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*Submitted electronically at*

[https://www.arb.ca.gov/lispub/comm/bcsubform.php?listname=scopingplan2030&comm\\_period=N](https://www.arb.ca.gov/lispub/comm/bcsubform.php?listname=scopingplan2030&comm_period=N)

**Re: Comments on Draft 2030 Target Scoping Plan Update and Related Public Workshops**

Esteemed Ms. Sahota:

On behalf of Friends of the Earth – United States (FOE-US) this letter is provided as comment on the *Draft 2030 Target Scoping Plan Update (SPU) and Related Public Workshops (Workshops)*. As with previous submissions, this letter is not comprehensive, but the comments we provide do go to the heart of our environmental and social justice concerns regarding the road map for future California climate policy as it is presented in the SPU. Clearly there are tremendous challenges to be met, and we appreciate the enormity of the task put before the Air Resources Board (ARB) staff for developing an economically just, ecologically literate, and scientifically defensible plan for the State of California to meet greenhouse gas emissions reductions goals.

We commend the State of California political leadership for taking a public stance challenging those political forces that would suggest that global climate change does not present tremendous existential threats to human society and the planet's life systems. Though we have acute concerns that many of the proposals put forth by state agencies are misguided and lacking in scientific rigor and adequate socio-economic analysis, we are steadfast in our belief that making a priority of addressing climate change is an imperative for the State of California. Again, we appreciate the public stance regarding the importance of addressing climate change that has been taken by political leadership in the state government. Nevertheless, there is a need for urgent and dramatic action that more accurately reflects the rhetoric. Regardless of the recognition of the existential threat that is global climate change there is a failure in the SPU to go directly to the root causes of increased concentrations of greenhouse gases in the atmosphere. Because of the indifference of the SPU to fully addressing the fundamental climate science regarding the roll of fossil fuels in global climate change there are numerous shortcomings in the SPU that if not adequately addressed will result in a climate action roadmap that is simply dangerous and that will put the future generations at risk.

***Soft Climate Science Denial: The Failure of the SPU to Recognize the Scientific Mandate to Keep Fossil Fuels in The Ground***

The SPU makes claims about relying on contemporary climate science that do not pass the simplest of eye tests. The urgent need for California to lead the global community in a deep and rapid rehabilitation program to assist in breaking a mortal addiction to fossil fuels is not adequately recognized in the SPU. The well-known scientific consensus that confirms the imperative to keep at least 2/3 of known fossil fuel reserves in the ground is simply not addressed in the SPU. The scientific consensus that defines the mandate to keep fossil fuels in the ground is captured succinctly in an International Energy Agency study

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articulating that “no more than one-third of proven reserves of fossil-fuels can be consumed prior to 2050” if the world is committed to achieving the 2 degrees’ Celsius climate goals.<sup>1</sup> This is consistent with the results of a study from 2015 describing how the greenhouse gas emissions contained in known fossil fuel reserves is approximately three times what can be utilized and still stay within stated objectives of keeping planetary warming below the 2 degrees’ Celsius threshold, meaning that approximately 2/3 of known fossil fuel reserves must stay in the ground.<sup>2</sup> There is little question that if California aspires to be a global climate leader that the scientific mandate to keep fossil fuels in the ground must be integrated into a climate action road map such as the 2030 Scoping Plan Update. This means that the economic implications of “stranded assets” that is directly associated with keeping known reserves of fossil fuels in the ground must also be factually and adequately addressed in the SPU in order that the SPU be economically coherent. We suggest that the ARB revise the fundamental scientific premise of the SPU to include the best available climate science that factually assesses how human economic activity is disturbing global carbon cycles. To not include this fundamental land carbon science in the SPU is to perpetuate a species of climate science denial. Failure to integrate the scientific mandate to keep fossil fuels in the ground will result in a SPU that will provide appearances of responding to the climate crisis while ultimately failing to effectively address the root causes of increasing concentrations of greenhouse gases in the atmosphere.

