From:Zaremba-Schmidt, Laura@ARBTo:Zaremba-Schmidt, Laura@ARB

Subject: FW: Business-Industry Coalition Comments - The People"s Blueprint

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Attachments: Business-Industry Coalition Comments - People"s Blueprint (4.29.22).pdf

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From: Robert Spiegel < rspiegel@cmta.net > Sent: Monday, May 2, 2022 11:22 AM

To: ARB Community Air < CommunityAir@arb.ca.gov>

Subject: Business-Industry Coalition Comments - The People's Blueprint

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Please find attached The Business/Industry Coalition Comments pertaining to The People's Blueprint.

We appreciate the opportunity to provide these comments and please do not hesitate to contact me/us with any questions.

Thank you,

Rob



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Western **States** Petroleum Association













































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"Promoting Jobs in a Competitive Business Climate"



Dr. John Balmes Chair, California Air Resources Board AB 617 Consultation Group P.O. Box 2815 Sacramento, California 95812

Subject: Preliminary business stakeholder comments on the draft "People's Blueprint" (September 2021)

The undersigned business groups appreciate the considerable efforts of community representatives to apply their own experiences and lessons learned over the past few years toward improving the implementation of AB 617 (C. Garcia, Chapter 136, Statutes of 2017). Their work challenges all stakeholders to think more creatively about how to improve air quality in disproportionately impacted communities. The following comments reflect our impressions of the "People's Blueprint" as a source of ideas for changes to the California Air Resources Board's (CARB) 2018 Community Air Protection Program Blueprint.

Preserve Program Successes

The AB 617 Community Air Protection Program (CAPP) is a groundbreaking and ambitious program that seeks to address a core environmental justice priority – to reduce the contribution of localized criteria pollutants and toxic air contaminants to high cumulative air pollution exposures in disadvantaged communities. It does this by involving members of the community, regulatory agencies, and "affected sources" in identifying local air quality challenges in designated AB 617 communities and developing measures to address those challenges. The CAPP has been criticized by some stakeholders for failing to achieve the goals of the enabling statute. However, the progress reports developed by local air districts, and based on early implementation of community programs, document significant reductions in cumulative exposures to air pollution in several AB 617 communities that are in addition to those other emissions reductions from existing local, state and federal air quality programs.

For example, the South Coast Air Quality Management District's 2021 Annual Progress Report for AB 617 Community Emissions Reduction Plans identifies estimated emissions reductions of 48.8 tons per year (tpy) of nitrogen oxides (NOx), 0.6 tpy of particulate matter (PM), and more than 2 tpy of volatile organic compounds (VOCs) in East Los Angeles/Boyle Heights; 245.6 tpy of NOx, 5.7 tpy of PM, and 9.3 tpy of VOCs in Wilmington/Carson/West Long Beach, 116.2 tpy of NOX, 9.4 tpy of PM and 13.6 tpy of VOCs in Eastern Coachella Valley and \$13,800,000 in

incentive funding with an estimated emissions reduction benefit of 453.3 tpy of NOx, 17.1 tpy of PM, and 27.21 tpy of VOC in all AB 617 Communities.

In the AB 617 Community of Shafter, the San Joaquin Valley Air Pollution Control District has documented almost \$2 million in grant funding for 19 harvesters estimated to reduced 28.2 tpy of NOx and 481.03 tpy of PM2.5. Alternatives to agricultural burning have been identified for 473 acres with estimated emissions reductions of 28 tpy of NOx, 50 tpy of PM2.5 and 42 tpy of VOC. \$3.3 million has been dedicated to replacement of diesel tractors for an estimated reduction of 301 tpy of NOx and 22 tpy of PM.

In the AB 617 Community of West Oakland, the Bay Area Air Quality Management District has documented \$36.5 million in funding for low-emission equipment including marine terminal gantry crane engine replacements, marine, locomotive, bus and off-road equipment engine replacements and City grant awards for truck management, transit improvements and other local air quality initiatives. Collectively, these achievements will deliver local emissions reductions of 0.87 tpy of PM2.5, 0.91 tpy of diesel exhaust PM and 719 tpy of cancer-risk weighted toxic air contaminants. The West Oakland CERP also includes novel design elements such as subject-matter specific subcommittees charged with developing solutions for core community priorities (e.g., community health and urban greening, land use policy, transit improvements and port and freight emissions sources).

