 project in Fresno County. The results demonstrated that
10 ag tech combined with broadband infrastructure in the farm
11 and the right broadband speeds helped to reduce water
12 usage by 16 to 20 percent utilization of precision
13 irrigation and wireless water sensors.

14 The project also showed reduction in greenhouse
15 gas emissions by 10 to 12 percent, and increased crop
16 yield between 10 and 20 percent, depending on the type of
17 crop. Overall, the broadband was key to the success of
18 the project.

19 We urge the broad -- the Board and the staff to
20 embed broadband in all funded activities moving forward.

21 Thank you.

22 VICE CHAIR BERG: Thank you very much.

23 Ah, Mr. Hernandez. Thanks for staying with us
24 all day.

25 MR. HERNANDEZ: No problem. If this moves fast

1 enough, I'm here for Electrify America too.

2 VICE CHAIR BERG: Okay.

3 MR. HERNANDEZ: Yeah, so just starting -- I'll
4 try to get this done in two minutes. One of the biggest
5 Issues that our organization has with this current
6 investment program is the structural barriers for allowing
7 greenhouse -- the Greenhouse Gas Reduction Fund to reach
8 rural communities.

9 For example, the TCC program allows
10 unincorporated communities to benefit from planning, but
11 not -- but does not allow unincorporated communities to
12 benefit from implementation funds. Also, programs like
13 the Low Income Weatherization Program do not adequately
14 address poor housing stock in the San Joaquin Valley that
15 would necessarily prevent -- or that would be a barrier
16 for, you know, incorporation of rooftop solar.

17 Another concern that we had with -- with this
18 most recent revision was the language in regards to our
19 request to address negative local impacts. In our letter
20 dated -- our last letter dated September 14th, we posted
21 the request that CARB further develop policies to prohibit
22 negative local impacts from GGRF investments.

23 And the response that we received was that adding
24 specific requirements for the established GCI programs is
25 not within the scope of the investment plan. However, we

1 feel that an effective GGRF expenditure plan requires
2 conformity with various pieces of legislation, such as AB
3 398, which quote as language to ensure -- the quote
4 begins, "Ensure that activities undertaken to comply with
5 the regulations do not disproportionately impact
6 low-income communities, and also ensure that activities
7 undertaken pursuant to regulations complement and do not
8 interfere with efforts to achieve and maintain federal and
9 State ambient air quality standards, and to reduce toxic
10 air contaminant emissions".

11 Furthermore, we do appreciate the prioritization
12 of community engagement and we request that you reward
13 projects that exclusively incorporate meaningful community
14 engagement throughout the planning process from
15 development to implementation, because we found that's the
16 best model for these type of projects.

17 Almost done.

18 VICE CHAIR BERG: I think our time is up.

19 MR. HERNANDEZ: Okay. Please do the rural
20 set-aside. We've been asking for years. That's a really
21 good idea to ensure that low -- small communities actually
22 can benefit.

23 Thank you.

24 VICE CHAIR BERG: Thank you.

25 Chelsea?

1 MS. WALTERSCHEID: Here.

2 VICE CHAIR BERG: Oh, I'm sorry. Thank you.

3 Good evening.

4 MS. WALTERSCHEID: Good evening, Vice Chair,
5 members of the Board, and staff. Thank you for the
6 opportunity to speak in front of you. My name is Chelsea
7 Walterscheid. I drove down today from Truckee, where our
8 snowpack originates.

9 I work for the Sierra Business Council, a
10 non-profit network of more than 4,000 businesses, local
11 government, and community partners working to foster
12 vibrant, livable communities in Sierra Nevada.

13 Sierra Business Council manages the Gold Country
14 Broadband Consortium. Our territory is a five county area
15 that includes some of the worst connectivity in the state.
16 We are extremely rural and are some of the last to acc --
17 last areas to have ubiquitous internet.

18 California, as a leader in air quality, should
19 understand that broadband is absolutely a green strategy
20 that will reduce greenhouse gas emissions. As a rural
21 territory, including many disadvantaged communities, our
22 citizens have to travel long distances to conduct daily
23 businesses.

24 Our vehicular trips are frequent and lengthy.
25 Without broadband, people cannot work from home, hospitals

1 and clinics are often many towns away, and colleges are
2 not in walking distance.

3 Business, health, and education in rural areas
4 are massive consumers of vehicular hours. Digital
5 inclusion is vital for offsetting these trips, and is
6 essential as green strategy to help the State achieve its
7 goals for reducing greenhouse gas emissions.

8 We ask you to embrace strategies for digital
9 inclusion in every investment from the Greenhouse Gas
10 Reduction Fund.

11 Thank you.

12 VICE CHAIR BERG: Thank you.

13 MR. HUBBERT: Good afternoon, Madam Vice Chair.

14 VICE CHAIR BERG: Good evening.

15 MR. HUBBERT: Thank you, Board members.

16 I'm Seth Hubbert. I'm the executive director of
17 Tech Exchange. We're a social impact organization serving
18 the Bay Area. We are dedicated to digital inclusion. So
19 we help disadvantaged community members sign up for
20 affordable home internet. We provide them digital
21 literacy trainings, and we refurbish donated computers to
22 provide them to the community.

23 We support community members in communicating
24 with their doctor through health care portals, performing
25 online banking, accessing online educational opportunities

1 and public services, and even setting up home businesses.
2 And all of these activities reduce trips, reduce miles
3 traveled, and are a direct strategy to reduce greenhouse
4 gas emissions.

5 Innovation and technology have a huge potential
6 in reducing greenhouse gas emissions. However, this will
7 go unrealized if bold action isn't taken to support the 31
8 percent of California residents that are unconnected and
9 underconnected.

10 There's another area of our work that directly
11 supports GHG goals, and that's computer refurbishment.
12 Because of cost, many underserved residents and supporting
13 agencies such as ours utilized refurbished hardware as a
14 portal of getting households online.

15 We're still a growing operation. Last year, we
16 refurbished 4,000 computers for the community. And using
17 EPA's Environmental Benefits Calculator, these 4,000
18 computers had an air emissions savings of 11,000 metric
19 tons, which is the equivalent of removing 2,300 cars off
20 of the road.

21 The 4,000 computers also provided an energy
22 consumption savings equivalent to powering 1,300 homes for
23 a year. Overall, one dollar invested in our organization
24 yields \$1.32 in environmental benefit in addition to the
25 social, economic, and educational benefit that our

1 services provide. And these numbers only for our 4,000
2 computers, which is a tiny share of the 150,000 computers
3 that Americans discard daily.

4 We appreciate staff's time in meeting with us.
5 And as written in the draft plan, it's recommended to seek
6 alignment with agencies and existing programs. Because
7 internet access paints such a wide brush, we're following
8 this recommendation because of the multiple touchpoints
9 digital inclusion has. And we encourage this to be
10 incorporated in all strategies going forward.

11 Thank you.

12 VICE CHAIR BERG: Thank you very much.

13 MS. WRIGHT McPEAK: Madam Chair, members of the
14 Board. I'm Sunne Wright McPeak. Apparently, Alfredo and
15 I both have poor handwriting.

16 (Laughter.)

17 MS. WRIGHT McPEAK: I'm here with the California
18 Emerging Technology Fund, and to thank you for listening,
19 and your staff for meeting with us for considering our
20 input, and to urge you not only to -- I guess, you're not
21 acting on, but to accept the investment plan, but to take
22 this opportunity to voice how important broadband
23 high-speed internet access can be as a green strategy.

24 The communities that we work with every day are
25 the most disadvantaged communities, the same priority

1 populations that you seek equity for. And we know you can
2 achieve that equity in your greenhouse gas emissions, if
3 we have ubiquitous broadband.

4 It's your leadership at this moment in time that
5 will make all the difference. Assembly Member Garcia
6 authored the Internet for All Now Act. We are encouraging
7 Caltrans and the California Transportation Commission to
8 embrace broadband as a way to have virtual trips offset
9 real trips. We're encouraging the High-Speed Rail
10 Authority to accelerate the incorporation of broadband, so
11 we can get a signal into ag fields to release greenhouse
12 gas emissions. And I think it's important to note that
13 all of the energy utilities, particularly the IOUs, have
14 addresses for 30 -- only 35 percent of the their low
15 income customers. So by definition, they cannot provide
16 the same equity in energy efficiency.

17 So we come to you today to ask for your speaking
18 out on this investment plan to incorporate broadband as a
19 green strategy.

20 Thank you.

21 VICE CHAIR BERG: Thank you very much.

22 BOARD MEMBER SPERLING: Could I ask one question
23 on that?

24 VICE CHAIR BERG: Yes. Could we ask a question,
25 please?

1 MS. WRIGHT McPEAK: Yes.

2 BOARD MEMBER SPERLING: You've made great
3 contributions to the state. Are there any quantitative
4 analyses that have ever been done that we could ever use
5 to support what you said?

6 And I guess I would say, you know, if you do, can
7 you pass them along?

8 MR. WRIGHT McPEAK: We have some data, Dr.
9 Sperling. An example is there's been lots of
10 quantification of the benefits of telemedicine,
11 telehealth. You heard Chelsea talk about long trips to
12 doctors in rural areas. The data that is the most
13 compelling is 40 percent of all follow-up trips to
14 hospitalization can be offset, if people are monitored at
15 home.

16 In working with the California Transportation
17 Commission and Caltrans in incorporating broadband into
18 their corridor planning. We're now working with SCAG to
19 actually submit a proposal to Caltrans to quantify what
20 that could mean.

21 We know by definition however that our most low
22 income customers, for example, go to DMV to pay in cash.
23 They'll go to SMUD to pay in cash. Those are trips. So
24 we do need to quantify. We do understand, as you just
25 heard on the ag side, however, 20 to 40 percent increase

1 in efficiency, if we just have signals into the fields.
2 And that we don't have today.

3 BOARD MEMBER SPERLING: Thank you.

4 VICE CHAIR BERG: Thank you. Welcome, Mr. Mills.
5 And again thank you for staying with us all day.

6 MR. MILLS: You know, thank you Madam Chair and
7 members of the Board. And I need to reciprocate that
8 thanks, because you just spent over nine hours working
9 exclusively on natural resources. It is rare that our
10 sector gets the -- a full day's attention from the Air
11 Resources Board. It was a really thoughtful and thorough
12 discussion on a lot of agenda items. So thank you to
13 staff thank you for the Board for that opportunity.

