

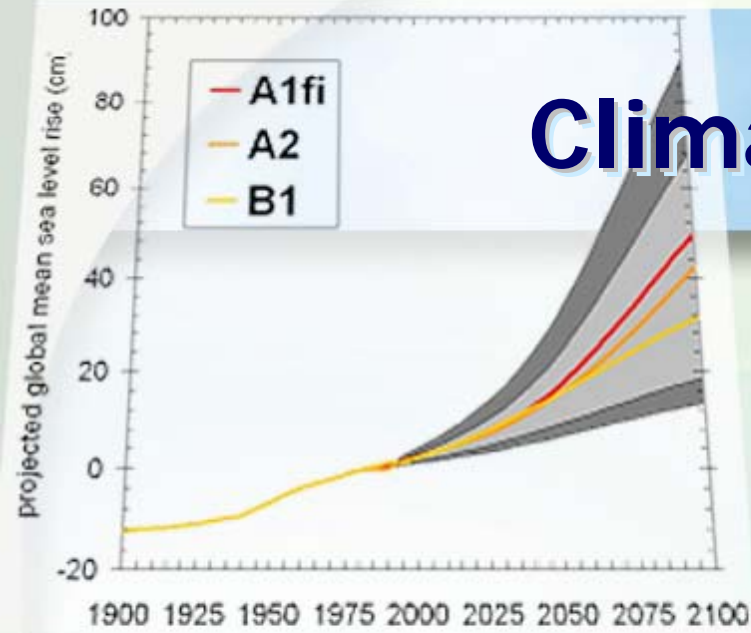
# **Assembly Bill 32**

## **Turning the Scoping Plan Into Action: Greenhouse Gas Emission Reduction and the Green Economy**

**March 19, 2009**

Jerry Hart  
California Air Resources Board

# Climate Impacts



75% loss in snow pack

1-2 foot sea level rise

70 more extreme heat days/year

80% more 'likely ozone' days

55% more large forest fires

Continued drought conditions



# AB 32:

## The Global Warming Solutions Act of 2006

- AB 32 established the first economy-wide climate change regulatory program in the United States
- California's leadership will help set direction for a national program
- AB 32 sets GHG emissions limit for 2020 at 1990 level
  - Acknowledges that 2020 is not the endpoint
  - Points way toward 80% reduction by 2050
- ARB adopted a Scoping Plan in December 2008
  - Plan provides a framework for achieving AB 32's GHG emissions reduction target

