

August 16, 2021

Clerk of the Board  
California Air Resources Board  
1001 I Street  
Sacramento, CA 95814

*Via Electronic Submittal*

**SUBJECT: COMMENTS ON THE 2022 SCOPING PLAN TECHNICAL WORKSHOP ON ENGINEERED CARBON REMOVAL**

The California Chamber of Commerce is pleased to present these comments to the California Air Resources Board (CARB) 2022 Scoping Plan Technical Workshop on Engineered Carbon Removal, presented on August 2, 2021. We support all cost-effective and technologically feasible options to reduce or remove carbon emission from the atmosphere. As demonstrated by the recent report by the Intergovernmental Panel on Climate Change, climate change is already affecting every region of the earth, in multiple ways, including, heat waves, and longer warmer and shorter colder seasons. This situation will likely exacerbate some of California's largest challenges of drought and increasing severity of wildfires. We appreciate that CARB is focusing on both carbon emissions AND engineered carbon removal and storage because this technology will help us meet our climate goals while ensuring a continued robust California economy. As outlined in our opening comments of July 9, we believe California is well-positioned and has the opportunity to support, incentivize, and be a leader in the climate tech space.

**Engineered Solutions Must Be Part of the Plan**

There is no dispute that drastic emissions reductions will have a short-term detrimental effect on some of California's largest employers, including in the energy and agricultural space. Transitions take time, money, and risk, all of which can lead employers to hesitate to invest in new technology to make transitions. This is evident in the California legislature's decision to include protections against leakage in our market-based system of carbon emissions reduction. This was designed to ensure that California companies stay in California, avoiding job loss, but also avoiding carbon emissions simply being shifted to another state or country.

California needs to take another look at its emissions reductions programs to determine appropriate incentives—whether those incentives are firm credits in cap-and-trade, low carbon fuel standard credits, or financial incentives—to ensure that California companies can feel secure in making investments in this technology. Companies must be comfortable that these investments will be considered in regulatory compliance.

These investments will also result in job growth for the state. A [recent study](#) suggests that over the next 15 years, carbon capture capital investment in retrofit projects alone has the potential to create up to 43,000 jobs in the short term. Long term jobs are estimated at up to 53,000. If California acts now, many of these jobs could stay in the state. If not, these jobs will be created elsewhere, and California will lose its opportunity to be a economic and policy leader in this space. Providing incentives to build engineered solutions will help us meet our climate goals, maintain much-needed jobs and economic contributions to the state, and to create new opportunities for new good-paying jobs.

**California Should Incentivize Research and Development in Climate Tech**

California should also re-examine structures, such as tax credits and other incentives, to support the burgeoning carbon tech industry in California. California has world-class educational and research institutions, major companies with a history of innovation, and business hubs that can be re-purposed to climate tech centers. CARB should encourage this industry so that California can be a net exporter, rather than a net importer, of climate solutions, driving job creation and innovation in the state.

Thank you for the opportunity to provide comments. We look forward to reviewing more detail as workshops on the Scoping Plan continue.

Sincerely,



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California Chamber of Commerce

*On behalf of the following organizations:*

American Forest & Paper Association, *Abigail Sztein*  
American Wood Council, *Andrew C. Dodson*  
California Building Industry Association, *Dan C. Dunmoyer*  
California Business Properties Association, *Rex Hime*  
California Taxpayers Association (CalTax), *Robert Gutierrez*  
Hexagon Agility, *Ashley Remillard*  
Orange County Business Council, *Jennifer Ward*  
Western Wood Preservers Institute, *Dallin Brooks*

cc: Chair and Members, California Air Resources Board  
Dee Dee Myers, Senior Advisor and Director, California Governor's Office of Business & Economic Dev.  
Alice Reynolds, Cabinet Secretary, Office of the Governor  
Richard Corey, Executive Officer, California Air Resources Board