14 On the investment plan, Cal -- Chuck Mills,
15 California ReLeaf strongly support the recommendations
16 on -- and moving the investment plan forward. Certainly
17 investments in existing programs, longer term investments.
18 We saw the Legislature take direction in that with the
19 forest health toward the end of this session. Continued
20 investments in underserved areas. With relation to
21 natural resources, appreciate the discussion there. And
22 I'd be remiss in not recognizing that one of the biggest
23 champions at the State legislature that wants to see this
24 investment is Assembly Member Eduardo Garcia. We hope to
25 work with you again on that effort. Thank you so much.

1 And then I also need to give a shout-out to the
2 staff for giving a shout-out to our own California ReLeaf
3 small grants program in the community grants discussion on
4 page 17. We really are proud of that program. We like to
5 think that it does, in fact, encourage folks to be more
6 supportive of the CCIP, and also build capacity. We've
7 seen that happen, as some of our smaller grantees go on to
8 apply for larger grants. We'd love to see other sectors
9 embrace that.

10 And I also need to acknowledge that the formation
11 of that program did not happen in a vacuum. It was a lot
12 of input, including my colleagues at Greenlining Institute
13 and Coalition for Clean Air. So shout-out to them.

14 And then if this is the direction that either the
15 Board or the Legislature wants to take, we're happy to
16 share with you the modeling for our program and act as a
17 resource. So thank you again.

18 VICE CHAIR BERG: Thank you very much.

19 MR. ARREDONDO: Good evening, Madam Vice Chair
20 and members of the Board. Alfredo Arredondo again.

21 My penmanship approved a little bit, but the name
22 of the group is misspelled, so I've still got to work on
23 my writing here. On behalf of Audubon California really
24 wanted to thank the work of staff and you all as Board
25 members in developing the three-year expenditure plan as

1 currently drafted.

2 Really wanted to just emphasize the importance of
3 multiple year expenditures, which hopefully the
4 administration would carry that advice forward, and the
5 Legislature would adopt. And I know that as was mentioned
6 by my colleague from California ReLeaf we do have really
7 good champions in the Legislature that have been very
8 interested in seeing natural and working lands investments
9 increased.

10 And so for those reasons, we're really happy to
11 be very supportive of the proposed expenditure plan.

12 Thank you all.

13 VICE CHAIR BERG: Thank you very much.

14 And, Kevin, we'll have you wrap us up.

15 MR. MAGGAY: Good evening, Vice Chair, Board
16 members. My name is Kevin Maggay. I'm with SoCalGas.
17 And I understand that this is an informational item, and
18 it's going to move forward today. But I did want to make
19 comments in hopes of continuing the discussion we've been
20 having around incentives.

21 I'm going to start out with a quote from the
22 investment plan. "AB 1532 requires that funds facilitate
23 the achievement of feasible and cost effective greenhouse
24 gas emission reductions, and the Legislature and the
25 public need to know whether investments are a good value",

1 end quote.

2 So spending the money wisely and ensuring
3 benefits is obviously an important thing. However, the
4 investment plan quickly dismisses the cost effective
5 requirement. And this is explicit in the statute, and
6 shouldn't be dismissed that easily, particularly when
7 greenhouse gas emission from the transportation sector
8 have increased.

9 We recommend that consistent with AB 1532 cost
10 effectiveness be prioritized in the funding plan, and in
11 the future allocations taken by this Board.

12 Next, the investment plan does not address the
13 balance or imbalance of fund -- issue of funding for
14 transformational projects and funding projects that get
15 immediate benefited. We in the natural gas industry are
16 always told to look at funding holistically, which is
17 difficult, because programs are workshopped and approved
18 individually. And we thought that this may be a good
19 opportunity to examine funding holistically, but there
20 is -- but the issue of imbalance wasn't -- was not
21 addressed.

22 Earlier in the summer during the VW settlement
23 Board meeting, there was a robust discussion about
24 balanced funding. And we thought that the Board directed
25 staff to take a deeper look into the issue, but we haven't

1 seen anything yet.

2 We continue to recommend that ARB make the effort
3 to quantify the balance or imbalance of near-term versus
4 long-term emission reductions.

5 Lastly, we would also like to see additional
6 transparency in the annual report. The annual reports
7 focus on how much has been spent and the anticipated
8 emission reductions, which are good metrics, but we would
9 also like to see actual emission reductions to date,
10 quantified co-benefits, and lessons learned and areas of
11 improvement.

12 This is an unprecedented amount of funding, and
13 agency has -- or no state has taken this on. And we would
14 like to see the changes that are made for the programs
15 moving forward.

16 Thank you.

17 VICE CHAIR BERG: Well, thank you very much, Mr.
18 Arredondo

19 And now our final speaker, Mr. Rushing.

20 MR. RUSHING: Thank you, Madam Speaker, Board
21 members. It's not the first time I've been the caboose,
22 and I'm happy to be caboose today.

23 I am Rocky Rushing representing Coalition for
24 Clean Air. CCA has commented on the proposed Third
25 Investment Plan via a letter submitted by the California

1 Climate Equity Coalition, which we are a member. And my
2 talking points from hereon say a lot of nice things about
3 the proposed plan and about staff. And I'll just ask that
4 you consider those. And I'll get to the point.

5 The draft plan doesn't quite capture the crisis
6 California faces as a result of growing GHG and criteria
7 emissions generated by our transportation sector. We have
8 some of the worst air in the nation. When the California
9 wildfire smoke clears, if it ever does, 90 percent of
10 Californians will still be living in areas with unhealthy
11 air at some point.

12 As you know, the transportation sector is the
13 greatest emitter of GHGs in California with trucks and
14 cars as primary culprits. Emissions from this sector are
15 trending upwards as is gasoline consumption. State law
16 requires the reduction of California's overall emissions
17 by another two-fifths by 2030, a tall order without
18 significant reductions from the transportation sector.

19 We applaud the strides made toward increasing the
20 number of zero-emission vehicles on our roads and
21 highways, and incentivizing diesel conversion. However,
22 as our -- Alfredo mentioned earlier, multi-year
23 investments are needed, and multi-year investments are
24 needed now in zero emission and near zero emission means
25 to move people and goods to meet our clean air and climate

1 goals and mandates.

2 CCA believes the proposed the Third Investment
3 Plan could better reflect this critical need.

4 Thank you so much for your efforts, and thank you
5 for your time.

6 VICE CHAIR BERG: Thank you very much.

7 Staff, could you respond? I heard a couple of --
8 before we go to Board comments, so that maybe that will
9 help answer them. And I heard about three different areas
10 that they'd like you to consider. Broadband got a lot.
11 And also I was interested in the negative local impacts
12 that one of our speakers was talking about, the multi-year
13 investment, and, of course, the best-in-class on the
14 refrige and energy efficiency. Those were the items I
15 came away with.

16 TTD CLIMATE INVESTMENTS BRANCH CHIEF BOTILL:

17 Sure. Happy to. Matthew Botill, Branch Chief of
18 the Climate Investments Branch.

19 And I want to first start off by thanking the
20 commenters for their time and for their feedback on the
21 program.

22 When it comes to the broadband questions, really
23 appreciate learning more about this issue over the last
24 few months, in terms of how broadband can support the
25 deployment of technologies and strategies to reduce

1 greenhouse gas emissions, and like Professor Sperling,
2 would really appreciate learning more about it from the
3 stakeholders in terms of what kind of analysis they have
4 that helps support that.

5 We are planning on sharing these comments with
6 Finance as we transmit the plan to them to ultimately
7 transmit it to the Legislature.

8 When it comes to questions about the rural
9 funding, I think it's also important to look at where the
10 appropriations have gone in the past. So there's been a
11 pretty significant amount of funding that's been
12 appropriated by the Legislature in past budget acts to
13 areas like forest health, and wildfire fuel reduction,
14 agricultural practices, health soils, land conservation,
15 water energy efficiency.

16 And so there has been, and continues to be, a
17 commitment on behalf of the Legislature and the
18 administration for funding for projects that really get at
19 the type of unique strategies needed in the rural sector
20 for both greenhouse gas reductions, air pollution
21 benefits, and also economic benefits.

22 You know, certainly this is something that I
23 think the Legislature continues to hear in budget
24 committee hearings and through the budget process, when
25 they consider the annual budgets for GGRF each year. And

1 I would expect that to continue.

2 And then on the refrigerant program. So just
3 this last year in legislation, the Legislature passed SB
4 1013, which was a bill that established a new program for
5 low GWP gas replacement and incentive funning. It doesn't
6 have any funding. And so that was a new program that if
7 they are interested in supporting over the next year, the
8 Legislature certainly has the opportunity to fund. We did
9 mention that bill and the opportunities that reduction in
10 high GWP refrigerants propose -- or provide in the
11 investment plan. And so it is included in there.

12 Not highlighted, the focus of this investment
13 plan certainly is on what kind of improvements the
14 existing suite of programs and the already large number of
15 funding commitments can continue to improve upon.

16 VICE CHAIR BERG: Thank very much. Do we have
17 Board questions?

18 Yes, Supervisor Serna.

19 BOARD MEMBER SERNA: Thanks, Vice Chair.

20 So, Matthew, I heard you mention with respect to
21 broadband and intent to simply pass on the comments that
22 were made about it. But I think to Professor Sperling's
23 point, he's not the only one that is hungry for something
24 more than kind of anecdotal information or supposed data
25 relative to trip production, as it relates to the

1 expansion of broadband, especially in rural areas.

2 So what could we consider doing besides more than
3 just passing on comments? Because I -- I feel like I'm
4 stuck in a point where I'm fairly convinced, having worked
5 with Sunne and her group in the past here locally to
6 advance broadband in disadvantaged communities here
7 locally in Sacramento, and parts of my district, that it
8 does reduce trips.

9 Now, I can't put my thumb on it today in terms
10 of, you know, the appropriate metrics to cite, but it's
11 something I feel in my gut that I know is really helping
12 us achieve our mission. So what can we do, what can we
13 think about doing to memorialize a little more firmly than
14 just passing on comments this intent to invest in
15 broadband.

16 TTD CLIMATE INVESTMENTS BRANCH CHIEF BOTILL:

17 Sure. Appreciate that.

18 So I think that there's -- there's kind of two
19 key points here. One just to talk a little bit briefly
20 about the investment plan. It is a document that will go
21 to the Legislature in -- in January from Finance. And
22 it's a point in time for the next three years. But that
23 doesn't mean that there isn't an opportunity over the
24 upcoming years on this issue to talk to the agencies that
25 are currently implementing funding, what they're doing

1 with respect to deploying greenhouse gas reducing
2 technologies and whether or not there's an opportunity
3 there to look at broadband as a part of that process.