# What the Scoping Plan Recommends

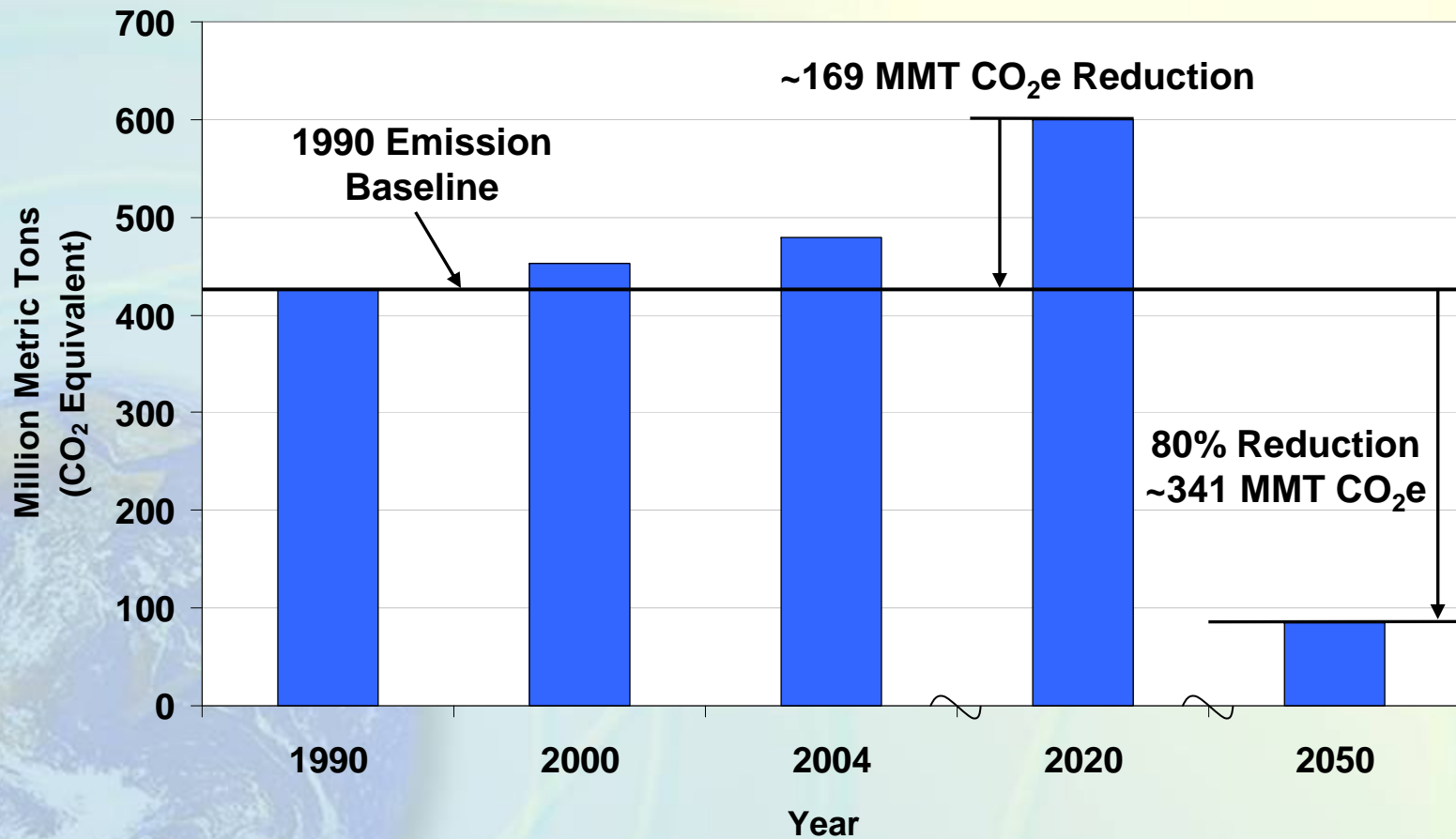
- Combination of market mechanisms, other regulations, voluntary measures, and fees
  - Cap on 85 percent of emissions
  - Complementary measures:
    - Energy efficiency
    - Renewable energy
    - Targets for transportation emissions (SB 375)
    - Existing laws and policies (e.g. Pavley, LCFS)
    - Targeted fees

# Assembly Bill 32

- AB 32, Nunez. Air pollution: greenhouse gases: California Global Warming Solutions Act of 2006.
- Under existing law, the State Air Resources Board (state board), the State Energy Resources Conservation and Development Commission (Energy Commission), and the California Climate Action Registry all have responsibilities with respect to the control of emissions of greenhouse gases, as defined, and the Secretary for Environmental Protection is required to coordinate emission reductions of greenhouse gases and climate change activity in state government.
- This bill would require the state board to adopt regulations to require the reporting and verification of statewide greenhouse gas emissions and to monitor and enforce compliance with this program, as specified. The bill would require the state board to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions levels in 1990 to be achieved by 2020, as specified. The bill would require the state board to adopt rules and regulations in an open public process to achieve the maximum technologically feasible and cost-effective greenhouse gas emission reductions, as specified. The bill would authorize the state board to adopt market-based compliance mechanisms, as defined, meeting specified requirements. The bill would require the state board to monitor compliance with and enforce any rule, regulation, order, emission limitation, emissions reduction measure, or market-based compliance mechanism adopted by the state board, pursuant to specified provisions of existing law. The bill would authorize the state board to adopt a schedule of fees to be paid by regulated sources of greenhouse gas emissions, as specified.
- Because the bill would require the state board to establish emissions limits and other requirements, the violation of which would be a crime, this bill would create a state-mandated local program.
- The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.
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# Magnitude of the Challenge

