



July 8, 2016

California Air Resource Board
1001 I Street
Sacramento, CA 95814

Re: CEJA Comments to the 2030 Target Scoping Plan Update Concept Paper

To the California Air Resources Board:

On behalf of the California Environmental Justice Alliance (CEJA), we respectfully submit these comments on the 2030 Target Scoping Plan Update Concept Paper. CEJA is a statewide coalition of community-based organizations working to advance environmental justice in state policy. Our members work across California in low-income communities and communities of color most impacted by pollution, struggling with long-standing air quality and related public health issues. These same communities will be hit first and worst by climate change. Ensuring environmental justice is effectively integrated into California's climate policies is critical the health and well-being of the communities where CEJA members work.

We applaud the ARB staff for drafting a Concept Paper that utilizes a more integrated approach to tackling climate change; in the next phase of AB 32 implementation it will be extremely important to utilize a comprehensive approach that looks at the inter-related nature of both the issues and related policies. We also applaud the staff for including a range of Concepts in the paper, such as exploring new strategies outside of the existing cap and trade system.

It is critical that the California Air Resources Board 2030 Target Scoping Plan Update Concept Paper lay out a path to meeting 2030 greenhouse gas (GHG) emission targets that aggressively address the disproportionate burden of pollution and climate change impacts in communities of color. We offer the following comments to ensure ARB effectively accomplishes this.

Increase commitment to the recommendations of the Environmental Justice Advisory Committee (EJAC). We appreciate the Concept Paper's focus on the important role of the EJAC and addressing environmental justice (EJ) in climate change policy. However, we have seen time and again that many of the recommendations from the EJAC are overlooked by the California Air Resources Board. Examples include EJAC's long-standing recommendation to remove international forest offsets from consideration within the cap and trade program and recommendations to extend the timeline of the Scoping Plan process. If ARB is committed to meeting the mandate of AB 32 to meaningfully include EJ, it must proactively adopt recommendations from the EJAC.



Extend the timeline of the Scoping Plan update. As the EJAC has repeatedly requested, to finalize the Scoping Plan, even with the extension to March 2017, does not allow sufficient time for meaningful EJ community engagement. It does not provide enough time to integrate any potential findings from the Office of Environmental Health and Hazard Assessment analysis on the impacts of AB 32 implementation in disadvantaged communities. The current timeline would also finalize the Scoping Plan new SB 375 regional targets for GHG reductions are established in mid-2017. We strongly urge ARB to extend the timeline of the Scoping Plan, per EJAC recommendations.

Include robust analysis and further development of Concepts 2, 3 and 4. This includes exploring alternatives to cap and trade, and combining and expanding Concepts 2 and 3. The EJ community has long expressed concerns with the cap and trade system. Thus, it is heartening to see 3 of the ARB's 4 concepts include proposals that examine the additional opportunities outside of cap and trade for meeting state climate goals. With cap and trade sunset in 2020, and the Scoping Plan being updated, now is the right time to rigorously evaluate additional strategies to achieving our state's greenhouse gas reduction goals. We strongly urge the ARB to continue exploring alternatives to cap and trade, specifically the carbon tax outlined in Concept 4.

Both of the approaches laid out in Concepts 2 and 3 focus on complementary policies outside of cap and trade, which is positive. However, the choice laid out in the two Concepts - a focus on cuts in the industry *or* transportation sector - is insufficient. To meet the 2030 goals, there are far larger and more ambitious reductions needed than what has been required to meet 2020 goals. California must accelerate our transition off fossil fuels, and this will require substantial cuts in *all* sectors. This is particularly true in the transportation sector, which must be decarbonized, including fossil fuel extraction and refining. Existing policies and programs, such as the Low Carbon Fuel Standard, are not sufficient to achieve such a transformation. The 2030 Scoping Plan should lay out a bold vision for accomplishing this far-reaching and much-needed goal.

Our concerns about cap and trade have been outlined extensively in other comment letters and recommendations from EJAC. However, in brief, they include:

1. A lack of strong direct emission reduction measures at industrial facilities. Recent data from ARB shows industrial emissions actually increasing. Not only are industrial emissions the second largest source of GHG's, they directly impact the health and quality of life of fence-line communities.
2. The current auction system and economy-wide cap creates too many loopholes for companies. Polluters are able to buy enough permits to pollute so that their overall



emissions will not actually reduce. In addition, if pollution does increase in EJ communities, the economy-wide cap doesn't now allow for facility-specific or geographic reductions to fix the harm.