4 So I think there's also an opportunity to talk
5 more with other agencies, and particularly maybe Strategic
6 Growth Council, that have received funding for like
7 research and demonstration type efforts to look into this
8 a little bit more.

9 And so I think, you know, both within the
10 investment plan going to January, but also longer term, we
11 can continue to work with the broadband consortium folks
12 to understand this a little bit more, and then also
13 connect them with the existing GGRF programs.

14 BOARD MEMBER SERNA: Okay. I'd certainly like to
15 just conclude by saying that, at least speaking as one
16 Board member, I'd like to make sure we don't lose sight of
17 it. I know we have a lot of moving parts to this, but
18 perhaps, you know, a report back in the not too distant
19 future about the next steps on this particular investment
20 strategy would be something I'd be interested in and
21 perhaps others are as well.

22 Thanks.

23 VICE CHAIR BERG: Thank you. And I'll echo that.
24 Dr. Sperling.

25 BOARD MEMBER SPERLING: I'd like to make a --

1 perhaps a naive and gentle suggestion that I've made
2 before. Can we kind of edge our way towards some sort of
3 cost-effectiveness analysis, even if it's on a high level
4 programmatic area, all these pots of money, and some sense
5 of -- you know, in the old days, there was a so-called
6 McKinsey supply curve that showed, you know, for all the
7 different ways of reducing greenhouse gases, you know, you
8 could put everything on the curve.

9 And it sure would -- you know, because we hear
10 about the -- you know, the refrigerants. We hear about,
11 you know, these telemedicine and other broadband options.
12 And I know, as a researcher, it's real hard to quantify
13 some of these, but we ought to be putting some effort into
14 doing that.

15 So, you know, it's just a gentle suggestion. I
16 know there's a lot of reasons why we do it the way we do.
17 So you don't have to answer, if you didn't want.

18 VICE CHAIR BERG: It's so noted.

19 (Laughter.)

20 BOARD MEMBER SPERLING: Thank you, ma'am.

21 VICE CHAIR BERG: Any other comments?

22 Okay. Well, staff, thank you very much. This is
23 an informational item only, so there's no need to close
24 the record. But I would like to again thank Secretary
25 Rodriguez and Ashley for being here. And we have given

1 some comments, and we will usher that on the way to the
2 Department of Finance.

3 So thank you, sir.

4 Senator Florez asked a very good question about
5 the next item.

6 BOARD MEMBER FLOREZ: Yeah, I just -- just as we
7 jump into this, I know we have the CEO here and he came
8 all the way from Italy. I appreciate that. But I will
9 tell you this is the second time we have put this item at
10 the end of our hearing. And we seem to rush out. This is
11 a \$200 million investment. I do have quite a few
12 questions. I know everyone's flight time is going to
13 conflict. So I'm a little bit at a conflict. I can ask
14 question. And in some case, you might call that
15 running -- you all miss your flights, because I really
16 feel that's what I need to do. This is an important
17 investment. Or we can hopefully hear from the CEO and we
18 can simply vote on this next the period.

19 And just for the Board, I want to tell you my
20 principal concern. You can weigh it. My principal
21 concern is that when we passed a resolution on July 27th,
22 it said that we should have a consulting with
23 stakeholders. That means pulling people together. And it
24 doesn't mean we wait for people to come ask us whether we
25 pull people together. We pull people together. That did

1 not occur.

2 And so I think in that break between now and
3 December, if we could have a stakeholder meeting I think
4 it would -- everything would fit quite nicely. In other
5 words, we passed a resolution saying we should have a
6 stakeholder meeting. That didn't occur. We have a month
7 to do that. We can still hear the item then, and still
8 have that meeting.

9 And I think at least my concern that -- that a
10 principal concern would be gone. So that's kind of where
11 I was going to go anyway at the end of this. And given
12 that we didn't have a stakeholder concern, I have a ton of
13 questions.

14 So I'm just going to leave it at that, and just
15 being transparent, and people can make their mind up. It
16 seems like we have moved through a lot of items, but this
17 is kind of an important item.

18 So I actually make a motion if we could just put
19 this over, if I have a second.

20 VICE CHAIR BERG: Well, I do -- I understand, but
21 we do have some obligations, because we did post this
22 item, and we do have people that have come to testify. So
23 I'm caught between some obligatory responsibilities. So
24 maybe, Ellen, could you weigh in on this, please?

25 BOARD MEMBER GIOIA: And I wanted to be able to

1 make a comment. If I have to leave early, because I do
2 have to catch a train to be at something? It's in the Bay
3 Area. So I may not stay for the full amount. So after
4 the staff, I just want to make a comment.

5 VICE CHAIR BERG: Thank you.

6 CHIEF COUNSEL PETER: So in terms of the
7 obligations for a vote to occur, you need eight voting
8 members.

9 Assemblyman Garcia is an ex officio. So
10 currently we have a quorum, so we can proceed. I'll leave
11 it to Mr. Corey to talk about the schedules. But I do
12 think you're correct that we have people here. It's a
13 noticed item. Maybe we can short-cut the staff report and
14 hear from the members of the public, But Richard, I'll
15 defer to you on that.

16 VICE CHAIR BERG: Thank you.

17 EXECUTIVE OFFICER COREY: My suggestion would be,
18 and as Counsel Peter indicated, that the -- we've got a
19 noticed item. We have some folks, just as Senator Florez
20 indicates, I think 16 that have signed up. Some have
21 traveled.

22 My suggestion would be that we give the staff
23 presentation. We hear from the CEO. The Board may -- and
24 we entertain questions. The Board at that point may
25 determine that it puts off a vote, chooses to vote or

1 doesn't choose to vote. But my suggestion would be we
2 begin on the item and work through the presentation and
3 get the facts on the table.

4 VICE CHAIR BERG: So I think that will be the way
5 to go. And at the time we don't have a quorum or the
6 Board decides then to push it over, then we'll make that
7 decision.

8 BOARD MEMBER GIOIA: How long is the staff
9 presentation?

10 EXECUTIVE OFFICER COREY: Twenty minutes. And
11 I'm going to ask them to make -- cut five off of that, so
12 15.

13 BOARD MEMBER GIOIA: Okay. Can I just then cover
14 something that they may want to cover, because I -- at
15 least put it out there for Board discussion.

16 One of the issues, and this is relevant to
17 achieving the goals -- or achieving the act -- you know,
18 the investments that are laid out in the plan. I know
19 there's been issues raised about the permitting of the --
20 of the chargers.

21 And so while the plan identifies a good amount of
22 money to locate chargers, what I've heard from Electrify
23 America and others is -- and I've heard this in other
24 contexts is the many local governments in California don't
25 have uniform permitting standards for electric vehicle.

1 And as a former land-use lawyer, I appreciate and
2 understand that, and understand why, and that's not a good
3 thing.

4 I've had a discussion at the Bay Area Air Quality
5 Management District about how we can come up with some
6 kind of model process. So what I wanted to suggest, and
7 maybe have the staff address, is if we can -- it is
8 powerful if we can come out with some kind of standard
9 that local jurisdictions adopt, sort of -- we've done
10 this -- local air districts have done this with solar
11 permitting. We did this in the Bay Area for a model
12 ordinance on permitting solar.

13 If we could develop some kind of model that local
14 cities and counties can adopt that deal with some
15 streamlined and easy permitting, because -- because if --
16 we can have all the good money in the world identified in
17 the plan, but if we can't get it sort of implemented in a
18 timely way because of local jurisdiction's permitting
19 issues. So I think we can play a role in that. And I'd
20 like to ask us to at least consider that, and hear from
21 the staff about that.

22 VICE CHAIR BERG: Thank you very much, Supervisor
23 Gioia. So why don't we got ahead with the staff
24 presentation. I am going to forgo my introduction, other
25 than to say that this is Item 18-9-11, the last item on

1 our agenda, and have Mr. Corey go ahead and introduce it.

2 BOARD MEMBER TAKVORIAN: So I'm just going to say
3 -- sorry to interrupt you. But I have to leave. I just
4 tried to change my flight and I can't, and so I apologize
5 for breaking the quorum --

6 VICE CHAIR BERG: It is --

7 BOARD MEMBER TAKVORIAN: -- but I think that's
8 what's going to happen.

9 VICE CHAIR BERG: That's okay.

10 BOARD MEMBER TAKVORIAN: Thank you.

11 VICE CHAIR BERG: We will postpone the vote going
12 over and so --

13 BOARD MEMBER TAKVORIAN: Okay. And then we can
14 listen to the staff report - I just want to get the
15 process clear - and then still ask our questions when we
16 take it up at the next meeting, is that how that will
17 work?

18 VICE CHAIR BERG: Well, it seems that that is
19 what we're going to need to do, Richard.

20 EXECUTIVE OFFICER COREY: It's a decision that is
21 still in front of the Board, right?

22 VICE CHAIR BERG: I am certainly hearing from the
23 members that we're getting stressed for time. This is an
24 important item, and so I'd like to go ahead and do the
25 staff report. For those that can't stay, please get with

1 staff, and so you can be brought up to speed. We'll also
2 hear as many witnesses that we can. I will close the
3 record for testimony, and then we will do staff discussion
4 and the vote in December.

5 CHIEF COUNSEL PETER: And in terms of the other
6 members who have to leave who don't hear all the public
7 testimony, the transcript will be available, and we've
8 done that before. So we'll sit down and walk that
9 through.

10 BOARD MEMBER TAKVORIAN: Thank you.

11 VICE CHAIR BERG: Okay. Thank you.

12 (Thereupon an overhead presentation was
13 presented as follows.)

14 AIR POLLUTION SPECIALIST WILLIAMS: Thank you,
15 Mr. Corey. And good afternoon, Vice Chair Berg and
16 members of the Board. I'm going to just briefly say that
17 this is cycle 2 of the Volkswagen ZEV investment
18 commitment. And it's a 10-year commitment, four cycles.

19 And Mr. Palazzo will follow us and provide an
20 overview of the Cycle 1 update, but I'd like to skip now
21 to slide eight of the presentation. And go straight into
22 the proposed Cycle 2 investment plan.

23 --o0o--

24 AIR POLLUTION SPECIALIST WILLIAMS: This is an
25 overview of the plan, \$200 million total.

1 And if we can skip to slide nine.

2 --o0o--

3 AIR POLLUTION SPECIALIST WILLIAMS: The largest
4 investment is for metropolitan areas up to 115 million.
5 In addition to the metropolitan areas that were approved
6 in Cycle 1, we're adding three new metropolitan areas.
7 And all three of those areas are predominantly low income
8 and disadvantaged communities.