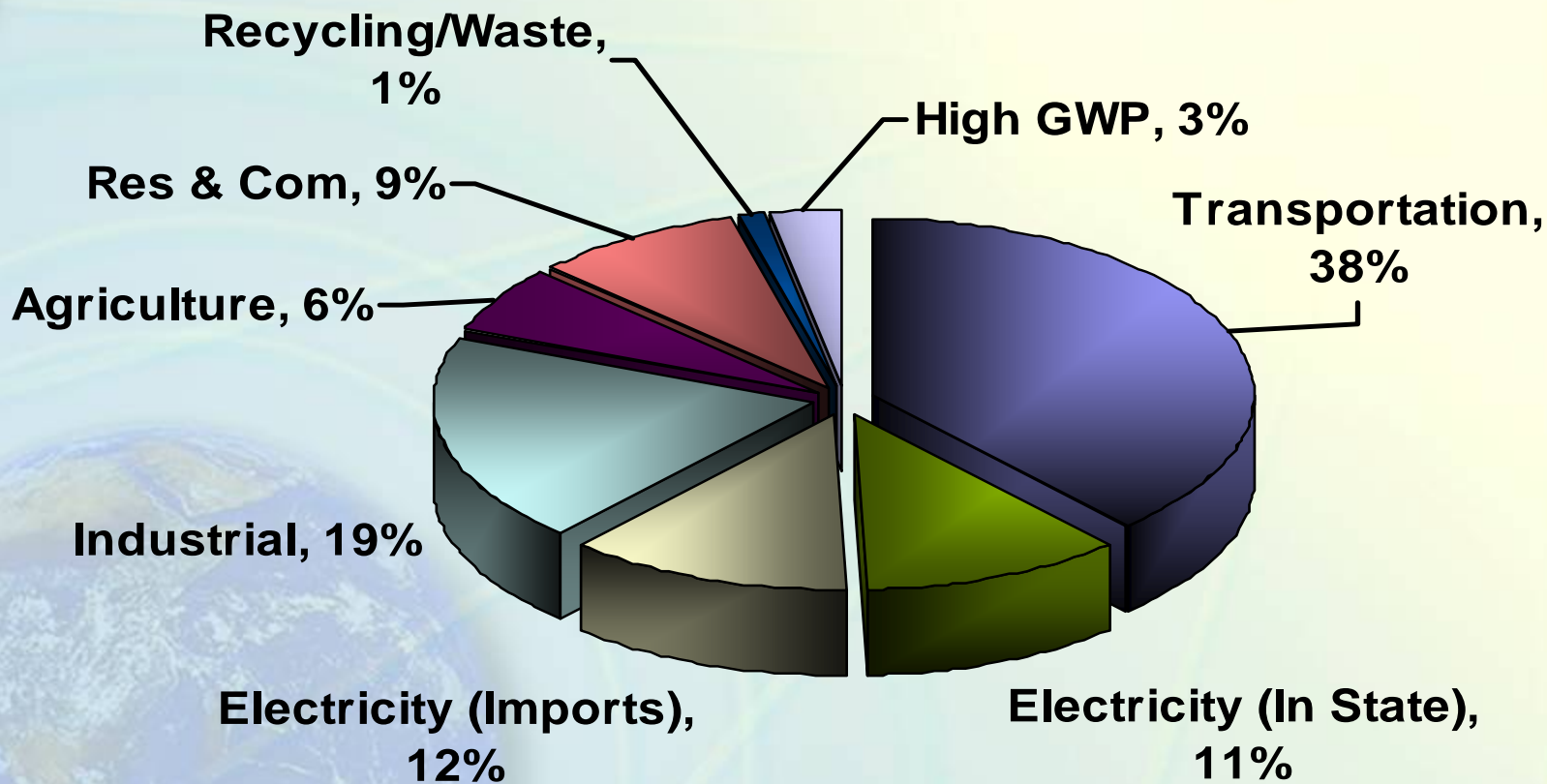
ARB Emissions Inventory



# Helpful Equivalents (or not)

- 1 million metric tons of carbon dioxide equivalents (1MMTCO<sub>2</sub>e)
  - 1.5 million less efficient refrigerators
  - 13 million bulbs with CFLs for one year
  - 200,000 cars not driven for one year
  - 193,000 CA homes electricity use for one year
  - 556,000 tons being recycled
  
  - 500 Empire State Buildings
  - 200,000 hot air balloons

# 2002-2004 GHG Emissions (469 MMTCO<sub>2</sub>E)



# The Next Chapters

*Begin Adopting Measures*

*Conclude Adoption of Measures*

*Begin Enforcing Measures*

**Return to 1990 Emissions**

**2009**

**2010**

**2011**

**2012**

*through*

**2020**

***Scoping Plan  
Adopted  
12/11/08***

**Work Toward  
2050**

# Major Factors

- Stakeholder/community input
- Interagency coordination
- Small business impacts
- Public health
- Green tech/economic development
- Enforcement
- Tracking progress
- Accountability

# Local Government Actions

- SB 375 - transportation (VMI) & residential housing planning
- Develop Climate Action Plans
- Adopt & Implement Ordinances and Policies
- Establish GHG Reduction Targets (15%)
- Conduct Baseline GHG Inventory
- Implement GHG Reduction Measures
- Monitor and Verify Emission Reductions
- Community Influence

## **ARB Developing Local Government Toolkit:**

- Cost-Effective Actions for GHG reductions
- Passing Ordinances, Standards, and Codes
- Implementing Local Programs

# Small Business

- Offset higher energy costs with reduced energy/fuel use – efficiencies/alternatives
- ARB participating with associations, non-profits, chambers, economic development organizations, to help businesses transition to a low carbon future
- Small Business Tool Kit – April 2009
- Kyra Naumoff 916 324-0664  
knaumoff@arb.ca.gov

# Community Empowerment

ARB must ensure all GHG reduction rules, regulations, programs, mechanisms and incentives under its jurisdiction:

