



April 28, 2014

Chairman Mary Nichols
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Support and Recommendations for AB 32 Scoping Plan Update

Dear Chairman Nichols,

On behalf of the undersigned agricultural, conservation, public health and environmental justice organizations, we write to provide support and recommendations for the Draft AB 32 Scoping Plan Update. Our organizations believe that the draft update advances the goal of protecting California's people, resources and economy from the worsening impacts of climate change. We have engaged in this process to support California's vital commitment to achieving both near and long-term climate goals, including the protection of our air, water, natural resources and the equitable implementation of climate policies to support health and economic prosperity for Californians, and especially our most disadvantaged communities.

Given the building scientific evidence that climate change impacts are affecting us now and will intensify over time, the AB 32 Scoping Plan Update comes at a critical time. The recent United Nations International Panel on Climate Change Fifth Assessment Report offers a stark assessment of the impacts climate change is having, and will continue to have, on human and ecosystem health without strong action to limit "severe, pervasive, and irreversible impacts" of climate change. The Draft Scoping Plan Update provides a strong re-commitment that California will continue to advance greenhouse gas reduction policies, modeling success for other jurisdictions. As the plan's recommended strategies are further refined and considered, we offer the following recommendations to support, unify and strengthen the plan:

Establishment of a mid-term emission reduction goal for 2030 We strongly support CARB's work to start planning and identifying measures to be advanced beyond 2020 to ensure California stays on track to achieve its long-term climate goals. The draft highlights the need to move forward with program-specific greenhouse gas (GHG) reduction targets beyond

2020. A carefully vetted, science-based 2030 climate target is needed to ensure progress beyond 2020 keeps California on the right track to 2050. Clear action and direction is needed now to ensure that the transitions needed to a low carbon future can move forward on the rapidly closing 35-year window to 2050.

Identify and highlight co-benefits of strong climate actions CARB should expand its public outreach in both quantifying and broadcasting the public health, economic, social equity and environmental co-benefits of AB 32 measures. For example, the Strategic Growth Council is currently undertaking a technical review of the *UrbanFootprint* planning model that can help inform policymakers and stakeholders on the potential for health benefits of SB 375 implementation strategies. The modeling tool can also provide water and energy efficiency benefits, conservation estimates and a wide range of benefits that can inform better planning. As clear quantification and explanation of the benefits of climate action and investments are key to building long-term support for the transition to a low carbon future, the Scoping Plan should:

- Encourage state agencies to utilize available tools to illustrate the broad suite of co-benefits of climate change policies to all Californians, and ensure that all Californians benefit.
- As noted in the recommendations of the Environmental Justice Advisory Committee, CARB should work with all agencies involved in AB 32 implementation to develop clear metrics for tracking, verifying and reporting out on co-benefits in California environmental justice communities.

Make Polluters Pay for Allowances CARB should end the giveaway of emission allowances - which are valuable public assets - to oil refineries, which are the biggest polluters in the state.

Invest Auction Proceeds Wisely Auction proceeds offer a pivotal opportunity to accelerate reductions in GHGs and provide important co-benefits like improved air quality, job creation, and cost savings. Expenditures should follow the Investment Plan and exceed the minimum requirements of SB 535 (de León, 2012) for investments located in and for the benefit of disadvantaged communities.

Sector-specific Recommendations

Increase agricultural sector climate benefits, integration with other sectors The Draft Scoping Plan Update appropriately focuses on the economic, ecological and other contributions of the agriculture sector. We appreciate the mention of organic agriculture in the draft plan, but think more can be done to recognize the GHG reduction benefits of low-input, biologically diverse agriculture and its climate benefits. For example, competitive grant programs that support research, grower technical assistance and financial incentives could be developed to support a diversity of farm management strategies to reduce GHG emissions and increase carbon sequestration through soil building, increase on-farm biodiversity, rangeland management and improved water management. Technical

assistance programs could be enhanced to extend the value of initial investments in water/energy conservation practices.

- The draft plan should more clearly integrate agricultural programs with other components of the Scoping Plan (e.g. farmland conservation is crucial to sustainable communities planning, minimizing conflicts with renewable energy siting and encouraging small-scale distributed generation projects) as well as future climate investments as it pursues agriculture sector emission reduction targets.
- This process should include a broad array of agencies and stakeholders, including experts in land use planning, renewable energy and energy efficiency that all interact with farmland's contribution to climate policy goals.

Maximize and preserve the climate benefits of natural and working lands The Scoping Plan Update recognizes the vital role that California's natural and working lands and resources have in reducing carbon in the atmosphere. Because California's various biological systems, including forests, farmland, wetlands and urban forests have the capacity to store vast amounts of carbon, we believe that better integration of policies and investment in these resources is critical:

- The state should develop a "Biological Carbon" plan that places opportunities to maximize the role of natural systems (including both natural and working lands) in an integrated, cross-agency context.
- Because climate-friendly management of natural and working lands can have important environmental co-benefits for water, wildlife and public safety, policies and investments should be coordinated with other state planning efforts, notably the Safeguarding California Plan, the Water Action Plan, and the State Wildlife Action Plan.

While California's forests and natural lands already sequester a substantial portion of California's emissions, with smart planning and investment they can play a much greater role in reaching our 2050 targets.

