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Rajinder Sahota
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Re: SCPPA Comments on Target 2030 Scoping Plan Update Concept Paper

Thank you for the opportunity to provide comments on this very important policy document. Since the enactment of AB 32, the Scoping Plan concept and process has been vital to California's Greenhouse Gas (GHG) reduction program. The previous versions of the Scoping Plan (the Plan) have been used to justify adoption of both new regulations and legislation. The recently released document only contains higher level concepts, so getting those concepts correct is critical as this next edition of the Plan will be setting up the policy framework for the next 14 years (to 2030), and perhaps the next 34 years (to 2050).

The Southern California Public Power Authority (SCPPA) is a joint powers agency whose members include the cities of Anaheim, Azusa, Banning, Burbank, Cerritos, Colton, Glendale, Los Angeles, Pasadena, Riverside, and Vernon, and the Imperial Irrigation District. Each Member owns and operates a publicly owned electric utility governed by a board of local officials. Our Members collectively serve nearly five million people in Southern California.

SCPPA and its Members support the Air Resources Board's (ARB) continued collaboration with the myriad of agencies highlighted in the Plan. We note that several policies which directly impact California utilities are cornerstones of the document and require interagency cooperation, namely the 50% Renewable Portfolio Standard and enhanced Energy Efficiency. Other policies that appear in each of the potential paths forward (concepts) are also impactful to POUs but are implemented primarily by ARB, including the Low Carbon Fuel Standard and the electrification of the transportation sector. SCPPA would like to emphasize that these policies, though they may be adopted as stand-alone regulations, have great interaction with each other and the existing Cap and Trade program and should be implemented under a holistic policy perspective. The GHG benefits achieved through one program should be recognized in another, and the accounting of such reductions should be consistent throughout the programs.

Concepts were presented at a very high level, making it challenging to evaluate the feasibility of the proposals. Of the four concepts presented, only one is entirely consistent with the current GHG reduction policy and regulatory scheme—**Concept 1: Complementary Policies with a Cap-and-Trade Program**. The other three options diverge from the existing framework and SCPPA would require additional details, time and analysis prior to being able to adequately comment on them. Even Concept 1 has a multitude of variables that make a robust analysis very difficult. SCPPA looks forward to reviewing the July 12, 2016 release of the Cap and Trade Regulation amendment package as it hopefully will answer many of the policy questions posed by staff throughout the 2016 workshops. We will provide more detailed comments on that proposal once it is released. We strongly urge ARB to incorporate policies that support our state's mandates under SB 350

to increase transportation electrification as a means to meeting climate goals. Such policies should encourage stakeholders to be proactive in transportation electrification efforts and should not be weighed down with requirements beyond those necessary to maintain market integrity.

Consistency in implementation is critical. This is especially true with long-term energy policy such as AB 32. SPPA supports regulations and policies that provide clear signals for the regulated community such that investments can be made and policies achieved with the least-cost option. Uncertainty, be it regulatory, judicial, or legislative, increase the cost of securing any policy goal. SPPA recommends that ARB implement policies and regulations under clear authority from the Legislature and provide ample opportunity for stakeholders to understand, review and analyze the impacts of such regulations *before* they are officially proposed as the eventual implementation and enforcement directly follow.

ARB should prioritize programs that complement each other and should steer clear of adopting new program components that undermine or conflict with existing policies and/or practices. As noted above, it is critical to look at the bigger picture and maximize the potential efficiencies to be gained by delivering programs that clearly align with ARB and other state agencies' high-level policy goals.

SPPA has been, and will remain, active in the ARB policy and rulemaking process as the eventual structure of these programs have a direct impact on SPPA members' ratepayers for years to come. Thank you for your time and consideration. SPPA welcomes opportunities for continued collaboration with ARB and other agencies to ensure that the policies and regulations ultimately put forth effectively and fairly meet the intent of the law.

Respectfully submitted,



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