

COALITION FOR



**TESTIMONY OF BILL MAGAVERN
POLICY DIRECTOR
COALITION FOR CLEAN AIR**

**To the
JOINT HEARING of the
SENATE ENVIRONMENTAL QUALITY COMMITTEE and
THE SELECT COMMITTEE ON CLIMATE CHANGE AND
AB 32 IMPLEMENTATION**

On

AB 32: Implementation Through 2020 and Beyond

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811 W. 7th Street, Suite 1100
Los Angeles, CA 90017
(213) 630-1192
fax (213) 630-1158

1140 N. Van Ness Ave, Suite 105
Fresno, CA 93728
(559) 486-3279
fax (559) 486-3669

1107 9th Street, Suite 830
Sacramento, CA 95814
(916) 498-1560
fax (916) 498-1547

www.coalitionforcleanair.org

The Coalition for Clean Air was an early supporter of the Global Warming Solutions Act of 2006 (AB 32, Nuñez-Pavley) and has been actively involved in its implementation. We continue to strongly support the law as a meaningful response by the largest state in the U.S. to the grave threat of rapid changes in our planet's climate. We believe that AB 32 has been mostly successful so far, and we're pleased to hear ARB's projection that the state is on target to meet the 2020 requirement. We need to continue that progress in order to meet the 2050 goal.

We believe that the proposed update addresses the range of emission sources that California must control in order to meet our climate goals. The new version details more of the specific control measures necessary to reduce emissions from each sector than did the previous discussion draft, but many of the measures still lack schedules for adoption.

Post-2020 Target

As ARB's "Proposed First Update to the Climate Change Scoping Plan: Building on the Framework" acknowledges, California should develop a mid-term target for emission reductions that is consistent with the level of reduction needed in the developed world to stabilize warming at 2° C. We believe a 2030 target will be essential to making sure we are on a trajectory to reach the 2050 goal. We urge the Legislature to authorize ARB to set the 2030 target after undergoing a science-based public process.

Integrate Air Quality and Climate Planning

We believe that ARB should integrate climate planning with air quality planning more than in the past, as anticipated by "Vision for Clean Air: A Framework for Air Quality and Climate Planning" (Public Review Draft, 6/27/12), and we appreciate ARB's recent moves toward that integration.

Prioritize Short-Lived Pollutants

We are pleased to see that the proposal addresses the scientific research on the importance of the shorter-lived pollutants, including methane, black carbon (soot), smog, carbon monoxide, and hydrofluorocarbons. These pollutants, many of which are also harmful at ground level, are sharply increasing the risk of catastrophic climate change. ARB has measures already in place that have brought about significant reductions in these pollutants, and needs to build on that success with additional measures. We support a research-driven strategy on short-lived climate pollutants, and we commend the proposal for moving up the date for that strategy to 2015.

Their short lives mean that we can reduce greenhouse forcing relatively quickly by cutting emissions of these pollutants. Soot and smog, for example, have a disproportionate impact on snowy and icy regions such as the snowpack, so reducing them would help preserve our water supply. Veerabhadran Ramanathan, a professor of climate science at the Scripps Institution of Oceanography in San Diego, has said that "By cutting down the short-lived climate pollutants, in addition to cutting down CO₂, we can keep the warming under two degrees Celsius, at least up to mid-century."

These pollutants should be directly regulated, not put into a trading program. ARB should put in place strong standards to reduce methane leakage from landfills and from oil and gas extraction and distribution. ARB should also work with the air districts to continue to reduce emissions of particulates, nitrogen oxides and carbon monoxide, reductions that will save lives and improve health while also reducing greenhouse forcing.

Cap-and-Trade: Auction the Allowances

Virtually all of the pollution allowances in the cap-and-trade program should be auctioned off, as recommended by the expert economists who advised ARB on establishing the program, rather than given away to big polluters. Instead of rewarding early action on the part of industry to plan, invest, and innovate to reduce its pollution, free allocation only rewards stalling, delay, and obstruction of necessary cleanup. ARB should ensure allowance value is put to use where it can be certain it will benefit all Californians and help achieve the goals of AB 32.

Invest Auction Revenues

The Coalition for Clean Air, along with our colleagues at Asian-Pacific Environmental Network, The Greenlining Institute and Public Advocates, lead a coalition dedicated to effective implementation of SB 535 (de León), enacted in 2012. That law requires that a minimum of 10% of the Greenhouse Gas Reduction Fund (GGRF) be spent in California's most disadvantaged communities, with a minimum of 25% spent for the benefit of those communities. We stress that the levels in SB 535 are minimums, and we urge the Legislature to exceed them, because these are the communities most at risk from the health hazards and economic dislocation threatened by climate change.

After working for many years to pass SB 535, our organizations reached out to community groups around the state for input on the investment plan which was adopted last year as required by the law. We appreciate that the Governor's proposed 2014-15 budget does include a GGRF expenditure plan that aligns with the investment plan and allocates funds to most of the priorities identified by disadvantaged communities. In particular, we have called for funding low-income weatherization and solar programs, affordable housing near transit, and urban forestry. We also support the proposed funding to demonstrate technology that can clean up freight vehicles that currently emit diesel exhaust in some of California's most polluted neighborhoods.

Unfortunately, one of our highest priorities is not adequately included in the Governor's proposal – operating assistance for public transit. Years of budget cuts have left many of our low-income communities with inadequate transit service, despite fare increases. Our residents need reliable and frequent bus and train service to get to work and school. Funding transit operations is one of the best ways to reduce GHGs and deliver quality of life improvements to disadvantaged communities.

