



California Council for Environmental and Economic Balance

101 Mission Street, Suite 1440, San Francisco, California 94105
415-512-7890 phone, 415-512-7897 fax, www.cceeb.org

June 19, 2015

Michael Tollstrup
Chief
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Re: Short-Lived Climate Pollutant Strategy – Concept Paper

Dear Mr. Tollstrup,

On behalf of the members of the California Council for Environmental and Economic Balance (CCEEB), we wish to provide you with comments on the Short-Lived Climate Pollutant (SLCP) Strategy concept paper. CCEEB is a non-profit, non-partisan association of business, labor, and public leaders, which advances balanced policies for a strong economy and a healthy environment.

The best path to achieving the state’s long-range environmental goals—including SLCP-focused reductions—is through an integrated and flexible policy framework that optimizes sustainable and cost-effective GHG reductions across all programs and sectors. By addressing SLCP goals in a way that manages costs and spurs innovation, the state can ensure that California’s economic recovery continues.

Target Setting – Do Not Discount Decades of Action

ARB’s SLCP targets should allow for comparisons across pollutants, sources, and mitigation measures, as it has been done in previous planning documents and regulations, whereby the ARB has used carbon dioxide equivalent (CO₂e) as a measure to compare GHG emissions based on their global warming potential. This approach had the distinct advantage of allowing easy comparisons across potential emissions sources and mitigation measures. Additionally, this consistency simplifies cost-benefit calculations, allowing for measures to be compared across a portfolio on a dollar per ton basis.

ARB can better allow for cross comparisons by expressing reductions using the CO₂e, adjusted to account for the impacts of SLCPs. Additionally, each of ARB's pollutant specific targets uses a different starting year and baseline (e.g., the targets for black carbon are based on 2012 levels and the targets for fluorinated gases are based on forecasted emissions). This is confusing, makes comparison difficult, and does not align with the state's broader GHG goals which leverage 1990 levels as the baseline. This approach also fails to account for all of the great progress California has made in reducing these pollutants to-date.

In the draft SLCP Strategy, ARB should show reductions from the inception of regulations to control emissions of each of the gases mirroring the climate goals of a percentage reduced from 1990 levels, instead of staff stated potential targets of 50% below 2012 levels for black carbon, 20% by 2020 and 40% below 2030 below forecasted emissions for methane, and a reduction of f-gas emissions by 25% in 2020 and 50% by 2030 below forecasted emissions.

CCEEB recommends that ARB make its targets California specific and consistent with existing programs. While the staff statements have indicated the global targets, these are not in context with California's extensive emissions mitigation and reduction programs. Prior to setting targets a consistent inventory process and technical evaluation of potential measures would provide the transparent information necessary for evaluation of feasibility and analytical basis. Targets should then be set based on California's history of action and current policy goals in the context of our global contribution.

Cost Effectiveness

As the SLCP Strategy progresses, individual pollutant targets should be based on the potential for reductions and cost-effectiveness of reduction measures. Overall, ARB should prioritize lower cost actions and ensure that there is not a wide divergence between measures. CCEEB recommends that the draft SLCP Strategy include information about target and measure cost-effectiveness.

Finally, ARB's targets should be feasible, transparent, and based on sound analytics. CCEEB recommends that ARB make its targets California specific and consistent with existing programs.

Accounting for Existing Regulations

To avoid potentially duplicative and costly regulations, ARB should account for other SLCP regulations and policies currently in place at the national, state, and local level. According to ARB's own data, most black carbon in California comes from wood burning and forest fires, the former of which is increasingly regulated by regional air districts. For example, the South Coast Air Pollution Control District recently moved to limit beach bonfires, and most air districts have residential and commercial wood burning restrictions.¹ Moreover, regulation of particulate matter (PM) under both federal and State laws has already reduced black carbon by 85 percent from 1990 levels.²

Additional duplication could occur between the SLCP strategy and broader climate policies that regulate the same sources, such as the cap and trade program. Such regulation could serve to simply transfer regulatory burden and increase costs without any additional greenhouse gas reduction. Economic and environmental analyses of policy interplay and impacts must be broader in scope than might be a typical approach to address these potential unintended consequences. The cap will control the emissions so that if one sector is selected for double regulation, it reduces the burden to emit less and costs to other sectors.

Also, it has been suggested that a Phase II of the CARB Landfill Methane Control Measure be explored. CCEEB recommends that if CARB proceeds with a potential Phase II that a thorough evaluation be conducted as to the effectiveness of Phase I, and cost effectiveness be determined for any additional methane reductions that can be gained from potential Phase II measures.

Organic Waste

CCEEB supports the concept that wherever possible, we should utilize organic waste in order to reduce SLCP emissions and produce maximum value from the energy and nutrients that remain in these sources. To that end, it is important to have goals that are consistent with the Scoping Plan; however, CCEEB believes that new aggressive strategies should be avoided (e.g., 90% diversion of organics from landfills by 2025) until existing strategies, which are also aggressive and challenging, are achieved. As discussed in the SLCP, AB 341 (Chesbro) was passed in the last legislative session. CCEEB recommends that the SLCP focus solely on strategies to achieve the AB 341 commercial organic reduction mandates since a successful rollout of this regulation will pave the way for more aggressive action. These include both financial incentives and reduction in regulatory barriers.

¹ For example, the Bay Area's largest winter source of fine particulates is from wood smoke (38%). See BAAQMD 2012 Annual Report, page 10.

² ARB lecture shows that large decadal trends in black carbon concentrations are largely in response to policies enacted to decrease PM emissions from diesel combustion: <http://www.arb.ca.gov/research/lectures/speakers/ramanathan/ramanathan.pdf>

Voluntary Actions

ARB should include and assess the potential of voluntary measures in its SLCP Reduction Strategy. For example, ARB could examine the GHG reduction potential of the offset projects (e.g., biochar) mentioned in the concept paper. Since offsets are a cost-effective mechanism to achieve GHG reduction, more support is needed to accelerate the development of offset protocols and generation of offsets supply.

Conclusion

Thank you for allowing us the opportunity to comment. Please contact me or Jackson R. Gualco, Kendra Daijogo or Mikhael Skvarla, CCEEB's governmental relations representatives at The Gualco Group, Inc. at (916) 441-1392, if you have any questions regarding our comments. We welcome the opportunity to discuss any climate change-related matter of significance to the CCEEB membership.

Sincerely,



GERALD D. SECUNDY
President

Cc: Honorable Chair & Members of the Air Resources Board
Mr. Ryan McCarthy
Mr. David Mehl
Ms. Sarah Pittiglio
Ms. Marcelle Surovik
Mr. William J. Quinn
The Gualco Group, Inc.