### ***The Focus on Tropical Deforestation is Inappropriate and a Distraction***

There are few examples that better capture the “*do as I say not as I do*” hypocrisy of the global north in developing climate policy than the contradictions regarding forest protection and conservation as they are presented in the SPU. Even though California is host to globally important forests, tropical deforestation is provided a great deal of attention in the SPU. This contrasts with the reduced attention put on historical and contemporary deforestation in California’s globally important forests, which constitutes a real threat to local and global biodiversity, water resources and climate. While tremendous emphasis in the SPU is put on how tropical deforestation can impact California, the SPU fully fails to address in any substantive manner the primary drivers of tropical forest destruction, which are the extraction and production of commodity products such as beef, soy, palm oil, timber, minerals, and fossil fuels, many of which are consumed right here in California. The failure of the SPU to address the primary motors of tropical forest destruction turns the issue of tropical deforestation on its head.

Hypocritically, more emphasis in the SPU is put on how tropical deforestation is impacting California than how California is a prime economic motor in driving tropical forest destruction. For instance, a 2016 report by Amazon Watch, titled *From Well to Wheel: The Social, Environmental, and Climate Costs of Amazon Crude*, describes how California’s oil refineries are amongst the worst offenders in economically driving the destruction of the rainforest in the Western Amazon. One of the main findings of the study is that California processes roughly 60% of all exports of Amazon crude from Ecuador, Perú, and Colombia.<sup>3</sup> This is a simple fact reflecting the role of California consumption of commodities in driving tropical deforestation that is completely absent from the SPU. It is completely inappropriate and a distraction that the ARB would put such an emphasis on tropical deforestation as one of the major causes of global climate change when the motors of the destruction of the rainforest are occurring right here in California – yet these motors of destruction merit no mention in the SPU. Such hypocrisy is not befitting a state that aspires to provide global climate leadership.

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<sup>1</sup> “World Energy Outlook 2012.” *International Energy Agency*.

<https://www.iea.org/publications/freepublications/publication/english.pdf>

<sup>2</sup> McGlade and Elkins (2015) *Nature* **517**, 187 – 190 (08 Jan 2015)

<http://www.nature.com/nature/journal/v517/n7533/full/nature14016.html>

<sup>3</sup> “From Well to Wheel: The Social, Environmental, and Climate Costs of Amazon Crude.” 2016. *Amazon Watch*.

<http://amazonwatch.org/assets/files/2016-amazon-crude-report.pdf>

Notably, this strong focus on tropical deforestation contrasts with how the SPU discusses California's forests (or fossil fuels for that matter). The ARB continues to obfuscate the greenhouse gas emissions impacts from past and contemporary deforestation and forest exploitation here in California. The ARB still fails anywhere in the SPU to describe deforestation as an historical and contemporary environmental and climate threat occurring here in California's forests. Though the SPU does make mention of the greatly publicized draft Forest Carbon Plan and includes the euphemistic "Natural and Working Lands" element in the discussion, the greenhouse gas emissions challenge that is present in California's industrialized forests and agricultural lands remains largely avoided in the SPU. Clearly the ARB has been intimately involved with the presentation of the draft Forest Carbon Plan as being at least rhetorically an important part of California climate change mitigation planning, yet the reality is that the draft Forest Carbon Plan was deficient scientifically and failed to meet basic requirements of bedrock California environmental law.<sup>4</sup> California's road map for climate action abdicates responsibility in the state for driving tropical deforestation and fully fails to come to terms with the climate legacy impacts of past and current forest destruction in California's forests. This is a grievous distraction that must be remedied in order that the SPU even begin to address the real threats from deforestation at home and abroad.

### ***Addressing Deforestation and Forest Degradation in California Is an Imperative***

On repeated occasions the ARB and other relevant California natural resource management agencies have spoken of the importance of forests in understanding, mitigating and responding to climate change. We support that position and are in favor of forest conservation in principle. As we have said before, and even if the ARB is not explicit in saying so, we strongly support establishing measurable and aggressive goals in reducing emissions from deforestation and forest degradation in the forests of California. This will most likely require a suite of policies that will reduce the use of the most destructive forest management activities such as clearcutting and high-density variable retention, as well as more holistic approaches to addressing the economic motors of forest destruction in California's globally important forests.