9 Next slide, please.

10 --o0o--

11 AIR POLLUTION SPECIALIST WILLIAMS: This shows
12 additional investment in our regional route. And of
13 importance is that it will be building out infrastructure
14 in areas that have not seen a lot, including the northern
15 San Joaquin Valley and adjacent mountain communities,
16 California's central coast, and the Inland Empire.

17 Next slide.

18 --o0o--

19 AIR POLLUTION SPECIALIST WILLIAMS: Electrify
20 America proposes new investment areas, 2,500 to 3,300
21 level 2 home chargers, that will be no money down, and the
22 development of an incentive web tool targeted toward low
23 income Car buyers. They will be working with transit
24 operators to install charging infrastructure for
25 zero-emission buses and shuttles. And in anticipation of

1 the inclusion of ZEVs in shared mobility services like
2 Uber and Lyft, they will be investing with partners to
3 facilitate charging of those vehicles.

4 They will be doing a \$2 million rural pilot
5 program to invest in 35 to 50 level 2 charging stations in
6 areas including, but not limited to, the Central, Imperial
7 and Coachella valleys. And they will be installing
8 renewable generation at select sites.

9 --o0o--

10 AIR POLLUTION SPECIALIST WILLIAMS: It's
11 important when talking about this level of infrastructure
12 investment that we understand its contribution to the
13 total. And if you look at the chart, you can see that the
14 18,000 chargers that are in the State currently represent
15 only seven percent of the total. A billion dollar
16 investment from the utilities represents 45 percent of
17 approved and forthcoming installations. And that leaves
18 two percent for what Electrify America's contribution for
19 both Cycle 1 and Cycle 2 equate to, as well as a 46
20 percent gap that needs to be filled by other public and
21 private investments, so that we can close the state's or
22 meet the state's 2025 needs.

23 I'd like to skip the next slide to save time.

24 --o0o--

25 AIR POLLUTION SPECIALIST WILLIAMS: And so

1 Electrify American's proposed Cycle 2 public awareness
2 efforts. They propose to continue to use traditional and
3 social media to increase public awareness of ZEVs and
4 their benefits. Those efforts would continue to be brand
5 neutral and feature both battery electric and fuel cell
6 vehicles. And they would be using marketing to boost
7 station utilization. Messaging would communicate, for
8 each charger: location, charging speed, acceptable
9 payment methods, nearby conveniences, and affordability.

10 --o0o--

11 AIR POLLUTION SPECIALIST WILLIAMS: So now we
12 look at how we measure the content of the plan. This
13 slide lists the requirements that we compare it against.
14 We -- the plan has to serve diverse regions and
15 communities, and describe how infrastructure will be
16 monitored and maintained. ZEV infrastructure must be
17 non-proprietary and ZEV awareness campaigns must be brand
18 neutral.

19 The plan must include a description of ZEV
20 investments with a explanation of how each one meets
21 goals; an estimated schedule in six-month intervals; and,
22 itemized projection of anticipated creditable costs that
23 accounts for the entire \$200[SIC] investment.

24 --o0o--

25 AIR POLLUTION SPECIALIST WILLIAMS: In June 2016,

1 the legislator -- the Legislature with the passage of
2 Senate Bill 92 required CARB to: Post investment plans
3 for public comment; hold a public hearing to consider
4 approval of investment plans; report annually to the
5 Legislature, and; strive to ensure that at least 35
6 percent of Electrify America's investments benefit low
7 income and disadvantaged communities.

8 The Legislature further stated that Electrify
9 America should, and Electrify America has committed to:
10 Report implementation progress to CARB, and; strive to
11 ensure that at least 35 percent of its investments benefit
12 low income and disadvantaged communities.

13 --o0o--

14 AIR POLLUTION SPECIALIST WILLIAMS: In July 2017,
15 the Board adopted Board Resolution 17-23 approving
16 Electrify America's first plan. The resolution
17 re-memorialized their commitments to: Strive to ensure
18 that at least 35 percent of investments benefit low income
19 and disadvantaged communities; to include in its reports
20 and evaluation of heavy-duty hydrogen opportunities to
21 include as part of contract award criteria job creation
22 and training estimates, especially among minority women
23 and veteran owned businesses; provide hiring opportunities
24 for qualified residents of disadvantaged communities;
25 implement projects so as to ensure fair competition, and

1 in a transparent manner that allows for public input, and;
2 execute projects in a manner that ensures investments are
3 self-sustaining and continue to exist after the 10-year
4 period of the ZEV investment commitment.

5 --o0o--

6 AIR POLLUTION SPECIALIST WILLIAMS: CARB posted
7 the Cycle 2 plan on October 3rd. The public were invited
8 to provide comments on the plan through a hosted comment
9 docket online that closed on October 26th. We conducted
10 an assessment of the proposed Cycle 2 plan taking into
11 consideration the requirements of the consent decree, as
12 well as Senate Bill 92, and Board Resolution 17-23, and
13 the comments received from the public.

14 Staff posted its assessment of the plan on CARB's
15 website last Friday, November 9th. And in its assessment
16 concludes that the plan meets the requirements of the
17 consent decree and reaffirms Electrify America's
18 commitment to the content of both Senate Bill 92 and Board
19 Resolution 17-23.

20 I'd now like to take at our look comments that
21 were received.

22 --o0o--

23 AIR POLLUTION SPECIALIST WILLIAMS: The vast
24 majority of the comments received are in support of the
25 plan. Comments not expressing support were grouped into

1 three categories.

2 The first are those that ask that portions of the
3 investment be reallocated typically to rural and
4 disadvantaged communities, transit, and renewables.
5 Others asked that CARB require funding of hydrogen
6 production and refueling infrastructure.

7 Others asked that Electrify America share their
8 metrics used to select sites, as well as information
9 gained from charging infrastructure. Related to this ask,
10 auto industry members asked that Electrify America
11 establish a firewall between itself and Volkswagen, so
12 that Volkswagen cannot benefit from that information.

13 And the final group of comments addressed the
14 siting of infrastructure, primarily as it relates to
15 either individual sites where other electric vehicle
16 services providers have installed or are installing
17 infrastructure, or to entire areas that the California
18 Energy Commission has targeted for investment under the
19 CAlEVIP block grant program.

20 --o0o--

21 AIR POLLUTION SPECIALIST WILLIAMS: CARB will
22 ensure it continues to receive quarterly and annual
23 reports from Electrify America and that they're posted.
24 We'll also report annually to the Legislature, and we will
25 continue our EV charger planning coordination with

1 entities such as GoBiz, the Energy Commission, CPUC,
2 Caltrans, Clean Cities coordinators, and others.

3 We will also evaluate the need to convene
4 additional meetings with electric vehicle service
5 providers.

6 Finally, as required by the consent decree, the
7 third-party auditor will continue to provide annual
8 reports to CARB and will review Electrify America's
9 implementation and accounting records, conduct select
10 on-site audits, and review all expenses and approve only
11 those that are found to be creditable.

12 --o0o--

13 AIR POLLUTION SPECIALIST WILLIAMS: Electrify
14 America's Proposed Cycle 2 plan would contribute to
15 California's 2025 and 2030 ZEV infrastructure goals, help
16 achieve California's climate and air pollution goals, and
17 continue benefiting low income and disadvantaged
18 communities and support up to 1,500 jobs.

19 --o0o--

20 AIR POLLUTION SPECIALIST WILLIAMS: In
21 conclusion, CARB staff recommends that the Board adopt
22 Resolution 18-54, approving Electrify America's proposed
23 Cycle 2 ZEV investment plan. Approval of the plan will
24 allow Electrify America to continue investments providing
25 benefits to California's air quality and its ZEV drivers.

1 That concludes my presentation. At this time, I
2 would like to invite Mr. Giovanni Palazzo, CEO of
3 Electrify America, to address the Board.

4 VICE CHAIR BERG: Welcome.

5 (Thereupon an overhead presentation was
6 presented as follows.)

7 MR. PALAZZO: So hello. Hi. Thank you. Thank
8 you very much for your time. I really appreciate it. And
9 especially for us, because, you know, I'm not driving in
10 from Italy. Actually, I live in Virginia, but I very
11 appreciate your time here.

12 So Vice Chair Berg, and members of the Air
13 Resources Board. My name is Giovanni Palazzo. And I am
14 the president and CEO Electrify America.

15 It is an honor to speak today with you about
16 Electrify America Cycle 2 ZEV investment plan. Before I
17 dive into the details of the plan, which CARB did a
18 terrific job of presenting, especially in this such short
19 amount of time - so thanks for that - I want to briefly
20 introduce myself.

21 So I began working in electric mobility at
22 Mercedes-Benz Daimler in 2003, where I lead the launch of
23 the smart electric drive at that time. E-mobility barely
24 existed, but we were already installing Level 2 chargers
25 into customer garages. I have been in the clear

1 transportation space ever since, and I have -- as you
2 know, I took over for Mark McNabb in August who did an
3 amazing job of building a unique, motivated team of
4 impressive experts who simply want e-mobility finally to
5 happen in the United States.

6 As you may know, I am also not new to the consent
7 decree, and the ZEV investment commitment in the appendix
8 C. Before taking this job, I was responsible for the
9 mobility strategy of VW Group at the global scale. And
10 this gave me the opportunity to work together with Mark
11 McNabb at that time to develop and propose the ZEV
12 investment commitment as part of the consent decree.
13 That's how I had my first extremely positive collaboration
14 with the CARB staff.

15 I am thrilled to now have the opportunity to lead
16 our implementation of the ZEV investment commitment. I
17 believe that these investments will have a tremendous
18 positive impact on ZEV adoption, on pollution, on drivers,
19 on the people and workers of California.

20 I thank Electrify America's contribution to
21 encourage EV adoption in the U.S. Is clearly visible
22 already even where we are now only in the middle of Cycle
23 1.

24 --o0o--

25 MR. PALAZZO: Let me tell you about our progress

1 in Cycle 1 before we discuss Cycle 2 plan. I am very
2 proud that we have been moving at light speed in recent
3 months. Just a few highlights include: The first
4 community workplace and MUD level 2 charging station
5 recently opened. And we are building ultrafast charging
6 station as fast as permits allow.

7 We have leased 120 sites in only 14 months since
8 CARB approved the Cycle 1 plan. I remember that we
9 started with eight months of delay, 70 plus ultrafast
10 charging station have been designed, more than 60 permit
11 applications have been submitted, 20 permits have been
12 approved, and five stations are done with constructions.
13 And we will open the first station to customers this
14 month. And by the way, today, we are online with our
15 first station in California in Torrance.

16 At least nine stations will be open by year's
17 end. We are working almost daily with Governor Brown's
18 team to expedite permitting in order to move even faster.

