

**AB 32 Environmental Justice Advisory Committee (EJAC)**  
**Recommendations for Proposed 2030 Target Scoping Plan Update**  
**March 30, 2017**

*Initial Recommendations prepared Aug. 26, 2016; revisions made Dec. 22, 2016 and March 30, 2017.*  
 March 30, 2017 new text underlined, deleted text in ~~strikeout~~.

<b>Industry</b>	
<b>Equity</b>	
1	State in the Scoping Plan that it is a priority to reduce emissions in EJ communities, and to ensure no emissions increases happen there, <u>and specify the strategies that are achieving this</u> . Through standardized metrics, ensure that emission reductions from AB 32 activities are being achieved, especially in EJ communities. <u>Include an analysis on where/how GHGs are increasing and specify strategies to prevent and reduce those emissions, especially in EJ communities; these strategies include no trading, no offsets, and no free allowances in those communities. Continue OEHHA emissions study on EJ communities, including facilities with emissions increases that used offsets and received free allowances.</u>
2	Use a "loading order" for Industry similar to the one that is used by the California Energy Commission for supplying demand, <u>such as: (1) reduce fossil fuel use (extraction, operations, supply, feedstock source), (2) reduce emissions through efficiency (technology, innovations), (3) controls to prevent emissions increase</u> . Always prioritize the approval and use of the most efficient and low-carbon technologies, facilities, and projects over high-polluting ones. <u>This could be implemented for the LCFS.</u>
3	Address localized impacts of short-lived climate pollutant emissions, such as black carbon from all sources.
4	A big design flaw of Cap-and-Trade is having an ambiguous economy-wide cap. Eliminate Cap-and-Trade, replace it with a non-trading option system like a carbon tax or fee and dividend program. In addition: <ol style="list-style-type: none"> <li>a. Increase enforcement of existing environmental and climate laws, increasing penalties for violations in DACs.</li> <li>b. Establish a state run "Carbon Investment Fund" allowing the private financial sector to invest in Carbon Futures. Pay dividends through enforcement fines, permit fees and carbon tax receipts.</li> <li>c. Better coordinate climate pollution and local criteria pollutants programs.</li> <li>d. Place individual caps on emission sources, rather than using a market-wide cap. Set up a per-facility emissions trigger that will tighten controls when a certain level is reached. <u>Include language in Scoping Plan on facility caps.</u></li> <li>e. Establish a moratorium on refinery permits.</li> <li>f. Set goal of 50% emissions reduction in Oil and Gas sectors by 2030. Aggressively reduce emissions from these sectors, including fugitive and methane emissions from extraction and production.</li> <li>g. Put emissions caps on the largest polluters.</li> <li>h. If Cap-and-Trade continues, do not give out more free allowances.</li> <li>i. Do not exempt biomass burning activities.</li> <li>j. Do not allow regulated entities to apply for California Climate Investments funding.</li> <li>k. Increase the floor price to the real price of carbon; use the highest price offered, not the lowest. Incorporate industry's externalized costs into the cost of carbon (as is done with the mitigation grant program at Port of Long Beach). Calculate the cumulative impacts so they can be mitigated. Ensure that polluting facilities are paying the societal costs of their emissions, rather than externalizing them.</li> </ol>
5	The Scoping Plan Economic Analysis must consider carbon tax, command and control regulation, and Cap-and-Dividend or Fee-and-Dividend. Cap-and-Trade must be eliminated.