To that end, we believe that there exists an imperative that a frank and science-based assessment of the legacy and contemporary climate impacts of silviculture applications (i.e. industrial forestry, logging, and timber harvest) in California is provided as soon as possible. This includes addressing the legacy impacts of such practices in creating a landscape that is evolved to fire disturbance but exhibits volatile fire disturbance behaviors related to past deforestation and mono-culture plantation management. We are steadfast in our support for the ARB taking a key role in forging a just and equitable transition to a low emissions economic development path, most especially here at home in rural California. Having accurate data that informs a robust science-based evaluation of the climate impacts of forest management practices is crucial to California providing the international global climate leadership that ARB is so eager to promote. The draft Forest Carbon Plan was devoid of many essential climate change mitigation design principles, and was completely lacking in the appropriate environmental analysis as required by law. The failure of the Draft EA for the SPU to address the Forest Carbon Plan and to provide analysis of the climate impacts from industrial forestry activities in California's forest increases the risk that the Draft EA of the SPU is deficient. These inadequacies need to be addressed in order that the SPU be scientifically and legally defensible.

### ***Linked Carbon Markets: More Complexity and Fewer Emissions Reductions***

A recent article published in *Nature* describes directly the dangers that will arise from pursuing complex market linkages to expand the reach of the California Cap-and-Trade program.<sup>5</sup> The article is explicit in

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<sup>4</sup> See comments provided on the draft Forest Carbon Plan, including [http://www.fire.ca.gov/fcat/downloads/FCAT\\_PublicComment/Center%20for%20Biological%20Diversity%20et%20al%20Forest%20Carbon%20Plan%20Comments.pdf](http://www.fire.ca.gov/fcat/downloads/FCAT_PublicComment/Center%20for%20Biological%20Diversity%20et%20al%20Forest%20Carbon%20Plan%20Comments.pdf)

<sup>5</sup> Green, Jessica. 2017. Don't Link Carbon Markets. *Nature*. **543**, 484 – 486.

describing how “carbon trading is more a political fix than an effective way to mitigate climate change.” The flawed assumptions that underpin the ARB obsession with pollution trading are leading the state into dangerous territory where appearances of climate action will obfuscate the failure to reduce net emissions.

The article describes the contemporary situation:

*“Linked carbon markets are difficult to manage when many regulatory authorities compete. Interactions with other climate policies trigger unintended outcomes. Policymakers find it hard to keep prices at the ‘right’ level — neither so high that a carbon market becomes politically unacceptable, nor so low that it fails to change behaviour. California’s case shows that lawmakers can be tempted to use regulatory loopholes to drive down prices and weaken the market’s effectiveness. Such problems will only worsen when more markets are linked up.”*

The body of evidence exposing the erroneous scientific assumptions that underpin a large part of the actual mechanics of the California Cap-and-Trade Program is substantial. What is also becoming increasingly clear is that California is at real risk of “putting in place a set of policies that appear to address climate change but allow emissions to continue to rise.” The SPU must be revised to take the best available science into account in order that the analysis of alternatives be ecologically literate, scientifically grounded, and legally defensible. This will include an honest assessment of the dangers of linked carbon markets, and a step away from unquestioning promotion of assumptions that are scientifically unfounded and that the evidence does not support. We strongly recommend that the ARB step back from promoting market linkage.

#### ***High Risk International Sector-Based Offsets Must be Dropped as a Policy Recommendation***

Protecting tropical forests is fundamental to effective climate change mitigation strategies. For this reason, FOE-US works extensively domestically and internationally to address the main economic drivers of tropical deforestation. Those drivers are largely the production and extraction of commodity resources for consumption on global markets, including in California, one of the wealthiest economies in the world.