19 Our unique DC fast-charging stations will be
20 capable of charging an EV with 20 miles of range per
21 minute. That's unprecedented charging speed, and
22 deploying first-of-kind technology is, of course,
23 extremely challenging for us, as well as for our business
24 partners.

25 Much more than 35 percent of DC fast-charging

1 stations at every stage of development are in
2 disadvantaged and low-income communities as you see in
3 this chart here.

4 --o0o--

5 MR. PALAZZO: Beyond infrastructure last week, we
6 launched our Green City car share programs in Sacramento.
7 We received impressive feedback from the local city
8 community, positive coverage into the press.

9 Our brand-neutral advertising spot featuring the
10 music of the Flintstones, and the Jetsons, and the Chevy
11 Volt is getting massive views. I hope you heard it,
12 you've seen it, or visited plugintothepresent.com.

13 Our campaign is coordinated and shares the
14 tagline of Veloz recently launched "Electric For All"
15 campaign. Veloz is leveraging Electrify America's match
16 to bring in additional funding. And finally last week, we
17 announce a \$2.7 million program with six community-based
18 non-profit organizations to build education and awareness
19 in disadvantaged and low-income communities.

20 Across all these different investment activities,
21 Electrify America is striving to ensure that more than 35
22 percent of investment is in disadvantaged and low income
23 communities. And I thrilled to inform you today that we
24 are on pace to exceed that goal in Cycle 1.

25 --o0o--

1 MR. PALAZZO: Over the past year, Electrify
2 America conducted a massive outreach and stakeholder
3 engagement process in order to ensure we included the best
4 ideas in our Cycle 2 plan. We considered more than 800
5 commands and suggestions, held dozens of online
6 presentations and community meetings, and spoke
7 individually with more than 100 stakeholders.

8 We talked to academics and national lab experts,
9 automakers, EV charging companies, utilities, community
10 groups, construction companies --

11 (Sound system interference.)

12 MR. PALAZZO: I don't know what's going on.
13 Sorry for that -- and labor groups, environmental
14 organizations, elected officials, and State, local, and
15 federal agency leaders, and, of course, we met with CARB
16 for multiple day-long sessions, and invited CARB
17 leadership to our offices and to our quality control
18 center of excellence.

19 On October the 3rd Electrify America submitted
20 its Cycle 2 California ZEV investment plan to CARB for a
21 determination that it meets the requirements of the
22 2-liter partial consent decree.

23 --o0o--

24 MR. PALAZZO: We have been overwhelmed and
25 humbled by more than 60 nonprofit organizations, ZEV

1 industry players, municipal leaders, and elected
2 officials, and community groups who wrote to CARB to urge
3 rapid approval during the comment period. And I
4 understand this is quite rare.

5 This tremendous support exists because we
6 listened to California when designing our Cycle 2 plan.
7 There comments and contributions increase scope and
8 quality of the plan, and we are very, very thankful for
9 their input.

10 --o0o--

11 MR. PALAZZO: The great support being
12 demonstrated for the Cycle 2 plan results in part from our
13 commitment to making economically sustainable investment
14 in disadvantaged and low income communities.

15 Specifically, we will again strive to ensure that
16 35 percent of all investments in Cycle 2 is in
17 disadvantaged and low-income communities. Community level
18 infrastructure are the focus in Cycle 2 also. We have
19 added Santa Cruz, Watsonville, Riverside, San Bernardino
20 to our list of communities in which these investments will
21 be targeted, while also continuing investment in Fresno
22 and Sacramento.

23 Cycle 2 highway investment is focused in the
24 Central Valley, Sierra Mountain region, the Inland Empire,
25 and the Eastern Mojave Desert.

1 In response to stakeholder input, we have
2 committed to invest in new ZEV infrastructure use cases
3 that are of particular benefit to disadvantaged and low
4 income communities, including our rural pilot program
5 located in the Central, Imperial, and Coachella valleys,
6 investment to support transit services and ride-hailed
7 drivers urged by Los Angeles governments, and a program to
8 finally help Californians add residential charging.

9 While some of this investment must be tried at
10 pilot scale in Cycle 2, they have the potential to expand
11 in Cycle 3, and, of course, in Cycle 4.

12 Finally, we have committed that 35 percent of
13 brand-neutral media will be geotargeted in disadvantaged
14 and low income communities. We will keep on funding the
15 work of affected community based organization, and we will
16 introduce new funding to support STEM and workers
17 education.

18 --o0o--

19 MR. PALAZZO: There were only a very few critical
20 commands submitted to CARB regarding Cycle 2 planning.
21 But I, and the whole Electrify America team, take these
22 concerns very seriously, and see them as an opportunity.

23 First, a few firms in the hydrogen industry
24 encouraged us to fund projects in that space. I have
25 directed my strategy team to reach out immediately to

1 these companies to discuss investment opportunities. And
2 although those firms had not previously approached us, we
3 are now in a productive dialogue, remain open to any
4 economically sustainable investment opportunity may come.

5 Second, CalETC and General Motors both call on
6 Electric America to establish a customer data firewall
7 between Electrify America and Volkswagen. Let me take the
8 opportunity to clearly state that Volkswagen has never
9 had, nor will have, access to Electrify America customer
10 data, and we have communicated that to both CalETC and GM.

11 Third, we received feedback on our approach to
12 residential charging. As you know, about 80 percent of
13 charging happens at home. And we have concluded that how
14 more people charge at home will drive ZEV adoption. We
15 developed a detailed approach in the plan to make this
16 happen.

17 Serving residents of MUD is also critical. And
18 our analysis shows MUD residents are most economically
19 served through ultrafast DC-fast charging station in close
20 proximity to their homes. And this idea is supported also
21 by UCLA researchers.

22 First, while many companies in DV charging
23 industry, Siemens, EV Connect, BTC Power, SemaConnect,
24 MaxGen, ABB, Efacec, Greenlots, Tesla, Southern California
25 Edison, PG&E, Black & Veatch, and many others, indoors the

1 Cycle 2 plan and highlighted the positive impact we are
2 having on competition.

3 A few comments suggested CARB direct our
4 investment away from the markets in which EV charging is
5 most needed. We believe, and I believe, that knowingly
6 building charging station where they are unlikely to be
7 used would be inconsistent both with the consent decree
8 and with the mission of the team of Electrify America.

9 Finally, I know that some parties have suggested
10 that CARB delay today's decision. I humbly ask you not to
11 do that for a few reasons.

12 First, we have completed an extensive robust
13 process that started in January this year.

14 Second, a key lesson from Cycle 1 is that it
15 takes a time to conduct new RFPs, negotiate contracts,
16 place orders for equipment, secure sites, and begin other
17 key development activities in advance of the beginning of
18 Cycle 2.

19 A decision today will allow us to stick to the
20 plan that we proposed in the Cycle 2 investment.

21 --o0o--

22 MR. PALAZZO: Our team could not have developed a
23 Cycle 2 California ZEV investment plan, were for your such
24 a solid support, without the tremendous input from CARB
25 leadership and staff, starting more than six months ago.

1 CARB has provided us with invaluable input,
2 guidance, and suggestions that made the plan better. And
3 we are grateful for your time and assistance during the
4 past month.

5 Building out the largest ultrafast
6 non-proprietary charging network in the United States is a
7 monumental task and we would not be successful without the
8 support and expertise of CARB.

9 I hope you share CARB staff finding that the
10 Cycle 2 plan exceeds the goal and the requirements of the
11 consent decree. And I hope you follow that recommendation
12 for approval.

13 Thank you again for your attention and support.

14 VICE CHAIR BERG: Well, thank you very much for
15 such a thorough presentation. I apologize. We will not
16 be voting today, because I've lost my quorum. But not
17 only that, I think that a robust conversation and hearing
18 from the Board members will be important. We will take
19 this up in December without fail, correct, Mr. Corey?

20 EXECUTIVE OFFICER COREY: (Nods head.)

21 VICE CHAIR BERG: And -- but maybe in this next
22 four weeks we'll be able to resolve a few -- it seems
23 maybe open issues that will lead us into a successful
24 December. We are not postponing this because we can't get
25 through it. We're postponing it, because unfortunately

1 we've run of time.

2 We are going to hear from with witnesses today,
3 and would hope that you would be able to also stick around
4 because there may be questions.

5 MR. PALAZZO: I will be happy to reply to the
6 questions, yeah.

7 VICE CHAIR BERG: That would be great.

8 MR. PALAZZO: Yeah, absolutely.

9 VICE CHAIR BERG: So I think we're going to go
10 ahead and go to the witness list to allow people to
11 respect their time for a Friday evening. I apologize
12 we're going to keep you here. But if you don't mind,
13 that's what we'll do.

14 MR. PALAZZO: That's absolutely fine. Thank you.

15 VICE CHAIR BERG: Thank you very much.

16 So please, we're going to do two minutes. And so
17 get right to your points of what you would like us to
18 consider. Also, if you would move down, we've got lots of
19 great seats. It will make you close to the podium, and
20 we'll be able to hear what you have to say. And if you'd
21 love to stay, we'd love to have you come. If you need to
22 go, we understand that.

23 So good evening.

24 MR. FERNANDEZ: Good evening Vice Chair Berg and
25 members of the board. Before my testimony, can I ask for

1 a procedural question? Several members that are listed
2 here had to leave, because of same reasons some members
3 had to leave. Can they submit their comments in a written
4 manner, because they didn't do it before? They were
5 expecting to provide oral comments.

6 VICE CHAIR BERG: Thank you. I'll have Ms. Peter
7 address that.

8 CHIEF COUNSEL PETER: Right. If they have
9 written comments, they can submit it to the clerk right
10 now, and it will be in the Board. Since this is
11 continuing to the next Board meeting, which is either
12 December or 12th or 13th. We have a two-day Board
13 meeting, those people can testify at that point. We're
14 not closing the record.

15 VICE CHAIR BERG: Okay.

16 MR. FERNANDEZ: Okay. Thank you.

17 Okay. Thank you, everyone. My name is Ignacio
18 Fernandez. And on behalf of Southern California Edison,
19 I'm happy to provide comments for the Electrify America
20 Cycle 2 plan.

21 First of all, as you well know, Southern
22 California Edison strongly supports California's
23 leadership in adopting progressive policies to improve air
24 quality, fight climate change and transition to a cleaner
25 transportation future, such as California point of

1 purchase rebate program funded for Low Carbon Fuel
2 Standard.

