September 15, 2014

Cal/EPA Secretary Matthew Rodriquez

OEHHA Director George Alexeef

1001 I Street

Sacramento, California 95812

RE: Cal/EPA Identification of Disadvantaged Communities and CalEnviroScreen

Dear Secretary Rodriquez and Director Alexeef,

On behalf of the members of the California Council for Environmental and Economic Balance (CCEEB), we wish to provide you comments on Cal/EPA’s identification of disadvantaged communities using CalEnviroScreen to direct cap-and-trade auction proceeds to “disadvantaged communities” under SB 535 (De León, 2012). 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. Many CCEEB members own or operate facilities regulated under the AB 32 “cap” and, as such, CCEEB members have a direct interest in how Greenhouse Gas Reduction Fund (GGRF) monies are spent. We have also been active members of the Cal/EPA Environmental Justice Advisory Committee and its Cumulative Impacts/Precautionary Approaches Working Group, and have tracked the development of CalEnviroScreen since its inception. We appreciate the opportunity to comment once again on the tool, its methodology, and use of the results.

CCEEB has two main points:

* Methods 4 and 5 are more transparent and more relevant than the current Method 1. OEHHA should use both Methods 4 & 5 for CalEnviroScreen.
* For SB 535 funding purposes, Cal/EPA should be as inclusive as possible and set percentile cutpoints (i.e., what percentile of census tracts will be eligible) so that deserving communities and projects are not inadvertently barred from applying for competitive grants.

Method 4 for Cumulative Impacts, Method 5 for Disadvantage

CCEEB has stated before that the multiplicity method (“Method 1”) is overly complicated and results in rankings not easily understood or interpreted, and at times counter-intuitive. Although the multiplier is consistent with risk assessment practices, we note that (1) screenings are not risk assessments, and (2) screenings lack the causal evidence or linkages fundamental to risk assessment. Therefore, we believe that OEHHA need not be bound by this practice since other standard practices of risk assessment do not apply or are not used.

In general, CCEEB believes that Method 4 is most suitable for screening for pollution burden *and* socioeconomic disadvantage, and that Method 5 is most suitable for screening for pollution burden *or* socioeconomic disadvantage.[[1]](#footnote-1) Under either method, cutpoints could be adjusted to reflect the policy preferences of decision makers and end users.[[2]](#footnote-2) And with both, it is more readily apparent how each of the two dimensions is combining to drive the final score or result as compared to the existing Method 1.

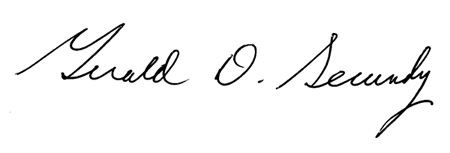
For purposes of SB 535 funding – and recognizing that the policy question is about identification of *disadvantaged* communities for GGRF *funding* purposes – Method 5 may have certain advantages as it captures communities that are highly impacted in terms of socioeconomic status even when pollution burden might be relatively mid-level or average. Because SB 535 implies an *either/or* connection to pollution burden and socioeconomic disadvantage, neither Method 2 nor 3 adequately captures both dimensions and therefore neither are appropriate.

For SB 535 funding purposes, Cal/EPA should seek to be inclusive

When setting the cutpoint for what percentile of census tracts will be identified for SB 535 funding purposes, CCEEB believes that Cal/EPA should be as inclusive as possible in order to help ensure that deserving communities are not inadvertently barred from applying for competitive grants or receiving benefits from GGRF investments. This also provides administering agencies with the most options to maximize cost-effective greenhouse gas emissions reductions, assuming that selection of projects will be from a larger geographic and population base. However, other uses of CalEnviroScreen beyond SB 535 may warrant different cutpoints, depending on the policy question at hand (or the intended use of the results) and the method chosen for calculating rankings.

Thank you for considering our comments. We would be happy to discuss them further, should you or your staffs have questions or comments.

Sincerely,



Gerald D. Secundy

CCEEB President

cc: The Honorable Kevin De Léon, California State Senate

Chair Nichols and Members of the Air Resources Board (ARB)

Richard Corey, Executive Officer, ARB

Edie Chang, Deputy Executive Officer, ARB

Cynthia Marvin, Chief, ARB

John Faust, Chief, Scientific Affairs Division, OEHHA

Kendra Daijogo, CCEEB Project Manager, The Gualco Group, Inc.

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1. “Disadvantaged communities” under SB 535 is not the same as the “cumulative impacts” for which CalEnviroScreen was originally developed to screen. While these phenomena certainly overlap, they are not interchangeable. Cumulative impacts, as defined by Cal/EPA, places primary importance on pollution burden, taking into account sensitive populations and socioeconomic factors within this context. “Disadvantage” as viewed in SB 535 can be from either environmental impacts *or* low socioeconomic status – thus, these two separate health stressor may or may not coincide in a single community. [↑](#footnote-ref-1)
2. For screening of cumulative impacts, CCEEB would recommend a higher cutpoint for pollution burden than population characteristics since the purpose is to identify those communities potentially more affected by multimedia environmental pollution; that is, pollution burden should be given primary weight. [↑](#footnote-ref-2)