The commitment expressed in the SPU to pursue linkage with Acre, Brazil, to open the door to the inclusion of International Sector-Based Offsets in California Cap-and-Trade is misdirected and colonialist. This highly controversial proposal is replete with human rights, lands rights, and indigenous rights concerns that have been extensively documented. Our organization has provided extensive comment to the ARB regarding the high-risk proposal of including International Sector-Based Offsets in the California carbon market. There are many promising opportunities for California to engage in the international arena for supporting socially just and scientifically defensible climate mitigation efforts. The expansion of California pollution trading under the rubric of Cap-and-Trade to include REDD-based offsets is not defensible scientifically nor in terms of social justice. To be clear, the fundamental premise behind the inclusion of International Sector-Based Offsets in the California Cap-and-Trade program, the idea that it is possible to “neutralize” the emissions from burning fossil fuels with carbon sequestration in forest ecosystems, is based on an erroneous assumption regarding the atmospheric impacts of human disruption of global carbon cycles. In this age of egregious climate science denial, it is exceptionally dangerous that the State of California and the proponents of including REDD-based offsets in the California Cap-and-Trade program continue perpetuating a scientifically questionable policy proposal. It is necessary for the State of California to finally move on from this high risk and dubious scheme, and as such it is essential that the International Sector-Based Offsets regime embodied in proposed linkage with Acre be eliminated from future California climate policy.

Another factor regarding proposed linkage with Acre that has been brought to the attention of ARB staff on repeated occasions but that the SPU fully fails to discuss is the deterioration in Brazil of environmental governance, of environmental regulatory institutions, and of the institutions and processes that are meant

to defend the rights of indigenous peoples. Political turmoil in Brazil has resulted in extra-electoral processes leading to an anti-democratic change in the federal executive. One result of this change in the executive has been a dramatic and extreme reduction in the budgets of those environmental management and science agencies that are responsible for climate change policy implementation, including addressing deforestation, in Brazil. A recent article described the desperate situation in Brazil as environmental organizations fear budget cuts will undermine Brazilian efforts to participate in international strategies to respond to climate change.<sup>6</sup> By all indications deforestation rates in Brazil have in recent years begun once again to climb. This failure to consider real world politics only further exposes California climate policy objectives to the extreme risks of International Sector-based Offsets and/or linkage with other sub-national jurisdictions such as Acre, Brazil. It is well past time for the ARB to abandon this extremely risky, socially unjust, and scientifically dubious policy proposal.

### ***Carbon Offsets Undermine Real Innovation and Will Make Things Worse***

It is unfortunate that in this era of egregious climate science denial that ARB staff remain hypnotized by the scientifically dubious utilization of carbon offsetting as a climate change mitigation tool. The ongoing reliance on and proposed use of carbon offsets in various elements of California climate policy is without scientific legitimacy and is dangerously misleading. Informed analysis concludes that offsetting is worse than doing nothing because it almost certainly contributes to a net increase in the absolute rate of global emissions growth.<sup>7</sup> It may look good on paper, but in the atmosphere this variety of “Enron carbon accounting” is simply not convincing, as it is a spurious argument that offsets reduce emissions to levels at or before those that would have transpired had the activity being offset not occurred.

A central problem with carbon offsetting is that the false promise of carbon neutrality triggers a rebound away from meaningful mitigation and towards the ongoing reliance on and development of further high carbon infrastructures at a time when a rapid and drastic transition needs to be undertaken by human society away from a high carbon economy. When offsetting is deemed to have equivalence with real emissions reductions at the source the incentive to move to lower carbon technologies, behaviors and practices is reduced accordingly. As we have already seen in California, carbon offsetting militates against market signals to improve low carbon travel and technologies, while politically facilitating the ongoing pursuit of capital-intensive development of high-carbon infrastructure. Our organization, based on our experience around the world, recommends that California make a strong move away from the False Solution of relying on carbon offsetting in climate policy, whether it be for local development projects or with the market-based mechanism of the California Cap-and-Trade Program.

