INDEPENDENT ENERGY PRODUCERS

September 3, 2021

Subject: Independent Energy Producers Association Comments on Scenario Concepts for the 2022 Scoping Plan Update

The Independent Energy Producers Association (IEP) is a trade association representing the interests of non-utility wholesale electric generators who develop and operate a wide range of utility-scale resources, including biomass, gas-fired, geothermal, solar, and wind generation facilities, as well as battery and pumped-hydro energy storage. IEP appreciates this opportunity to provide input on the scenarios for the 2022 Scoping Plan Update.

At the Scenario Concepts Technical Workshop, ARB staff presented several scenarios for analyzing total economy-wide GHG targets and timeframes in addition to sector-specific scenarios. The proposed scenarios look at achieving carbon neutrality by either 2035 or 2045 and would include or exclude certain measures for achieving those respective goals.

For both the economy-wide targets and sector-specific analyses, ARB should examine the 2035 and 2045 timeframes. Although IEP doubts that carbon neutrality can be achieved by 2035 at a reasonable cost, ARB staff should examine the costs and benefits of both timeframes to inform the Board's decision-making and to provide information of interest to other California decision-makers and the public. With respect to the carbon removal measures (slide 14), ARB should not exclude carbon capture and sequestration and atmospheric carbon removal from its analysis. The exigency of reducing GHG emissions to mitigate climate change impacts argues for the inclusion of all measures that could allow California to meet its GHG goals.

Regarding the electricity sector, the staff presentation asks whether there may be any role for biomass, renewable natural gas, or renewable hydrogen to generate electricity and support electric reliability (slide 15). Just as ARB should not rule out the possibility of deploying engineered carbon removal measures, ARB should include biomass, renewable natural gas, and renewable hydrogen in its analysis of the electricity sector. Although some stakeholders may object to scenarios that include any combustion-based sources of electricity, IEP notes that the electricity sector accounts for a small fraction of PM 2.5 and NOx emissions. According to ARB's estimates of 2020 emission sources, all electric utilities and cogeneration sources combined accounted

for less than 1% of PM 2.5 and just over 3% of NOx statewide.[1] The electricity sector's contribution to emissions is close to these levels in the San Joaquin and South Coast air basins. Emissions from the electricity sector will continue to fall as more natural gas generation is displaced by renewable energy.

While some stakeholders may wish to prohibit any combustion to produce electricity in the future to reduce emissions of criteria pollutants, such efforts may be counterproductive. The continued allowance of some amount of combustion-based generation may foster deep reductions in electricity-sector GHGs at a far lower cost. If prohibiting all combustion-based generation further exacerbates California's high cost of electricity, this will impede efforts to electrify transportation and other end-uses that account for a much larger shares of criteria emissions.

IEP strongly encourages ARB to consider all options for mitigation GHG emissions in order to meet our climate goals at a cost that Californians can bear. We appreciate your consideration of our comments.

Sincerely,

/s/ *Scott Murtishaw*
Scott Murtishaw
Policy Director

[1] ARB. 2016 SIP Emission Projection Data: 2020 Estimated Annual Average Emissions Statewide. https://www.arb.ca.gov/app/emsinv/2017/emssumcat_query.php?F_YR=2020&F_DIV=0&F_SEASON=A&SP=SIP105ADJ&F_AREA=CA