These examples, and the additional reductions of localized air pollution in other AB 617-designated communities, are precisely the outcomes that AB 617 was designed to achieve. While there will always be opportunities to improve the program, including in areas where businesses share the concerns of community representatives, these accomplishments should be credited to the program and not be disregarded or discounted in favor of alternative approaches. The 2018 Blueprint components that contributed to these outcomes should be specifically identified and preserved in CARB's Blueprint update process.

The Blueprint update should also emphasize opportunities for near term emissions reductions using readily available and economically feasible technologies. Measures that focus only on long term strategies, such as full electrification of heavy-duty vehicles prescribed in CARB's Mobile Source Strategy, do nothing to alleviate immediate concerns about high cumulative exposure burdens in AB 617 communities. They also sacrifice opportunities for near term air quality improvements in other AB 617 candidate communities statewide. It is unclear how bypassing these opportunities in favor of less certain outcomes in the distant future addresses the urgency expressed by community representatives to achieve equity and environmental justice in their communities.

Focus on CSC Administration

The draft People's Blueprint focuses heavily on procedural issues related to Community Steering Committee (CSC) formation, governance, decision making and program budgeting. There is no exploration of technical limitations in the 2018 Blueprint that may impede efforts to achieve near term air quality improvements in AB 617 communities. It may be that the sole purpose of the People's Blueprint is to propose additional community-oriented policies and procedures that are lacking in the 2018 Program Blueprint. If that is the case, then this purpose should be clearly stated in the document's introduction, and a narrower focus should be considered by CARB in evaluating the need for other changes unrelated to the issues identified in the People's Blueprint.

Proposed Conflict Resolution Procedures Require More Clarification

The draft People's Blueprint recommends that CSCs adopt procedures to resolve conflicts among parties involving issues before the CSC, and to address potential conflicts of interest. These concepts are broadly described and open to varying interpretations. The document asserts that "Any participant including, CARB staff, air district staff, CSC, community representatives in the public may be removed from participating in AB 617 program related activities" by the CSC (page 19) but fails to provide any specifics for understanding how the CSC would exercise such authority. Similarly, it recommends "a strong conflict-of-interest policy" which could also result in removal from the CSC, yet it does not provide any framework, nor offer a particular model or example of how such a conflict-of-interest policy would operate in practice. A conflict-of-interest policy should not preclude any individual with a statutorily designated role in AB 617 implementation from membership in a CSC. This consideration is particularly important given the People's Blueprint position that community residents must comprise the majority of CSC membership. As a practical matter, this approach limits the extent to which any non-resident interest can influence CSC direction or decisions.

Given the very difficult discussions that may result from application of these concepts, it is imperative that any conflict resolution procedure be fully developed and clearly communicated to all stakeholders. We are deeply concerned that the proposed authority to remove stakeholders from a public process, without further clarity on the grounds for a removal, would be unchecked and is contrary to the stated intention to promote greater stakeholder collaboration. At a minimum, more specific and appropriate boundary conditions should be established to guide the exercise of this authority. Routine behavior that is overtly disruptive or disrespectful should be grounds for removal from a CSC. However, individuals should not be excluded from CSC membership or deliberations simply because they do not support the majority view. In addition, the Program Blueprint should set a high bar for removal of any individual whose participation is established in statute, such as a supermajority vote of the full

CSC. This kind of information would provide important context for future CSCs to avoid arbitrary decisions that may advantage some stakeholders at the expense of others.