3 But we all know that time is of the essence. And
4 to meet our State environmental policy goals, we need a --
5 for instance, to put five million electric vehicles on the
6 street by 2030. That's an ambitious task. And this is
7 why Southern California Edison vision and contribution is
8 reflected on both our chart -- charge-ready programs,
9 which when combined will fund charging infrastructure for
10 medium- and heavy-duty fleets, and electric vehicles
11 fueling infrastructure to support 48,000 new charging
12 ports, along with marketing, education and outreach to
13 accelerate the market penetration of EVs in our territory.

14 If approved, our Charge Ready 2 program, \$760
15 million, application will become a third of California's
16 projected incremental market needed during the full extent
17 of the program. But despite this tremendous effort,
18 there's still -- there's still a great need for awareness
19 and advancement in infrastructure. And this is why we at
20 Southern California Edison very much welcome and commend
21 the continued efforts of Electrify America, which is -- I
22 think my time was --

23 VICE CHAIR BERG: Please go ahead with your
24 closing comments.

25 MR. FERNANDEZ: Sure -- which is a great

1 compliment for our work in DC fast-charging
2 infrastructure, and a greater education and outreach
3 focused on bringing transportation electrification
4 programs, especially for disadvantaged communities.

5 VICE CHAIR BERG: Thank you so much. So we'll
6 have you turn in your testimony and we really appreciate
7 that.

8 MR. FERNANDEZ: Great. Thank you.

9 VICE CHAIR BERG: Thank you.

10 CHIEF COUNSEL PETER: Ms. Vice Chair, I misspoke.
11 The December meeting is Thursday Friday, December 13th and
12 14th.

13 VICE CHAIR BERG: Thank you.

14 Mr. Hernandez, you were here all day.

15 MR. HERNANDEZ: I know. I've been up since like
16 2:30.

17 VICE CHAIR BERG: Oh, you beat me. I didn't get
18 up till 3:30.

19 (Laughter.)

20 MR. HERNANDEZ: Yeah. So I'll try to keep this
21 under two minutes, because I do have a 6:25 bus to catch.

22 Leadership Counsel has been engaged since Cycle
23 1, primarily because the bias of Electrify America's
24 investment plan has disproportionately favored metro large
25 areas. We had to fight tooth and nail to get the Fresno

1 metro area added into the first cycle. And furthermore,
2 it is my firm belief that this \$2 million rural allocation
3 should have been part of Cycle 1.

4 I think the small amount that that's allocated
5 further delays ZEV adoption in communities that have the
6 worst air quality, and are the most infrastructure
7 deficient speaking of the previous infrastructure gap of
8 2025 and 2030.

9 And so I think this is an opportunity to direct
10 funds specifically to communities that are already
11 discriminated against by, you know, investors that, you
12 know, see large metro areas as primary sites for
13 electrification.

14 Furthermore, I think the renewable energy
15 portfolio should be exclusively 100 percent focused on
16 disadvantaged communities, in order to lower the costs
17 associated with generation, as well as facilitate more
18 localized air quality benefits.

19 Furthermore, I think it's very feasible, given
20 the slide earlier about what the investment percentages
21 are for disadvantaged communities to insist that the 35
22 percent target is at least a target, but not the goal.
23 It's very -- it's possible to at least do 50 percent in
24 disadvantaged communities through every investment
25 program.

1 Furthermore, I think it's insult to low-income
2 communities to have more allocations for autonomous
3 vehicles that displace labor, rather than actual human
4 beings in need of clean vehicles.

5 Thank you.

6 VICE CHAIR BERG: Thank you.

7 Thank you, Anne, for hanging out with us.

8 MR. SMART: Thanks for having me.

9 We appreciate the time to talk today. I'm at
10 ChargePoint. We're a manufacturer of charging stations
11 here in California. As we shared in written comments,
12 we've experienced our customers, both current and
13 potential customers, being offered above-market payments
14 from Electrify America to halt work with us.

15 I recognize that there were promises made in
16 Giovanni's presentation about not installing on CEC sites.
17 But that doesn't get to the core issue we have, which is
18 the above-market payments and the communication to site
19 host on this issue.

20 We'd like to thank the California Energy
21 Commission for diligently investing our concerns over the
22 past eight months. It's been very challenging, because
23 you can imagine that the nervousness of small business
24 owners in rural parts of the states who engage with
25 government entities, particularly when there's legal

1 language in their site bids asking them not to.

2 We hope to have the same opportunity to engage
3 with CARB. We have not had any opportunity. There has
4 been no stakeholder meeting. I learned a few hours ago
5 which staff member is actually leading this process. We
6 hope that over the next few weeks there is more
7 transparency about where to present our concerns.

8 We have a few suggestions. We hope that CARB
9 will assign someone to work with stakeholders, present us
10 a transparent process to submit comments and concerns
11 between cycles. I have a large policy team, but I can
12 imagine that many of my competitors don't, and are site
13 hosting installers doesn't.

14 It would be helpful to have a place on the
15 website to submit this clearly. Please take a closer look
16 at the site acquisition costs that Electrify America is
17 claiming and reporting. And please consider placing a
18 three-month limit on the amount of time that Electrify
19 America can contract with a site without initialing
20 installation of a station.

21 I recognize that there are permitting challenges
22 in some parts of the state, but we have not experienced
23 all of the same permitting challenges being reported, and
24 believe that that three-month window makes sense.

25 And lastly, please consider aligning future

1 cycles with investment plans from State agencies. We
2 would appreciate more coordination between CEC and CPUC on
3 their sites.

4 Thank you for your time.

5 VICE CHAIR BERG: Thank you very much.

6 Good evening, Josh.

7 MR. COHEN: Good evening. My name is John Cohen.
8 I'm with SemaConnect. We're a national manufacturer of
9 smart networked electric vehicle charging stations. Thank
10 you to the Board. Thank you to the staff for sticking
11 with us all day.

12 I submitted written comments earlier. I'd just
13 like to offer two brief comments during this oral
14 testimony. The first is that SemaConnect strongly
15 supports the Electrify America plan as a way to
16 incentivize private sector competition and investment.
17 Electrify America is going to be spending hundreds of
18 million of dollars of private dollars debt, support
19 private companies like SemaConnect, which compete
20 privately for RFPs, and contract negotiations, and support
21 manufacturing and jobs all within a public sector
22 framework of legislative and CARB oversight to support
23 public goals.

24 It's really a national model. And like I said,
25 it supports private sector dollars, private sector

1 investment, and private sector competition. The second
2 point is as much a clarification. One of the letters the
3 Board received was from EVCA, Electric Vehicle Charging
4 Association, of which SemaConnect is a member. I have a
5 lot of respect and appreciation for the work that EVCA
6 does.

7 And my colleagues throughout the industry who
8 work with EVCA on a number of issues where the interests
9 of the charging industry align. But on this issue of the
10 role of Electrify America, and public utilities more
11 broadly, larger actors, there's a fundamental disagreement
12 among some of the companies within the industry.

13 SemaConnect strongly supports the role of Electrify
14 America, public utilities and others as part of an
15 all-hands-on-deck approach to advance the pace of vehicle
16 electrification.

17 Thank you for your attention. I'll be happy to
18 answer any questions either this evening or afterwards.

19 VICE CHAIR BERG: Thank you very much.

20 Good evening, Jessica.

21 MS. MELTON: Hi. How are you? Vice Chair Berg,
22 members of the Board, good evening. Jessica Melton on
23 behalf of Pacific Gas and Electric Company. PG&E supports
24 the Electrify America Cycle 2 investment plan's focus on
25 ZEV-fueling infrastructure and brand-neutral education,

1 awareness, and marketing.

2 These proposed activities will lead to the
3 development of additional and much needed electric vehicle
4 charging infrastructure across the state, and it will
5 improve public awareness of ZEV options.

6 It will also -- it is also important that these
7 investments will benefit low income and/or disadvantaged
8 communities, as Electrify America will strive to ensure
9 that 35 percent of its investments are in those areas.

10 Throughout Cycle 1, PG&E has worked closely with
11 Electrify America to provide electrical service to EV
12 charging sites being developed within PG&E's service area.
13 We look forward to continuing to work with Electrify
14 America as they deploy their Cycle 2 investments and
15 support adoption of this plan.

16 Thank you for your time.

17 VICE CHAIR BERG: Thank you.

18 Is Bud still with us?

19 And -- oh.

20 MR. BEEBE: Yeah. Fortunately, we're all still
21 up a little bit anyway, even if we have lack of sleep.

22 Hey. So I'm Bud Beebe. I'm with the California
23 Hydrogen Business Council. And the CHBC works well with
24 staff and the Board on many issues. And we are very happy
25 to be in a good position in that way.

1 I'm going to speak today about resiliency and the
2 symbiosis that multiple technologies bring to issues that
3 need our resolution in society. Back when the State of
4 California was considering large-scale investment in
5 renewable energy, there was a lot of effort -- remember,
6 in the 1990's and early 20s that consulting firms, and
7 certainly the wind industry, said don't waste your money
8 on solar, because wind is the obvious single opportunity
9 for us.

10 Fortunately, we said no. There seems to be
11 something in solar that's also important. And today, we
12 have a much more robust answer to renewable energy as a
13 result, right?

14 Okay. So the consent decree is quite clear in
15 saying that money in these Electrify America programs can
16 be spent on infrastructure that is for charging, and is
17 for fueling. It's odd to me that in the staff's
18 assessment summary they say that there's \$153 million in
19 fueling infrastructure in these programs, when, in fact,
20 there is no dollars in fueling, but all of it goes to
21 charging.

22 Hey, our -- we're -- we are glad to be partners
23 in the electric vehicle zero-emission technology future,
24 but it has to be a much broader thing.

25 Let me ask -- let me close by asking you a

1 question. Your hand-held device. When did your hand-held
2 device go from becoming a simple cell phone to being a
3 smartphone? When did that happen?

4 It happened when we were no longer tied to only
5 cell phone towers. Smartphones became smart when we could
6 access the internet through WiFi or access the internet or
7 telecommunications through cell phone towers. That single
8 piece of bringing those two symbiotic great technologies
9 together gave us the smartphone.

10 I ask you, why aren't we being smart with
11 electric vehicle future by including the fuel cell
12 electric vehicle refueling infrastructure.

13 Let me just also ask why staff and Board was not
14 at least a bit incensed that the EA plan on page 22
15 completely dismisses as de minimis, dismisses as de
16 minimis the advice from eight government agencies
17 including your own.

18 Look at that part. It says, hey, there were
19 eight agencies that wanted to include fuel cell
20 infrastructure in this thing. And yet, well we're not
21 just going to -- we just won't do that. We're open to it.
22 Oh, sure, we're open to it, but we didn't do anything with
23 it.

