

DATE

June 23, 2022

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Tom Werner SunPower Liane M. Randolph, Chair California Air Resources Board 1001 I Street Sacramento, CA 95814

Re: Comments on the Draft 2022 Scoping Plan Update

Dear Chair Randolph, fellow Board members and CARB staff leadership:

The Silicon Valley Leadership Group appreciates the opportunity to comment on the recentlyreleased draft 2022 Scoping Plan. Climate change poses a critical threat to our communities and economy. This Scoping Plan Update will set the table for our next efforts in California to take on the climate-related challenges before us.

The Leadership Group, founded in 1978 by David Packard of Hewlett-Packard, represents over 350 of Silicon Valley's most respected employers on issues that affect the economic health and quality of life in Silicon Valley, including energy, environment, transportation, education, housing, health care, tax policies and economic vitality.

Continuing Our Climate Progress

The draft Scoping Plan presents a measured path forward for California climate action, while also possessing room for growth in its ambitions. The Leadership Group considers Alternative 2 worthy of stronger consideration by CARB as its Proposed Scenario. In particular, Alternative 2's electric sector GHG target of 30 MMT CO_{2e} in 2030 is an element <u>that our and several other organizations</u> have asked CARB to consider as an upper bound in all four of the Scoping Plan scenarios.

As the plan continues towards its final form, CARB should prepare a different Proposed Scenario that maintains and expands the use of incentives, alternative compliance pathways and innovation. The policies generated after the final Scoping Plan's approval, as part of its implementation, will help shift markets in favor of greater procurement and deployment of more sustainable technologies.

Priority Regulations and Policy Tools

CARB should clearly outline the mechanisms and implementation to meet California's GHG reduction goals. The Leadership Group is particularly focused on Advanced Clean Fleets and the Low Carbon Fuel Standard as CARB processes that will support cleantech demand. The Scoping Plan Update should incorporate these processes into a path to reduce GHG emissions and reach carbon neutrality before 2045. Accelerated timelines and more ambitious targets for zero-emissions vehicle sales, electricity grid decarbonization and carbon neutrality will bolster the transition to a more sustainable economy.

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Additional Considerations

At the same time, the Scoping Plan should rely on cost-effective strategies, and maintain competitiveness, momentum and reliable day-to-day business operations for California companies. Leadership Group members provide essential services, from data center-powered systems to water supply and health care, that must operate without interruption.

While striving to minimize economic impacts on companies and others, the Scoping Plan should also more heavily value benefits from pursuing innovative and nascent technologies like carbon removal, clean hydrogen and shared mobility. These will enable us to more quickly achieve carbon neutrality. The sooner we invest in technological breakthroughs, alongside established methods to reduce GHG emissions, the more time we will have to deploy them to overcome our climate challenges.

Finally, natural and working lands strategies in the Scoping Plan should prioritize wetlands restoration, particularly in the San Francisco Bay. Wetlands in our region provide multiple benefits in the form of green infrastructure and natural carbon sinks, and can help mitigate projected costs of rising waters (ranging from tens to hundreds of billions of dollars) that will be borne by our communities and companies without action. The Leadership Group and partner organizations across the Bay Area have helped secure \$500 million in funding from local taxpayers, and have advocated for equivalent state and federal funding matches to reach a total of \$1.5 billion for Bay restoration projects. These investments can complement others associated with the Scoping Plan, and generate thousands of high-quality green job opportunities on the way to carbon neutrality.

The Leadership Group welcomes the opportunity to partner with CARB and other policymakers to support a robust Scoping Plan. We look forward to working with you more throughout the rest of 2022, and in the years and decades to come.

Sincerely,

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Mary Holing VP Environment