

April 10, 2017

Clerk of the Board
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Re: Comments of Brookfield Renewable on Proposed 2017 Climate Change Scoping Plan Update

Brookfield Renewable¹ submits these comments in response to the Air Resource Board's (ARB) *Proposed 2017 Climate Change Scoping Plan Update: The Proposed Strategy for Achieving California's 2030 Greenhouse Gas Target*. Brookfield Renewable appreciates ARB Staff's work to date on the Scoping Plan Update and we thank ARB for the opportunity to provide formal comments.

Brookfield Renewable is supportive of ARB Staff's proposal to continue administering the Cap-and-Trade Program through 2030. Cap-and-Trade is well understood by California's compliance entities and the focus should remain on enhancing the existing Program instead of establishing new frameworks with unknown timelines for implementation and uncertain impacts and efficacy. Of particular importance, the continued reliance on Cap-and-Trade as a mechanism to achieve 2030 greenhouse gas reduction targets will afford California flexibility necessary (and not found in other frameworks) to balance climate goals and economic impacts. This balance is

¹ Brookfield Renewable operates one of the largest publicly-traded, pure-play renewable energy platforms globally with 10,700 megawatts (MW) of installed hydroelectric and wind capacity. Brookfield Renewable has more than 100 years of experience as an owner, operator and developer of hydroelectric power facilities.

reinforced in ARB Staff's modeling,² which has shown that leveraging Cap-and-Trade (both the Proposed Plan and Alternative 3) limits direct and macroeconomic impacts while maximizing greenhouse gas reductions. Also significant is the ability to link California's Program with trading programs in other jurisdictions, which promotes lowest cost outcomes and has the potential to encourage the establishment of additional trading programs and deeper greenhouse gas reductions domestically and globally.

While supportive of continued administration of Cap-and-Trade, Brookfield Renewable urges ARB to also closely consider establishing as part of the Scoping Plan Update an aggressive 2030 electricity sector emissions target which requires reliance on renewable energy in excess of current statutory mandates. Establishing a deep 2030 electricity sector reduction at the outset will help to optimize long-term electricity sector planning and procurement through statutorily-mandated Integrated Resource Planning. In addition, requiring the electricity sector to achieve aggressive reductions can in the short-term allow other sectors less conducive to the achievement of near-term reductions a more gradual and effective transition toward a lower carbon future.

Sincerely,



Steve Zuretti
Director, Regulatory Affairs
Brookfield Renewable

² March 28, 2017 Workshop Materials: <https://www.arb.ca.gov/cc/scopingplan/meetings/032817/sp-march-workshop-slides.pdf>