### ***Disconnect Between Environmental Justice Rhetoric and Substance of Scoping Plan Update***

We have consistently and emphatically offered our public support for the rhetorical priority that the ARB has given to the processes and recommendations of the Environmental Justice Advisory Committee (EJAC) in the Scoping Plan Update process. The increase in material and institutional support of the EJAC has been instrumental in strengthening public participation in the Scoping Plan Update process. We hope and expect that the role of the EJAC will continue to be expanded. The EJAC is without question one of the most promising vehicles for insuring that California climate policy is built from the bottom up, and not imposed from the top down.

Based on the experience of FOE-US in the State of California, nationally in the United States, and internationally as a member of a federation of more than 70 organizations in 70 countries around the world we raise a red flag regarding the disconnect between the rhetoric regarding Environmental Justice

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<sup>6</sup> See “Funding gutted for Brazilian environmental agencies” (April 7, 2017) at <http://www.eenews.net/climatewire/2017/04/07/stories/1060052762>

<sup>7</sup> Mackey et al. (2015). Untangling the Confusion Around Land Carbon Science and Climate Change Mitigation Policy. *Nature Climate Change* 3.

and the substance of cornerstone policy proposed in the SPU. The SPU goes to great lengths to address Environmental Justice issues and confirm the widely-understood importance of the EJAC to developing climate change mitigation policy that is socially equitable and scientifically defensible. We have brought these concerns to the attention of ARB staff on previous occasions. Unfortunately, there seems to be limited effort to integrate the top-level recommendations of the EJAC into the SPU and we remain very concerned that ARB staff are just paying lip service to Environmental Justice dynamics and issues.

In reviewing the EJAC recommendations which are included in the Appendix of the SPU even a casual reader would be struck by the way the policy proposals disregard the most important recommendations. For instance, the EJAC makes an explicit recommendation, one that has been made repeatedly by the EJAC in the various incarnations of the committee, to not make Cap-and-Trade (market-based market mechanism) a cornerstone of future climate policy. In defiance of the law, the best available science and the ARB rhetoric concerning environmental justice the SPU and accompanying scenarios reflect the intention of ARB staff to stubbornly push onwards with unjust and scientifically questionable pollution trading. The EJAC recommendations also are explicit in articulating the need to exclude International Sector-Based Offsets (REDD based-offsets) from future iterations of the California Cap-and-Trade program. Yet the SPU completely ignores those recommendations and stubbornly maps out future linkage with Acre and the eventual inclusion of high risk and dubious REDD-based carbon credits in Cap-and-Trade. The implications of this disconnect are so obvious that they do not need to be stated.

### ***Conclusion***

In conclusion of this letter we want to bring attention to several other contributions that our organization has made to the current SPU comment process. These contributions include:

- Submission of the report A School Lunch Recipe to Combat Climate Change.<sup>8</sup>
- Submission of a petition with the support of more than 6200 California residents requesting the integration of the recommendations of the Environmental Justice Advisory Committee into the SPU.<sup>9</sup>
- The re-submission of a comment letter that we provided in 2016 communicating concerns in regards the proposal to expand Cap-and-Trade with International Sector-based Offsets.<sup>10</sup>
- The support of and full agreement with the letter submitted by the Center on Race, Poverty, and the Environment and other organizations, and which we signed.

Thank you for your attention to this letter. Our organization will remain engaged with and attentive to ARB leadership in developing climate policy in our state that provides global and national leadership.

Respectfully,



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<sup>8</sup> See

[https://www.arb.ca.gov/lispub/comm/bccomdisp.php?listname=scopingplan2030&comment\\_num=77&virt\\_num=59](https://www.arb.ca.gov/lispub/comm/bccomdisp.php?listname=scopingplan2030&comment_num=77&virt_num=59)

<sup>9</sup> See <https://www.arb.ca.gov/lists/com-attach/80-scopingplan2030-Wz1SJIE5BTNQOAF1.pdf>

<sup>10</sup> See <https://www.arb.ca.gov/lists/com-attach/38-scopingplan2030-ATBXZld7UjNQewk8.pdf>