Need for Greater Emphasis on Stakeholder Collaboration

The document states on page 7 that "The Peoples Blueprint encourages collaborative processes to maximize all participant contributions and to reduce and resolve conflicts." We support these objectives. However, we are concerned that the document's tone and orientation discourages the very collaboration it purports to achieve, particularly with regard to business stakeholders. Section 1 explicitly identifies community representatives, CARB and air districts as AB 617 stakeholders, and offers some insights on their perspectives, but there is no such consideration for business representatives. The document proposes that industry representatives should only participate in CSCs "at the discretion of the convenors" (page 14). We also note statements that question the motives of business stakeholders and seek to further restrict their already limited participation in the CSC process.¹

We continue to believe that business representatives bring unique value to the CSC process in the form of knowledge about local air quality issues, emissions sources, control technologies and other mitigation measures and strategies that can be brought to bear in Community Air Monitoring Programs (CAMPs) and Community Emissions Reduction Programs (CERPs) to improve community air quality. The viability, value, and success of these programs - as well as the time and resources invested by the CSC - are at risk if business representatives, who likely will be responsible for making changes to operations or equipment necessary to achieve plan objectives, are not involved in their design and refinement. These stakeholders also represent employees who work and live in AB 617 communities and share the interest of other community representatives in working toward a healthier environment for their families and their communities.

We have similar concerns with the Consultation Group process, where business representatives have been largely relegated to bystander status as community representatives debate program implementation issues with air district and CARB staff.

¹ "...When leveraging resources, community representatives must be cautious of third-party interests that are lobbying for industry needs and not considering the long-term impact of their business models." (page 41). "Too often community members do not feel empowered to speak up and protest industry led recommendations. CSCs should not be misguided by industry representatives trying to advocate for their own interests." (page 41) "For example, a representative from industry may provide some valuable insights to the solutions-building process; however, the community should keep in mind that industry has vested interest in keeping pollution regulations lenient." (page 44).

Accurate and Reliable Data is the Key to Community Air Quality Improvement

As noted above, the People's Blueprint refers to some of the technical elements in CARB's 2018 Blueprint but does not address opportunities to improve these elements to achieve community-level air quality goals. In the interest of expediting AB 617 implementation, several AB 617 communities were designated for simultaneous development of CAMPs and CERPs. This approach required air districts to rely on data from pre-existing emissions inventories and monitoring networks which are not designed to identify specific sources contributing to air quality impacts in designated communities, or to determine their relative contributions to ambient concentrations of localized air pollutants. The primary purpose of the CAMPs is to fill these data gaps and inform more targeted and effective CERP measures. CARB's reviews of air district CERPs for Year 1 and 2 communities recognize the need for future adjustments based on new air quality monitoring data to ensure that the measures in the initially approved CERP actually achieve meaningful emissions reductions in the community.²

We agree that, "The CAMP should be designed to generate air quality data that is accurate, accessible, transparent, understandable, and ultimately used to improve local air quality" (page 35). Accordingly, CARB's Blueprint Update should provide more specific direction to CSCs and air districts to use the local air quality monitoring data being collected through AB 617 CAMPs to inform changes to CERP measures as necessary to achieve near-term reductions of pollutants that drive disproportionate localized exposure burdens for toxic air contaminants and criteria air pollutants.

We appreciate that community representatives have perspectives on what information may be relevant to the development of emission reduction measures based personal experiences in their communities. And it may well be the case that monitoring data from an AB 617 CAMP confirms those views. However, it is also possible that the new data will elucidate more effective strategies to achieve air quality benefits than are currently embodied in approved CERPs. In the interest of getting to the intended result – reducing high cumulative air pollution exposure burdens in AB 617 communities - it is necessary to follow where the best available science leads. A process that depends on any one interest group to determine what sources of information constitute acceptable or relevant science is not likely to achieve this result (page 38).

² See for example CARB Staff Report for Wilmington, Carson, West Long Beach Community Emissions Reduction Program; February 24, 2020: "Finally, the Plan includes a process to periodically update the community steering committee with new information on air monitoring, focused enforcement activities, outreach efforts, and collaborations with other agencies and partners. This may require ongoing adjustments to the Plan strategies based on new information and continued discussion gained through implementation." https://ww2.arb.ca.gov/sites/default/files/2020-02/2020 02-24 WCWLB CERP Staff Report finalversion.pdf.

Delegation of Authority

The People's Blueprint seeks to elevate the role and authority of community representatives in all aspects of AB 617 implementation. We agree that the statute is intended to give community representatives a stronger voice in AB 617 implementation and development of community-level programs. However, some of the specific recommendations seem to contemplate delegation of regulatory authority from CARB and local air districts to CSCs³, even though AB 617 unequivocally vests authority for implementation in CARB and local air districts.

