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**To:** [Gray.Jason@ARB](mailto:Gray.Jason@ARB)  
**Subject:** CA Cap and Trade is NOT working to successfully reduce emissions: WE NEED AMENDMENTS TO THE C&T program  
**Date:** Saturday, October 20, 2018 12:24:29 PM

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## Re: Proposed Amendments to the California Cap On Greenhouse Gas Emissions and Market-Based Compliance Mechanisms Regulation

Date: October 20, 2018

In order to meet our state's greenhouse gas emissions goals, it is essential that the California Air Resources Board (CARB) drastically reduce the emissions cap used in California's cap and trade (C&T) program. As has been reported by independent analyses, the annual caps through the year 2030 are actually higher than current projected emissions.<sup>1,2,3</sup> This means that the cap and trade program will likely end up having no effect on state emissions at all.

In other words, assuming that the C&T program didn't exist, emissions from the covered sectors would already be lower than the proposed caps leading up to 2030. It's as if a law stated that you were allowed to pollute 100 units next year, even though your best analysis predicts that you weren't going to pollute more than 90 units to begin with. Such a law would have no effect on behavior. The correct remedy would be to set the allowed pollution rate to something like 80 units—otherwise you would simply continue to pollute at 90 units annually.

Though the first C&T priority must be for CARB to reduce emissions caps, we also urge state lawmakers to add *additional restrictions* to this program. The changes made to C&T in 2017 (bill AB 398) were disappointing, not only because of weak procedures for choosing caps, but because the bill did not address significant pathologies in California C&T.

We urge the state legislature to address the following two flaws. First, the goal of any carbon dioxide emissions program must be to eliminate all emissions as quickly as possible, not to simply reduce it by 20 or 30 percent. Unlike sulfates and particulates from coal plants, additional carbon dioxide stays in the atmosphere for millennia. Humanity soon needs to see virtually zero emissions, meaning that the only viable strategy is to use price signals to put pressure on CO<sub>2</sub>-emitting *technology*. We demand that the C&T program be *limited* to trading credits between technologies that actually emit GHGs—industry, electricity, transportation, and buildings. This would cause emitters to make improvements to technology that reduce emissions, whereas the current program does not.

Second, environmental justice has been largely ignored in California's C&T policy. We request that there be stronger *local* caps on concentrations of toxins and particulates from fossil fuel combustion.

We are residents of California, aware of our unparalleled role on the front lines of the climate war. There is no other American state that has a size, reputation, regulatory reach, and innovation ecosystem that can counteract the federal government's abhorrent climate policies.

We *have a CRITICAL responsibility* to get the policies right. We request that (a) CARB drastically lowers emissions caps and that (b) the state legislature creates new C&T laws to address the severe inadequacies enumerated above. This is about more than just emissions from the Golden State itself —the rest of the world relies on us to set a new gold standard for climate policies, which we can begin to do by fixing the serious flaws in current policy.

Thanks for registering this comment

Karen Nelson, Chair of the Santa Clara County, CA chapter of The Climate Reality Project

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