



December 5, 2019

Via Electronic Submittal  
California Air Resources Board  
Docket, <http://www.arb.ca.gov/lispub/comm/bclist.php>

Re: Opposition to Proposed Fuel Cell Net Energy Metering Greenhouse Gas Emission Standard Regulation

To the California Air Resources Board:

The California Environmental Justice Alliance writes to express our strong opposition to the proposed Fuel Cell Net Energy Metering Greenhouse Gas Emission Standards Regulation (“Fuel Cell GHG Standard”). CARB’s proposed Fuel Cell GHG Standard wrongly allows for a substantial subsidy of dirty fossil-fuel GHG-intensive fuel cell projects. This proposal should be rejected because it is inconsistent with State policy requiring reduction of GHG emissions across the electric sector, it may increase harmful air pollution, and it would divert money away from more deserving zero-emission projects. We urge the Board to reject this significant step backwards.

Environmental justice communities are on the frontlines of climate change. As Senate Bill (“SB”) 32 states, “disadvantaged communities are affected first, and most frequently by the adverse impacts of climate change.”<sup>1</sup> The communities where CEJA’s members and partners work are already facing the impacts of climate change, from suffering most acutely during the impacts from extreme weather events to bearing the burden of drought. California’s roadmap to addressing climate change by 2030 is not only required by law to mitigate these impacts as well as safeguard against future burdens, it is also a moral imperative.

Incentivizing new fossil fuel generation like this rule proposes is inconsistent with this moral imperative and numerous important mandates. In particular, SB 100 requires an orderly transition away from fossil fuel-powered electricity, and Executive Order B-55-18 requires California to achieve carbon neutrality by 2045. Allowing new fossil facilities to be procured is also inconsistent with SB 32, which requires an economy-wide reduction of greenhouse gases.

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<sup>1</sup> SB 32, Section 1(c)(2016).

Subsidizing new fossil fuel generation may also increase air pollution due to the use of fossil fuel. Notably, even the Staff Report admits that this proposed “[r]egulation is not anticipated to provide direct GHG or other pollution emission reduction benefits.”<sup>2</sup> Our communities already breathe some of the most polluted air in the country. The American Lung Association’s 2019 “State of the Air” report shows that many California cities rank within the highest ozone levels or worst particulate contamination in the nation.<sup>3</sup> The proposed subsidy could result in more pollution in communities already breathing unhealthy air.

This subsidy money would be better spent supporting the transition to zero-emission generation resources, including batteries and zero-emission fuel cells. The intent of AB 1637 was to reduce the GHG intensity on the grid, not to increase it. Incentives should not be allowed for any generation resources that produce GHG emissions given the amount of GHG-free resources such as wind, solar, and energy storage currently available on the grid.

For all these reasons, we strongly urge the Board to reject authorizing subsidies to fossil fuel generation facilities.

If you have any questions about this letter, please contact Mad Stano at [mad@caleja.org](mailto:mad@caleja.org).

Sincerely,

Mad Stano,  
Program Director  
California Environmental Justice Alliance

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<sup>2</sup> Staff Report, p. 3.

<sup>3</sup> See <https://www.lung.org/assets/documents/healthy-air/state-of-the-air/sota-2019-full.pdf>.