Following are a few relevant excerpts from the statute:

"On or before October 1, 2018, *the state board shall prepare*, in consultation with the Scientific Review Panel on Toxic Air Contaminants, the districts, the Office of Environmental Health Hazard Assessment, environmental justice organizations, affected industry, and other interested stakeholders, *a statewide strategy to reduce emissions of toxic air contaminants and criteria air pollutants in communities affected by a high cumulative exposure burden.*" [Health and Safety Code §44391.2(b), emphasis added]

"Based on the assessment and identification pursuant to paragraph (1) of subdivision (b), the state board shall select, concurrent with the strategy, locations around the state for preparation of community emissions reduction programs." [H&SC §44391.2(c)(1), emphasis added]

"Within one year of the state board's selection, the district encompassing any location selected pursuant to this subdivision shall adopt, in consultation with the state board, individuals, community-based organizations, affected sources, and local governmental bodies in the affected community, a community emissions reduction program to achieve emissions reductions for the location selected using cost-effective measures identified pursuant to paragraph (4) of subdivision (b)." [H&SC § 44391.2(c)(2), emphasis added]

³ "Air districts do not have the authority to override CSC votes and decisions regarding budgets and funding allocations, and other decisions as determined by the Charter." (page 17)

[&]quot;No concerns or solutions should be omitted because of jurisdictional issues or for any other reason during the scoping process." (page 31)

[&]quot;The community emissions reduction program plan and community air monitoring plans must first be authored and approved by the CSC before being sent to Board for approval." (page 33)

[&]quot;Each community has the freedom to choose their research staff, data collectors, air monitoring staff, and air districts to interpret findings." (page 34)

[&]quot;CSCs and community representatives reserve the right to leverage CARB resources (both financial resources and knowledge) to effectively execute the plans." (page 40)

[&]quot;No actions should be rejected on the grounds that it is not within CARB's or other parties' jurisdiction to require them." (page 42)

The envisioned delegation of authority is likely impermissible under federal air quality law.

The authority vested in CARB to regulate mobile and areas sources, and in local air quality management districts to regulate stationary sources, is derived from the federal Clean Air Act. This law allows delegation of specified air quality programs only to state, local or tribal governments, and only under specified circumstances. These include, but are not limited to, a demonstration that the agency possesses adequate legal authorities and resources to administer the subject programs.

We defer to CARB and the air districts to respond more substantively to these recommendations, bearing in mind that the kind of delegation of decision authority envisioned in the People's Blueprint would likely reach well beyond changes to the code sections governing AB 617 implementation.

Funding and Proposed Expansion of Program Scope

We appreciate that community representatives are frustrated with the pace of new AB 617 community designations and the perception that the current approach requires communities to compete for limited AB 617 resources. Candidate communities should expect some indication from CARB as to where they sit on the AB 617 priority list. However, an approach that abandons criteria for prioritizing the most burdened communities is likely to further overwhelm program resources and dilute program benefits in all communities.

Adequate and reliable program funding is foundational to addressing these issues and appears to be a shared interest among all AB 617 stakeholders. We believe this funding should be provided by the state and that use of the funds, whether by government agencies, nongovernment organizations, or individuals, should be completely transparent to the public. Grant awards and expenditures should also be subject to periodic audits to ensure state funding is being deployed to achieve CAPP goals in a responsible and efficient manner.

It is also unclear how CARB and the air districts could "establish a plan to eliminate all air pollution disparities for all California communities by 2030." Even without anthropogenic contributions, existing land use patterns and regional variations in meteorology, geology and topography will always result in air pollution disparities in different parts of the state.

The document also supports extending AB 617 implementation beyond air quality to encompass other environmental media. For example, Section 10 states: "It is imperative that government agencies, community organizations, and community representatives continue to advocate for bolder visions of racial and environmental justice that transcend the current application of the AB 671 [sic] legislation." The last bullet in this section recommends "Systems approaches that transcend the silos of air, water, land, and materials should replace the state's current approach to remediation" (page 51)." We appreciate the concern that a siloed

approach to environmental regulation may not be the most efficient approach to mitigating cumulative environmental impacts in disadvantaged communities. The Legislature recognized the need for cross-agency coordination almost 30 years ago when it created the California Environmental Policy Council (CEPC).⁴ While the CEPC's functions are currently limited to designation of a consolidated agency for environmental permit applications and multimedia reviews of new motor vehicle fuels, the concept has potential merit in a broader environmental regulatory context.

