



December 15, 2022

Ms. Rajinder Sahota
California Air Resources Board
1001 I Street
Sacramento, CA 95814

RE: Comments on the Final 2022 Scoping Plan

Dear Ms. Sahota:

The California Manufacturers & Technology Association (CMTA) appreciates the opportunity to comment on the Final 2022 Scoping Plan released by the California Air Resources Board (CARB) on November 16, 2022. CMTA works to improve and enhance a strong business climate for California's 30,000 manufacturing, processing and technology-based companies. Since 1918, we have collaborated with the state government to develop balanced laws, effective regulations, and sound public policies to stimulate economic growth and create new jobs while safeguarding the state's environmental resources. CMTA represents more than 400 businesses from the manufacturing community, an economic sector that generates approximately \$300 billion annually and employs more than 1.3 million Californians.

CMTA is committed to working with CARB, other state regulatory agencies, and interested stakeholders to implement cost-effective, feasible policies and regulations that protect California jobs and the economy while also working to meet the state's emissions and carbon neutrality goals. Our climate policy is shaping California's economy-- as such, California businesses must factor these policies into their multi-year and multi-decade planning efforts. Clear market signals and a predictable and stable regulatory environment—one not prone to routinely shifting compliance targets—are critical for industry to sustain steady progress toward carbon neutrality while protecting competitiveness, profitability, and the livelihood of our employees.

CMTA understands the technical complexity and the numerous uncertainties associated with modeling a twenty-year roadmap for achieving carbon neutrality. We commend CARB for developing this roadmap, engaging with all interested stakeholders, and acknowledging the challenges facing California's manufacturing sector. We will continue to convey our concerns that the Scoping Plan faces significant feasibility challenges and may not represent the least costly option moving forward.

CMTA is providing some additional comments below:

Critical Need for Additional Public Comment and Opportunity for Review

Since closing the public comment period for the draft Scoping Plan, CARB has made significant revisions in response to Governor Newsom's directives and various legislative actions. These modifications were not insignificant, and stakeholders should be offered the opportunity to comment on these changes. Instead, the Final 2022 Scoping Plan was released on November 16, 2022, without the Final Environmental Assessment, which was unavailable until December 13, 2022. It is exceptionally challenging, if not impossible, for all stakeholders to thoroughly analyze the final documents in less than two days and provide substantive comments to CARB



before the December 15 Board Meeting. Further, stakeholders were never allowed to review the technical documentation to support the modifications.

For example, CMTA submitted comments on the 2045 targets to meet aviation fuel demand with electricity and hydrogen. This target was accelerated from 10% to 20% without demonstrating technological feasibility. Our aerospace manufacturers were never consulted in developing this target, nor were we afforded the opportunity to provide our technical and engineering expertise. This proposal ignores some of the most fundamental engineering challenges facing aviation – that of weight and energy.

The stakeholder process, until recently, was transparent and deliberative to better inform the makings of the final document. Unfortunately, after more than 18 months of dialogue, the Final Scoping Plan and its adoption are unnecessarily being rushed. In the interest of continued collaboration and stakeholder transparency, CMTA respectfully requests additional time for public comment.

Carbon Capture and Sequestration/Carbon Dioxide Removal

CMTA appreciates CARB's recognition that carbon capture and sequestration (CCS) and carbon dioxide removal (CDR) are necessary to achieve California's climate goals. As stated by CARB, "[c]arbon removal and sequestration will be an essential tool to achieve carbon neutrality, and the modeling clearly shows there is no path to carbon neutrality without carbon removal and sequestration."¹ Moving forward, CARB must ensure the success of CCS/CDR programs by clarifying and coordinating responsibilities across multiple state agencies and improving environmental reviews. Senate Bill 905 (Caballero, Chapter 359, Statutes of 2022) requires CARB to create the Carbon Capture, Removal, Utilization and Storage Program to include **permit streamlining and protect communities**. CMTA intends to be actively involved in SB 905 implementation.

Streamlined Permitting

The Final 2022 Scoping Plan appropriately acknowledges that "[...] almost every sector will have the need for permitting to enable at least a 40 percent reduction below 1990 levels."² CMTA is in complete agreement, and the needed infrastructure to support California's transition to carbon neutrality is unprecedented. This transition will require not only the identification of implementation barriers but also the removal of barriers. California must take steps now to ensure that our infrastructure can meet these challenges and that we are prepared to construct four times our current solar and wind capacity and 1,700 times the amount of hydrogen. California must balance the infrastructure needs with those of ensuring reliability, affordability, and greater resiliency.

Closing Comments

Thank you for the consideration of our comments. CMTA would welcome the opportunity for further discussion.

¹ CARB. 2022 Final Scoping Plan. Pg. 84.

² CARB. 2022 Final Scoping Plan. Pg. 111.



Respectfully,

A handwritten signature in black ink, appearing to read 'Robert Spiegel', written in a cursive style.

Robert Spiegel
Senior Policy Director, Government Relations