We urge the Legislature to scrutinize the GGRF budget and work with the agencies to assure that the promised benefits are actually delivered to disadvantaged communities. We need a transparent accountability mechanism that demonstrates compliance with SB 535, both at the

front end, as investments are selected, and at the back end, as part of the report the Department of Finance is required to provide the Legislature describing “how the administering agencies have fulfilled the requirements” of SB 535.

Transportation

California needs to clean up its freight system, in order to reduce both GHGs and criteria air pollutants, as well as other impacts. The challenge is to continue moving goods within and through the state while meeting health-based standards for air pollution, protecting the health and well-being of freight-impacted communities, and reducing greenhouse gas emissions. Although freight transport is a vital part of a vibrant economy, the air pollution from freight transport and goods movement has a profoundly negative impact on the health and environment of adjacent communities and on our global climate. While the impacts of freight transport affect the global, regional and local environments, this pollution disproportionately impacts many low income communities and communities of color living in close proximity to freeways, ports, railyards and facilities with significant diesel truck activity. Many of these low income and people of color communities suffer a much higher burden of asthma and other illnesses due to pollution from freight transport and the cumulative impacts of many sources of pollution often present in these vulnerable, at-risk communities. A report commissioned by CCA and our colleagues in the California Cleaner Freight Coalition concluded that cleaner freight alternatives can be deployed that go well beyond today’s cleanest diesel and natural gas powered trucks to reduce PM, NOx and GHG emissions.

We are pleased that ARB has committed to developing a Sustainable Freight Strategy this year by working with community groups as well as industry and other interested parties. CCA also participates in CalTrans’ Freight Advisory Committee. Both agencies need to work together to seize opportunities where we can begin to implement a strategy that ensures that technology, infrastructure and policies are in place to support zero or near zero emission freight movement. The San Pedro Bay Ports and South Coast AQMD have been working on identifying and demonstrating technology that can reduce GHGs, as well as PM and NOx, from heavy duty diesel trucks, ocean going vessels, cargo handling equipment and harbor craft. The Sustainable Freight Strategy should include a regulatory schedule that states when the owners and operators of freight equipment will be expected to transition their equipment to zero or near zero emission technology. This would provide regulatory certainty to the developers of the technology and owners of the technology, therefore setting a platform by which stakeholders can feel more comfortable in setting and meeting emission standards and being competitive. Meeting our future goals for both climate and air quality will depend on dramatic reductions of emissions from the freight sector.

CCA strongly supports the Zero-Emission Vehicle Standard for light-duty vehicles, which is already working to provide motorists with a variety of options for battery-electric and plug-in hybrid vehicles. We, along with our allies in the Charge Ahead California campaign, are sponsoring SB 1275 (de León), to establish a multi-year plan for electrifying vehicles in the light, medium and heavy-duty sectors, with an emphasis on allowing all of California’s communities to benefit from clean transportation.

We support the continued implementation of the Low-Carbon Fuel Standard. The LCFS is already helping to diversify the state's transportation fuel mix with increased use of electricity and natural gas, and we believe it will eventually do the same for hydrogen and cellulosic biofuels. The LCFS's life-cycle analyses are moving biofuels into a more sustainable direction.

Land Use/Sustainable Communities

This year ARB should update the regional targets for reducing transportation GHGs through improvements in land use, pursuant to SB 375 (Steinberg, 2008). Changes in land use patterns can reduce emissions significantly by 2050 if smart-growth policies are put in place now.

In addition, we support a prompt implementation by the Office of Planning and Research of the changes to CEQA guidelines required by SB 743 (Steinberg, 2013). Replacing the Level of Service requirement for traffic with a metric based on vehicle miles travelled will help to remove a significant obstacle to the type of infill development that can reduce GHGs, as envisioned by SB 375.

As we reduce GHG emissions through Sustainable Community Strategies, it will be important to avoid unintended consequences of displacement of low income people residing in Transit Oriented Development areas. Several studies have shown that housing prices can increase in TOD areas and ultimately price out low-income households. Low-income households tend to have higher transit ridership and lower car ownership on average, and therefore provide greater GHG reductions. To ensure the GHG reductions we are expecting from implementing SB 375, plans should put a priority on providing transit-oriented housing to very low income households. Therefore, we agree with the draft's call for the preservation and enhancement of affordable housing in transit-rich areas.

Electricity

In order to reduce reliance on fossil-fuelled electricity generating plants, California's energy-policy leaders should prioritize efficiency, demand response and renewable generation. Energy planning must support, not undermine, our climate goals. In particular, our energy and air agencies should not allow overbuilding of new fossil-fuelled power plants in Southern California as an over-reaction to the shutdown of the San Onofre nuclear plant.

Waste

We commend CalRecycle and ARB for taking a comprehensive approach to analyzing the waste management sector, and we support most of the key recommended actions for this sector. In order to capitalize on the tremendous greenhouse gas reduction potential of waste reduction, recycling, and composting, the agencies should prioritize the development of regulations to phase out the disposal of organic waste, and support Extended Producer Responsibility systems. Recycled content manufacturing and increased processing of recyclables

in-state offer an incredible opportunity for economic and environmental benefits, and strategies to increase them warrant additional development.

Landfills are a major source of methane emissions and should be targeted for additional regulation, by ratcheting down the current landfill emissions rule.

Incineration increases greenhouse gas emissions and undermines the preferred practices of reducing, reusing, recycling and composting. ARB has unwisely – and without substantive justification -- exempted trash incinerators from the cap on emissions, and should include them during the next compliance period.