24 So thank you very much for you time.

25 VICE CHAIR BERG: Okay. Thank you for bringing

1 that.

2 MR. LEVY: Thank you, Vice Chair Berg, Board
3 Members, staff for the opportunity to comment and for all
4 of your leadership in advancing ZEV adoption across
5 California. I'm Jonathan Levy. I'm here representing
6 EVgo, the nation's largest public network of fast chargers
7 for electric vehicles. I'll try and be brief. I also
8 have a flight to catch.

9 The last time that CARB convened a public hearing
10 to evaluate a cycle approval, I was there in Riverside,
11 and EVgo was one of many industry partners expressing
12 strong support for the deployment of significant funding
13 in California and across the country, particularly for
14 highway charging as part of Cycle 1.

15 And EVgo continues to believe that the Volkswagen
16 settlement funds can be extremely valuable and it can have
17 rising tide impact that lifts all boats to benefit all
18 Californians.

19 However, we have serious concerns with how Cycle
20 is currently proposed and respectfully requests that the
21 Board work with Electrify America to amend their plan, to
22 refocus on corridor charging, invest far more than one
23 percent of Cycle 2 in rural California, and ensure that
24 the investments will complement and not hinder other
25 efforts to install electric vehicle charging. We also

1 believe that there's room for additional oversight from
2 ARB.

3 Without modification, we are concerned that there
4 will be negative impacts on a growing market that could
5 have adverse outcomes and impacts on consumers and limit
6 additional EV charging deployments.

7 EVgo is a board member of Veloz and a leader of
8 the industry does indeed believe in electric for all, and
9 that a rising tide can lift all those boats. But we're
10 worried about how implementation of Cycle 1 has had
11 unintended consequences and what that means going forward
12 in Cycle 2.

13 There have been a lot of proposed locations at
14 existing properties, sometimes directly next to existing
15 charging stations, which can undermine the utilization
16 there, as well as minimize the exposure to new audiences
17 that need to see a diverse and scattered group of
18 investments in charging stations.

19 And as was mentioned previously, we are also
20 concerned about above-market rates for rent that can limit
21 the infrastructure built, both by public and private
22 dollars. And we believe that more transparency and more
23 oversight can help with that.

24 We're also very concerned that by focusing Cycle
25 2 so much on cities, that rural California could be left

1 behind. As has been noted, two million of the \$200
2 million in Cycle 2 is for rural L2 installations. And we
3 think one percent is very low for what these communities
4 need, particularly when we start thinking about timing.

5 If look at when Cycle 2 will be -- Cycle 3
6 rather, would be proposed, improved, and then into
7 development, you're probably talking about 2023, 2024
8 before the infrastructure would be available in those
9 communities.

10 So look forward to continuing the conversation.
11 Happy to be a resource and continue to engage with staff.

12 VICE CHAIR BERG: And again, thank you for
13 staying so late.

14 MR. LEVY: My pleasure.

15 VICE CHAIR BERG: Is David still with us?

16 Tom Knox.

17 MR. KNOX: Vice Chair and members, thank you for
18 the opportunity to comment. I'm Tom NOx of Valley Clean
19 Air Now. We're in strong support of the Cycle 2 plan.

20 I wanted to focus my comments tonight on the
21 Cycle 1 process. We've seen first hand how this team has
22 really worked with stakeholders throughout the state to
23 understand the unique concerns in California around EVs in
24 disadvantaged communities. They've shown a willingness to
25 adapt their plans.

1 You know, they have been a wonderful stakeholder
2 to work with. And then we were selected to operate the
3 outreach program in San Joaquin Valley. In the six weeks
4 that we've been up and running, we've been able to double
5 our customer pipeline. Thanks to their flexibility and
6 their willingness to work with us. It took us ten days
7 between being informed and actually being in contract and
8 working. It's been the best thing to ever happen to our
9 program. So we're incredibly happy about that.

10 And they've been a real pleasure to work with.
11 We believe this team can be trusted to put together a
12 great plan, and then to implement it very well.

13 So thank you very much.

14 VICE CHAIR BERG: Thank you.

15 Good evening, David.

16 MR. SILBERFARB: Hi. I'm Dave Silberfarb from
17 BTC Power. We are a small business that specializes in
18 the manufacture of electric vehicle charging stations.
19 Our offices -- excuse me. Our offices are located in a
20 disadvantaged economic zone in Santa Ana, California.

21 I'm here today to offer personally and on behalf
22 of my company our full and complete support for Electrify
23 America's Cycle 2 plan.

24 While my notes had me urging you to approve this
25 plan today, I do understand the quorum issue, but I do

1 urge the Board to approve this plan as soon as possible.

2 Little more about us. BTC is fortunate to be a
3 supplier to Electrify America for the chargers needed for
4 the Cycle 1 plan. And this has had many good effects for
5 our company. We've been able to expand our operations and
6 have hired six additional full-time employees in Santa
7 Ana, and four other employees and four other employees
8 throughout the U.S.

9 Additionally, due to the awareness about the
10 ultra high-powered charging stations that Electrify
11 America is putting in in their network, we've seen other
12 customers expressing interest in this type of hardware,
13 and have been ordering more of this product for us.

14 From our viewpoint, the Cycle 1 investment has
15 helped to encourage others to invest in the ultrafast
16 charging space, and we feel Cycle 2 will continue to do
17 the same.

18 Again, I urge you to please approve this plan as
19 soon as possible.

20 Thank you.

21 VICE CHAIR BERG: Thank you.

22 MR. MAGAVERN: Vice Chair Berg and Board members,
23 Bill Magavern with the Coalition for Clean Air in support
24 of the Cycle 2 plan. We appreciate Electrify America's
25 data-driven approach and also their responsiveness to our

1 input, and the input of other groups that they've met with
2 around the state. And we're particularly enthusiastic
3 about some elements of the plan, including the continued
4 outreach to disadvantaged communities throughout community
5 based organizations, the emphasis on rural charging and
6 metro area fast-charging. Also, the aid for home charging
7 for low-income drivers, and the potential support for
8 electric transit buses, and also increased renewable
9 energy.

10 Thanks.

11 VICE CHAIR BERG: Thank you, and thanks again for
12 staying.

13 Mr. Gant

14 MR. GANT: Good evening, Madam Vice Chair and
15 Board. My name is Simeon Gant, and I'm the executive
16 director and founder of Green Technical Education and
17 Employment. It is a community based nonprofit here in
18 Sacramento. And what we do is we train and prepare high
19 school and college students for career opportunities in
20 clean energy, energy efficiency, and sustainable living
21 strategies.

22 We are here in support of Electrify America's
23 Cycle 2 process. We really appreciate the fact that they
24 are looking into low-income and disadvantaged communities
25 to provide the resources. We do train our youth and talk

1 to them daily about transportation careers. And we let
2 them know that 21st century transportation careers are
3 electric. And we talk to them about clean energy and
4 solar. And we let them know that the -- there are many
5 opportunities out there. And Electrify America is
6 bringing those opportunities to our community,
7 specifically in Del Paso Heights, as well as Oak Park,
8 where my supervisor also supports our efforts. And so we
9 just want to thank Electrify America and support Cycle 2.

10 VICE CHAIR BERG: Thank you very much.

11 Last speaker, Mr. Ashley.

12 MR. ASHLEY: Good evening, Vice Chair Berg and
13 remaining members of the Board. I'm Thomas Ashley. I'm
14 vice president of policy for Greenlots. Greenlots is a
15 leading EV charging software and services firm based in
16 Los Angeles. Greenlots strongly supports Electrify
17 America's Cycle 2 California investment plan and urges the
18 Board to approve the plan at it's earliest ability in
19 December.

20 Electrify America's investment has already had a
21 positive impact on electric vehicle adoption, and the
22 growth of the electric vehicle charging products and
23 services market.

24 Many companies have directed -- directly
25 benefited from Electrify America's procurement of products

1 and services from around the market. Those, or these, and
2 other companies have benefited from indirect sales
3 opportunities spurred by the development of Electrify
4 America's National Corridor Network of DC fast chargers,
5 and the level of attention and evolving arranged
6 confidence associated with it.

7 Electrify America's investment is coming at a
8 time when the market for both vehicles and charging
9 products and services needs motivated capital, as the lack
10 of private market business model for owning and operating
11 charging stations continues to significantly limit private
12 investment.

13 While significant investment is occurring in
14 California, including through a combination of ratepayer
15 funded utility program, Energy Commission programs, and
16 indeed Electrify America's Cycle 1 investment, much more
17 is needed.

18 Indeed, while Electrify America's Cycle 1
19 investment has had a positive effect on the growth of the
20 market, we're still far removed from a healthy robust EV
21 charging products and services market that is able to
22 facilitate the depth and acceleration of EV adoption
23 necessary to meet California's climate and air quality
24 goals.

25 Companies like ours have added good paying jobs

1 for Californians to support direct business with Electrify
2 America and continued market growth. That trend will only
3 accelerate with the Cycle 2 investment.

4 Let me just close by saying that Electrify
5 America's Cycle 2 ZEV investment plan will positively
6 support investment in businesses, workers, and communities
7 across California. And Greenlots and our employees
8 strongly support approval of the plan.

9 Thank you.

10 VICE CHAIR BERG: Thank you very much.

11 Well, that is the end of our witness list. And
12 if I understand Ms. Peter correctly, we will not be
13 closing the record today?

14 CHIEF COUNSEL PETER: Actually, I think you could
15 close it for today, and then we'll reopen it at the next
16 meeting, just to make it clear that people aren't going to
17 be sending stuff in in the interim.

18 VICE CHAIR BERG: Okay. Thank you.

19 So I will close the record for today. We will
20 take up this item again on either December 14th or 15th.

21 EXECUTIVE OFFICER COREY: Thirteenth or 14th.

22 VICE CHAIR BERG: Thirteenth or 14th.

23 EXECUTIVE OFFICER COREY: The agenda will be
24 posted ten days prior to the meeting. We need to work out
25 the logistics. But it will be a two-day Board hearing,

1 December 13th and 14th. We'll get an agenda out in
2 advance.

3 VICE CHAIR BERG: And at that time, we'll reopen
4 the record and proceed on the item.

5 But before we leave tonight, we would like to
6 hear from the Board members that would --

7 BOARD MEMBER FLOREZ: I'd just say I would just
8 encourage the -- if we could, look at the resolution that
9 we passed, make a proactive effort to pull in the
10 stakeholders, have the stakeholder meeting, if we can, and
11 not use the comments as some indicative indicator that we
12 don't need to do that. We do that -- we have tons of
13 stakeholder meetings here -- around here all the time.
14 Just wonder if we can do that before we come back in
15 December, or I'll have the same concern. So I'm just
16 asking if we can do that, it would be great.

