

**Comments of the Western Power Trading Forum
to the California Air Resources Board
on the 2022 Proposed Scoping Plan**

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The Western Power Trading Forum¹ (WPTF) welcomes this opportunity to provide input to the California Air Resources Board (CARB) on its consideration of the 2022 Scoping Plan. This fourth Scoping Plan covers a much longer time-period than previous plans in that it assesses progress, not only toward the state's 2030 target of a reduction in GHGs to 40% below 1990 levels, but also lays out a framework for achieving climate neutrality (a state where any remaining GHG emissions are neutralized by an equivalent quantity of carbon removals) by 2045. WPTF supports CARB proposal to adopt Scenario 3 as the basis for the Scoping Plan, and the general strategy.

WPTF appreciates the workshops and analyses over the past year to develop the four potential scoping plan scenarios. Even from the initial work, it was apparent that Scenarios 1 and 2 would have an unacceptable impact on the state's economy both in terms of overall costs, as well as loss of jobs and entire industrial sectors, despite yielding more climate and health benefits due to ancillary reductions in other pollutants. It is therefore appropriate to reject these two options. Of the two remaining scenarios, although Scenario 3 has a more aggressive emission reduction timeline than Scenario 4, scenario 3 has lower overall costs due to its relatively lower reliance on carbon capture and storage, and direct carbon dioxide removals. Scenario 3 is also projected to yield greater health benefits due to reductions in criteria air pollutants and particulates than Scenario 4, and less slowing of the economy and job growth. For these reasons, WPTF considers Scenario 3 to provide the best foundation for meeting both the state's 2030 GHG target and the long-term climate neutrality goals.

With respect to the proposed Scoping Plan policy framework, WPTF also supports continuation of the three-pronged approach of direct regulations, incentives and the cap-and-trade program. The three-pronged approach has been effective to date in reducing emissions, and we expect that a comprehensive suite of policies will be necessary for the state to reach California's ambitious carbon neutrality goal.

Although the proposed Scoping Plan does not identify specific changes to regulations or existing programs, but rather only an overview of existing and possible future policy tools, WPTF wishes to echo CARB's recognition of the need to coordinate electric sector planning processes across state agencies and the CAISO to promote expansion of zero emission resources and infrastructure and to maintain grid reliability. This need is particularly important given SB100 and the important role of electrification in reducing emissions in other sectors, including buildings and hard-to-abate industries.

¹ WPTF is a diverse organization comprising power marketers, generators, investment banks, public utilities and energy service providers, whose common interest is the development of competitive electricity markets in the West. WPTF has over 80 members participating in power markets within California and elsewhere across the United States.