However, the challenge of developing effective mitigation strategies for communities experiencing a high cumulative exposure burden for toxic air contaminants and criteria air pollutants requires the media-specific expertise established at CARB and the local air districts. That is the focus of AB 617, and that same focus should be reflected in the Blueprint Update.

Timeline for Developing Community Plans

We believe that the CAPP should allow more time for the development of CAMPs and CERPs. The People's Blueprint devotes significant attention to training requirements for all CSC members on several topics and the careful establishment of standards for CSC membership and governance. This focus underscores the many challenges inherent in CSC formation and rampup before it can begin meaningful discussions on air pollution concerns in the community, what sources or areas need to be monitored, what emissions should be targeted for further reduction, and how this work should be done. However, the statute currently only allows one year for designated communities to develop a CAMP, a CERP, or both. This timeframe is inadequate to allow meaningful engagement of community representatives and other stakeholders in the plan development process. Moreover, it greatly increases the probability that the plans will fall short community expectations.

Blueprint Update Process

We appreciate the deliberative process CARB has proposed for the Blueprint Update.⁵ In particular, we support CARB's decision to include a California Environmental Quality Act (CEQA) review of draft revisions to the AB 617 Blueprint. This step is consistent with CARB's development of the 2018 Blueprint and appropriate given the expectation of substantive changes to the 2018 document. Moreover, CEQA review is necessary to ensure that CARB and

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⁴ https://calepa.ca.gov/cepc/

air district implementation efforts target opportunities for near term emissions reductions in disproportionately burdened communities, as the statute envisions, rather than relying more heavily on longer term measures that depend on technologies that have not been developed or are not feasible in critical applications.

Finally, we encourage CARB to draft the AB 617 Program Blueprint update in a manner that recognizes the many challenges facing California's socio-economically and environmentally disadvantaged communities. California's housing, transportation and electricity costs are among the highest in the nation, and many middle-class jobs have been lost through steady erosion of California's industrial, manufacturing and commercial sectors. Air quality policies that promote more of the same will exacerbate the many inequities that already exist in disadvantaged communities. That result cannot be the desired outcome of AB 617.

We appreciate your consideration of our comments. If you have any questions, please contact Rob Spiegel, Senior Policy Director, for the California Manufacturers & Technology Association at rspiegel@cmta.net.

Sincerely,

California Manufacturers & Technology Association

African-American Farmers of California

American Pistachio Growers

Bay Planning Coalition

California Alliance of Small Business Associations

California Asphalt Pavement Association

California Chamber of Commerce

California Construction and Industrial Materials Association

California Cotton Ginners and Growers Association

California Food Producers

California Fresh Fruit Association

California Fuels & Convenience Alliance

California League of Food Producers

California Metals Coalition

Carson Dominguez Employers Alliance

Central Valley Business Federation

Central Valley Energy Coalition

Chemical Industry Council of California

Coastal Energy Alliance

Construction Industry Air Quality Coalition

Council of Business and Industry West Contra Costa County

Far West Equipment Dealers Association **Future Ports** Harbor Association of Industry & Commerce Industrial Environmental Association Industrial Association of Contra Costa County Inland Empire Economic Partnership International Warehouse Logistics Association Kern Citizens for Energy Kern County Taxpayer Association (Kern Tax) Long Beach Area Chamber of Commerce Los Angeles County Business Federation **Orange County Business Council** Milk Producers Council Nisei Farmers League Redondo Beach Chamber of Commerce San Gabriel Valley Economic Partnership San Pedro Chamber of Commerce South Bay Association of Chambers of Commerce Valley Industry and Commerce Association (VICA) Western Agricultural Processors Association Western Plant Health Association Western States Petroleum Association Wilmington Chamber of Commerce

cc: Liane Randolph – Chair, CARB
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