Align water strategies with sustainability, efficiency goals As noted in the draft plan, California has made strong gains in reducing per capita water usage and associated energy usage. We applaud the draft plan's initial steps of offering a framework for water sector emission reductions and believe that a more coordinated approach to water energy usage is needed, both in terms of resource conservation and planning future communities' water needs. Approximately 20 percent of California's energy is associated with the movement or treatment of water and there needs to be more attention to the specifics and metrics of reducing GHGs from all parts of the water sector with a strong public transparency component. We recommend that clear direction is provided in the Scoping Plan to ensure:

- Water efficiency is considered in regional planning agencies' implementation of SB 375 Sustainable Communities Strategies. More compact growth patterns can provide significant water conservation benefits and the Scoping Plan should focus on ways to integrate water more into these planning processes.
- The groundwater management strategy contained in the State Water Action Plan is considered a key component of California's climate change strategy that can help to

maintain adequate groundwater supplies while reducing energy intensity of managing this resource.

Concentrate on near term, California-based waste management emission reductions We appreciate the focus in the draft on waste management as a key contributor to climate change goals. Appropriate focus has been placed on reducing emissions from three key areas: organic waste, which represents the largest – but among the least recycled - component of California’s waste stream; expanding collection, recycling and manufacturing within California and reducing emissions from in-state facilities; and targeting methane reductions from landfills to reduce emissions of this highly-potent climate forcing gas. To achieve these goals more immediately, the Scoping Plan should:

- Provide more direction toward required commercial collection of organic waste and keeping green waste out of landfills.
- Clearly and immediately call for reductions in landfill methane emissions.

Put California’s energy sector on the path to zero emissions The critical planning for near-zero emission energy and utilities needs to begin now, and focus on integration of energy efficiency and distributed renewables into the current mix as well as bringing storage, smart grid and other innovative solutions online as quickly as possible.

- California must focus on the establishment of an energy sector GHG reduction plan for 2030 that is consistent with the trajectory needed to meet our 2050 goals. This process must be transparent and include specific actions and metrics.
- CARB should consider developing the comprehensive plan outlined in the draft plan earlier than 2016 and ensure that this multi-agency process is clear, and conducted in an open, public process.

The Scoping Plan should acknowledge that California cannot continue down the path of fossil fuel-based power solutions in the near term if we are to achieve climate goals in the next 35 years.

Increase focus on Green Buildings We support the direction to create a comprehensive GHG reduction program for California’s buildings. Innovative solutions are needed to ensure that as California grows, our building stock consumes less resources. New construction, remodels of existing buildings and building maintenance and operations are all targeted in the draft plan. This planning process should begin as soon as possible to ensure agencies and stakeholders are engaged and progress is made, even prior to the 2017 target date offered in the plan. This sector should also be closely monitored and aligned with efforts to build more sustainable communities and increase urban forestry throughout California as building energy reductions will be key to the overall sustainability goals.

Promote the rapid transformation of California’s transportation sector to zero emission technologies As noted in the Vision for Clean Air document in 2012 – California’s transportation sector needs to move rapidly toward zero and near-zero emission technologies to achieve federal health-protective clean air standards and California’s climate change goals. This transition needs to encompass passenger vehicles, the freight

sector, low carbon fuels as well as smarter growth strategies to reduce pollution, improve air quality and provide Californians with healthier mobility options. We applaud the draft plan's focus on updating transportation targets as early as 2014, including the SB 375 sustainable communities targets and a post-2020 Low Carbon Fuel Standard.

Recommendations to strengthen the transportation sector include:

- As all SB 375 plans have met or exceeded the targets to date, evaluating the potential greater role of land use and transportation planning is appropriate to undertake this year to inform the next round of plans.
- Increase transit ridership and reduce GHG emissions by targeting funds to operate increased levels of transit service and implement fare reduction strategies that incentivize greater transit utilization.
- The LCFS is proving successful in diversifying California's transportation fuel mix and strengthening amendments this year will continue to broaden the market for clean fuels. A post-2020 target is key to providing long-term market signals to maintain momentum in vehicle efficiency improvements beyond 2025 (*e.g.* the draft flagged a potential 5% efficiency improvement under a future LEV IV program) and achieving the Zero Emission Vehicle program targets.
- Support clear direction on the rapid development and deployment of advanced zero- and near-zero emission technologies in the medium and heavy duty sectors. Zero emission buses and the Sustainable Freight Strategy are critical to cutting greenhouse gases, black carbon and local diesel particulate pollution impacts.

A critical element of transitioning the transportation sector must be to provide clean air benefits to communities most disadvantaged by air pollution and toxic hot spots such as freeways, port traffic, rail yards and distribution centers.

Prioritize reductions of Short-Lived Climate Pollutants CARB's focus on Short-Lived Climate Pollutants in the Draft Scoping Plan Update is a critical step in moving California to act on reducing black carbon, methane, ozone and "f-gas" refrigerants that significantly hinder climate progress despite their short atmospheric lifetimes. There are tremendous co-benefits to curbing short-lived climate pollutants that need to be addressed: reducing black carbon saves lives by cutting local exposures to diesel soot while reducing methane and refrigerant leaks can save money by reducing loss.

- CARB should move quickly to identify and convene experts in 2015 to set the best path forward on regulations to reduce short-lived climate pollutants. For example, in March 2014 the Obama Administration announced a target to cut methane by 17 percent from 2005 levels by 2020.

Following the clear science, developing thorough inventories and providing a strong direction on Short-Lived Climate Pollutants are key to successfully protecting against the worst impacts of climate pollution.

We appreciate the work of CARB staff to coordinate the input of many state agencies and stakeholders into the Draft Scoping Plan Update and the ongoing dialogue about the future of California's climate leadership. We look forward to continued dialogue to support progress to

2020 goals, strengthening the Scoping Plan Update and developing a mid-term climate reduction target to ensure ongoing protections of California's people, our economy and our environment.

Sincerely,

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