17 VICE CHAIR BERG: Okay. Thank you.

18 Any questions -- any comments, I'm sorry?

19 BOARD MEMBER SHERRIFFS: Thank you. Thanks to
20 everyone for staying late. Wow.

21 Back to the hydrogen question. You know, I
22 guess -- so the report from Electrify America remaining
23 open to economically sustainable investment opportunities.
24 I'm wondering how you balance, because on the face of it
25 the rural investments would not be as economically

1 sustainable, and so how that is -- gets prioritized, how
2 we decide to make an investment in an area that is likely
3 to be less profitable in the long run. And I worry
4 that -- well, I guess my question is what -- the Board is
5 going to need to do other things to support hydrogen
6 infrastructure, if we're not supporting it here, unless
7 we've already made a decision which fuel we're choosing,
8 which I don't think we want to do all.

9 VICE CHAIR BERG: No.

10 BOARD MEMBER SHERRIFFS: So I think we need to
11 understand better what are the major barriers that -- to
12 the economically sustainable opportunities for hydrogen at
13 this point.

14 MR. PALAZZO: So, Chair, thanks for the question,
15 and also I would like to thank Dr. Beebe, if he's here.

16 Hi.

17 So, first of all, Electrify America and myself,
18 we do not have anything against hydrogen. Actually, if
19 you Google on the internet, you find vides of myself
20 driving hydrogen cars in 2007, 2006. At that time,
21 actually, it seems, and I had the impression, hydrogen
22 could really show the way of electric mobility. You had
23 longer range. Charging times were really nothing. And I
24 believed it would have been a great option for both
25 passenger cars and heavy-duty.

1 You know, long-range batt reached the market in
2 the years. As you have seen Tesla shown this, not only on
3 the passenger car side, but also let's say on the truck
4 side that with large batteries, capacity that can reach
5 much higher, let's say, range.

6 And if you look at our network, Electrify America
7 is deploying 350 kilowatts able to charge an EV 20 miles
8 per minute. So what we did actually was the following:

9 First of all, we had 800 submission to our
10 outreach activity here in California initially, I would
11 say. Seventeen of them related to hydrogen, eight of them
12 came directly from hydrogen focusing groups or company
13 making business into the hydrogen.

14 So what we did, we looked a lot towards a
15 concrete investment opportunity. We want to follow up in
16 Cycle 2. And we requested grants. That's what we got.
17 And as you know, grants does not fit exactly, let's say,
18 with the mission and the sustainability of the investment
19 in Electrify America.

20 So during the outreach, and especially after
21 October the 3rd, we received new, let's say, proposal to
22 discuss. And we are discussing this proposal right now.

23 So if I tell you that you Professor Sherriffs or
24 also the industry will bring an investment opportunity to
25 Electrify America, which is viable, which we can discuss

1 together, I have nothing against discussing this
2 opportunity together and potentially implement it. So the
3 point is that if you give us the chance to look into an
4 investment plan together, we can make it happen. At this
5 point of time, we did not receive anything workable up to
6 now.

7 VICE CHAIR BERG: A follow up question?

8 No. Okay. Thank you very much.

9 CHIEF COUNSEL PETER: I'm sorry, Vice Chair Berg.
10 Can I clarify something?

11 VICE CHAIR BERG: Yes.

12 CHIEF COUNSEL PETER: So I -- when I was saying
13 that we should close the record, I meant in terms of new
14 public members coming down and adding themselves to the
15 list. I think we've finished with the public comment.

16 VICE CHAIR BERG: That's correct.

17 CHIEF COUNSEL PETER: What's happening right now
18 the questions from Senator Florez, and Dr. Sherriffs, and
19 responses, all that is in the record. The court reporter
20 is taking it all down. So what we'll do is at the end of
21 the meeting that will be the end of the testimony, all of
22 that is in the record. What I wanted not to also happen
23 is people starting to send letters in between now and the
24 Board meeting.

25 They can send -- they can bring them to the Board

1 meeting. They can testify at the next Board meeting, but
2 I didn't want to have an open-ended comment period.

3 VICE CHAIR BERG: Four week period.

4 CHIEF COUNSEL PETER: We've already had our
5 comment period. We're not in a regulatory mode, so we
6 don't have 15 day notices. So just to clarify, so
7 everything that happens today on this item till the
8 conclusion of the meeting is part of the record. And then
9 this -- I believe there will be a stakeholder meeting.
10 And that obviously can be reported as to what happens from
11 that at the December Board meeting. There will be a
12 public hearing. Anybody that wants to testify verbally or
13 turn in Written comments at the meeting, that would all be
14 part of the record as well.

15 VICE CHAIR BERG: Great. Thank you very much for
16 that clarification.

17 Supervisor Serna.

18 BOARD MEMBER SERNA: Thank you -- so to dovetail
19 on what Ms. Peter just mentioned, nothing in our closing
20 of the record for public speakers is keeping us, for
21 instance, my colleague Mr. Florez, from requesting perhaps
22 some adjustment to the resolution or about what I'm going
23 to suggest in that same spirit, we can still do that.

24 CHIEF COUNSEL PETER: (Nods head.)

25 BOARD MEMBER SERNA: So along those lines, I

1 would to -- first of like, I'd like to thank Mr. Gant --
2 Simeon Gant, who we heard from briefly with Greentech, who
3 does some incredible work with youth here in the
4 Sacramento region. Really doing hands-on education when
5 it comes to cutting edge technology, education in the
6 space electric mobility.

7 I think that we ought to -- since we're going to
8 have some time, I think we ought to think about how we
9 maybe memorialize that in a resolution, in terms of
10 general interest in investment in the sustainable
11 education of kind of the trades that come along with
12 electric mobility.

13 Because every time a new charger goes in, we're
14 going to have to have a larger workforce obviously that
15 knows how to service those -- that charging
16 infrastructure. So I think that's worth considering.

17 CHIEF COUNSEL PETER: So -- Supervisor Serna, so
18 what -- you're just giving -- since we don't have a
19 quorum, we can't pass a resolution.

20 BOARD MEMBER SERNA: Sure.

21 CHIEF COUNSEL PETER: You're giving direction to
22 the staff, which the Board does all the time. And I'm
23 sure that's how they will treat that.

24 BOARD MEMBER SERNA: Great. Thank you.

25 VICE CHAIR BERG: Thank you.

1 Any other questions?

2 Yes. Comments.

3 BOARD MEMBER SPERLING: Just a few short
4 comments. And, you know, I want to note that everyone
5 always wants more money, whether for rural, for hydrogen.
6 I mean, hydrogen -- as an example, I've driven a hydrogen
7 car for three years. Strong -- done everything I can to
8 help it. But, you know, there's finite money. You know,
9 there's priorities for different kinds of funding,
10 different kinds of programs.

11 We need to -- you know, this is a process that's
12 been scrutinized by many. It's gone through lots of
13 meetings, lots of scrutiny. We can always do it
14 differently. There's -- can -- always changes can be
15 made. You can always second guess. You can always
16 criticize.

17 Those that don't get the money, they're going to
18 criticize, because they didn't get the money. Those that
19 got the money are happy and praise the process.

20 So I would just kind of just make the observation
21 is that I'm disappointed we're not able to vote and close
22 up this process. But I think it's been a real -- it's
23 been a good process, and you can always make changes.
24 There's no right or wrong really in this case. I think
25 there's been a lot of effort to get it done. You know, to

1 meet a lot of the different goals and concerns, and do it
2 as well as possible.

3 So I just want to add those thoughts. And I
4 guess we're going to say the same thing again in a month,
5 is that basically what -- what's happening?

6 VICE CHAIR BERG: Well, actually, I'm kind of
7 hoping that we'll be able to bring in some new thoughts
8 and maybe short summaries, so that we'll be able to have
9 this particular item go through quicker, because our
10 December agenda is very, very full, and we'll be having
11 eggnog here friday evening.

12 MR. PALAZZO: I'm going to be there, if you need
13 me.

14 VICE CHAIR BERG: Another comment, Dr. Sherriffs.

15 BOARD MEMBER SHERRIFFS: Well, just Supervisor
16 Gioia's question to staff I think about what we can do to
17 help make a more uniform permitting process, a faster
18 permitting process, whether it's for hydrogen or for
19 charging stations to help speed the process along.

20 DEPUTY EXECUTIVE OFFICER CLIFF: This is Steve
21 Cliff. I suggest that we follow up with Supervisor Gioia
22 offline, and we'll have -- we'll bring in our colleagues
23 at the Governor's Office of Business and Economic
24 Development. And then we can provide a report following
25 up at the next hearing.

1 VICE CHAIR BERG: That will be great.

2 Have we done it?

3 Thank you -- thank you very much, sir, for
4 staying. We also need you back in December, so we'll look
5 forward to seeing you back in December.

6 Thank you, Board members.

7 Do we have any public comment?

8 BOAR CLERK DAVIS: (Shakes head.)

9 VICE CHAIR BERG: Hallelujah.

10 (Laughter.)

11 VICE CHAIR BERG: And -- Okay. So December Board
12 meeting is 13th and the 14th. We didn't know it was going
13 to be a -- oh, it's the 14th and 15th? I just looked it
14 up.

15 EXECUTIVE OFFICER COREY: No, no. Thirteenth and
16 14th.

17 CHIEF COUNSEL BERG: It's been a long day.

18 VICE CHAIR BERG: That's okay. I get it.
19 It's -- no problem. Thirteenth and 14th, Thursday and
20 Friday, second week in December. Definitely a two-day
21 meeting. Please put it on your calendar, and stay
22 healthy, because we all need to be here, and have a
23 wonderful, wonderful Thanksgiving everyone.

24 And we'll see next month.

25 Meeting closed.

1 (Thereupon the Air Resources Board meeting
2 adjourned at 6:37 p.m.)
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C E R T I F I C A T E O F R E P O R T E R

I, JAMES F. PETERS, a Certified Shorthand Reporter of the State of California, do hereby certify:

That I am a disinterested person herein; that the foregoing California Air Resources Board meeting was reported in shorthand by me, James F. Peters, a Certified Shorthand Reporter of the State of California, and was thereafter transcribed, under my direction, by computer-assisted transcription;

I further certify that I am not of counsel or attorney for any of the parties to said meeting nor in any way interested in the outcome of said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 1st day of December, 2018.



JAMES F. PETERS, CSR
Certified Shorthand Reporter
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