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<b>Industry</b>	
	The price of carbon must be increased, with the resulting funds invested in local communities to ensure all benefits from a greenhouse gas free future. <u>Provide a full analysis of carbon tax and cap-and-tax.</u>
6	Expand the definition of <i>economy</i> to include costs to the public (e.g., U.S. EPA social cost calculator). <u>Include health care costs in social cost of carbon.</u> Conduct an economic analysis that would account for the cost to public health (beyond cancer, respiratory and cardiovascular diseases) and environmental burdens from greenhouse gases. Include the Integrated Transport and Health Impacts Model (ITHIM) in the analysis. Ensure that ARB coordinates with other state agencies in this effort.
7	Ensure that the Adaptive Management tool is adequate for real-time monitoring and intervention. <u>Provide real-time air data to communities from local emitters.</u> There must be at least two EJAC members on the Adaptive Management work group. To demonstrate how the tool can help communities, complete an Adaptive Management analysis for Kern County.
8	To address tension between workers and community members who live in polluted areas, there needs to be access to economic stability and a just transition to the new clean economy. Ensure that workers in Environmental Justice communities whose livelihood is affected from a move to cleaner technologies have access to economic opportunities in that new clean economy and that local businesses continue to employ workers from that community. <u>Include a just transition fund in the use of any climate funds.</u>
9	Do not commit California to continuing Cap-and-Trade through the Clean Power Plan. Since carbon trading cannot be verified, ensure that the Clean Power Plan power purchases are from sustainable, renewable power plants.
10	Eliminate offsets. <u>However, if this recommendation is not accepted and offsets are used, they must offset the emissions in the area where the emissions occur. Offsets must be in the state; do not allow out-of-state offsets.</u> Actions and investments taken by industry to reduce emissions need to be reinvested in the communities where the emissions have occurred. Any benefits from greenhouse gas reduction measures must affect California first. In addition to California emissions, also consider activities that can reduce pollution coming from across the Mexican border, to reduce emissions in the border region. Do not pursue or include reducing emissions from deforestation and forest degradation (REDD) international offsets in the Scoping Plan. <u>ARB should commit to evaluate the emissions impacts of offsets and free allowances in EJ communities, including if Cap-and-Trade is extended/chosen, and then publish this study and consult with the EJAC.</u>
11	<u>Do not allow out-of-state forest offsets—offsets should apply to in-state urban forests.</u>
<del>11</del> 12	Add AB 197 and SB 350 as a Known Commitments for this sector and remove “Develop a regulatory accounting and implementation methodology for the implementation of carbon capture, and sequestration projects” as a potential new measure. <u>Include detail in Scoping Plan of how AB 197 implementation will work to reduce emissions, especially for EJ communities.</u>
13	Delete the word “unlikely” from the following sentence on page 55 of the Scoping Plan: <u>Implement Adaptive Management to monitor for and address any unlikely increases in toxic or criteria pollutant emissions due to implementation of the Cap-and-Trade Program. Include ARB’s response to the CEJA and OEHHA reports in the Scoping Plan and a commitment to prevent emissions increases, especially in EJ communities.</u>
14	<u>Commit to reducing oil. This includes a moratorium on new or expanded fossil fuel infrastructure, limiting oil and gas exports now to close that loophole, and placing quality</u>

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<b>Industry</b>	
	<u>controls on feedstocks so as to not import extreme oil (tar sands, Bakken crude).</u>
<b>Coordination</b>	
<del>12</del> <u>15</u>	ARB needs to examine ways to increase its partnerships with and oversight over air districts using its existing authority. Local air districts need to be held accountable to the same standards as ARB. Promises need to be documented and strictly enforceable. If an air district chooses to have stronger standards than ARB, that air district must have the power to enforce those stronger standards without interference from ARB.
<del>13</del> <u>16</u>	Stop “passing the buck” from agency to agency and fix the problems. All agencies need to take responsibility for all pollutants. Coordinate efforts among agencies when necessary, and among local governments and communities. Implement the following measures: <ol style="list-style-type: none"> <li>a. Improve community and neighborhood level air pollution monitoring.</li> <li>b. Add EJ members to all agency boards and committees.</li> <li>c. Tier pricing for allowances for facilities in EJ communities, making it more expensive to pollute in those communities.</li> <li>d. Improve communications about air quality between polluters and schools and nearby residents, both for individual accidents and in terms of overall facility emissions. Develop a cooperative, productive discourse.</li> <li>e. Provide easily accessible and immediate notification to schools and nearby residents in the event of a facility accident; current notification is much too slow. Develop and make accessible tools like the real-time air quality advisory network (RAAN) phone application, so residents can access real-time air quality information at the neighborhood level.</li> <li>f. Establish better coordination between enforcement agencies. Expand air quality night enforcement so that all communities have around-the-clock enforcement to address off-hours violations.</li> </ol>
<u>14</u> <u>17</u>	<del>Develop a unified policy similar to (but better constructed than) CAPCOA’s for trading GHG credits among districts.</del> Delete the following sentence: “Where further project design or regional investments are infeasible or not proven to be effective, it may be appropriate and feasible to mitigate project emissions through purchasing and retiring carbon credits issued by a recognized and reputable accredited carbon registry.” CAPCOA is creating a new carbon market that EJAC has raised concerns about, and it should not be authorized by being in the Scoping Plan.
<b>Partnership with Environmental Justice Communities</b>	
<u>15</u> <u>18</u>	Create a thorough air quality monitoring system and deputize the community to participate in that network through databases, apps, and community science. Fund a program to provide communities with the tools and training they need to participate. Identify the pockets not being monitored and also the hot spots. ARB must take a greater responsibility for monitoring. Ensure that all monitoring covers both greenhouse gas pollutants and criteria pollutants, to expand the state’s databases and accurately characterize all communities, so that CalEnviroScreen can more reliably identify areas that qualify for funding. Make monitoring transparent and accessible. <u>Include language in Scoping Plan committing to improved air monitoring.</u>
<b>Long-Term Vision</b>	
<u>16</u> <u>19</u>	The Industry sector must present a vision of how California is transitioning to a clean energy economy, with clean businesses that will not harm disadvantaged communities. This vision

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<b>Industry</b>	
	must focus both on the environment and the economy, including the jobs and taxes that will come from a transition to a clean energy economy. For example, analyze the gaps between jobs lost in fossil fuel industry and jobs gained in cleaner industries.
17 20	Explore scenarios for maintaining local jobs when refineries shut down. <u>Include a just transition fund for workers.</u>