3. A lack of transparency regarding trading and allowance usage, which ARB has refused to release. This data is critical to understanding the impacts, effectiveness and functionality of the cap and trade program, and such secrecy undermines sound public policy.
4. Inclusion of offsets, which allow polluters to invest in projects that have dubious verification methods elsewhere in the country while avoiding direct emission reductions locally.

Review and integrate OEHHA's AB 32 Disadvantaged Community impact analysis and the SB 350 Disadvantaged Community study in the final Scoping Plan. It is in the interest of the state to ensure that AB 32 is succeeding in EJ communities. The OEHHA analysis required by Governor Brown's Executive Order issued in December of 2015 will help ARB identify program areas to improve or promote toward the 2030 climate goals. We urge ARB to create the space and time needed to fully integrate the information, discussion and subsequent additional EJ recommendations in the Scoping Plan well before it's approved. In addition, SB 350 requires a report on the barriers and opportunities for increasing clean energy and energy efficiency in EJ communities that is currently being compiled. The information from this study would also help the state better achieve the Renewable Portfolio Standard goals and ensure beneficial climate programs are reaching low-income communities and communities of color. We urge ARB to fully review and integrate the information and recommendations from the SB 350 report in the final Scoping Plan as well.

Ensure an effective, equitable price on carbon. The current price of carbon is very low and fails to either incentivize changes in behavior at covered entities or capture the full costs of carbon and co-pollutant pollution on the health and quality of life in communities. The Air Resources Board must ensure that any price on greenhouse gases is equitable and reflects the true social cost of pollution. It must be a high enough price to incentivize technological advancements and aggressive reductions in greenhouse gas emissions and local co-pollutants.

Limit international and intergovernmental collaboration to efforts that do not include market linkages. CEJA and the EJ community recognize the extreme importance of collaboration across states and countries to meet the urgent threat of climate change. Much can be gained by sharing information, strategies and developing shared policies to maximize our collective ability to reduce GHG's. However, the Scoping Plan includes mention of international market linkages and intrastate market linkages under the Clean Power Plan. Echoing the draft recommendations from the EJAC, we strongly urge that no further international markets be



linked to California's cap and trade system, including international sector-based offsets. ARB should focus on using complimentary policies, rather than cap and trade, to meet Clean Power Plan mandates.

EJ sector-specific issues to highlight in the Scoping Plan moving forward. While the Concept Paper is a high-level look at pathways to achieving 2030 GHG targets, we have outlined several sector-specific issues that are critical to environmental justice communities and that we hope to see addressed in the full Scoping Plan.

- a. Ensure aggressive transportation policies and targets that address the significant impacts of transportation related emissions in EJ communities, including:
 - i. establish strong SB 375 regional targets for GHG reductions;
 - ii. proactively work with Air Districts to meet mobile source reductions;
 - iii. prioritize Active Transportation, public transit and transit improvements specifically in EJ communities;
 - iv. prioritize low-carbon transportation programs targeting electrification of medium and heavy duty equipment and providing direct benefits to disadvantaged communities, such as EFMP Plus Up.
 - v. tighten regulations in the Low Carbon Fuel Standard, including removing existing emission exemptions and making the trading system more transparent.
- b. Create stronger regulatory measures to address emissions at industrial facilities.
- c. Ensure provisions under the Short Lived Climate Pollutant strategy are mandatory, especially for methane at dairies;
- d. Create and implement aggressive renewable energy and energy efficiency programs that meet specific needs of low-income communities and communities of color, such as:
 - i. targeting diverse renewable energy and energy efficiency programs in EJ communities
 - ii. creating multiple pathways for low-income communities to access distributed renewables
 - iii. maximizing local economic benefits by promoting high-quality workforce development, job training, and job placement.

Thank you for this opportunity to comment on the 2030 Scoping Plan Concept Paper. We look forward to future Scoping Plan drafts and working collaboratively with ARB staff to ensure environmental justice is fully integrated into the next AB 32 Scoping Plan.

Sincerely,
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