- Direct public and private investment toward the most disadvantaged communities in CA
- Provide opportunity for small business, schools, affordable housing associations, and other community institutions to participate/benefit from GHG reduction efforts

# Green Technology and Workforce Development

- Major economic driver
- Federal, state, local government funds
- Venture capital for job growth
- AB 3018 – Green Collar Jobs Council
- Integrated approach – K- 12 curriculum, High Schools, Community colleges, CSU, UC, Unions, Trades, Private, EDD, LWIB, BTH, economic development corps., chambers...

# Local Connections

- Local Workforce Investment Boards
- Community Colleges/Private schools
- Community groups/non-profits
- Employment Development Department
- Local air quality control districts
- Chambers of Commerce
- Economic Development Corporations
- CA Conservation Corps
- Labor Unions
- Local government agencies

# Principles Guiding Cap-and-Trade Regulation

- Broad-based California cap-and-trade program to provide a fixed limit on emissions
- Minimize costs and maximize total benefits
- Minimize leakage and administrative burden
- Complement existing health-based air quality programs
- Consider direct, indirect, and cumulative emissions, including localized impacts on the CA economy and public health
- Abide by Environmental Justice policies by not disproportionately impacting low-income or already adversely impacted communities

# Cap-and-Trade Rulemaking Timeline

- Technical working groups
- Expert input on broad policy issues
- Public workshops
- Western Climate Initiative meetings
- Semi-annual Board updates

2009	Regular public meetings on specific issues
Mid-2010	Preliminary draft regulation released
November, 2010	ARB hearing on cap-and-trade regulation
January 1, 2012	California/WCI cap-and-trade programs launch

# Federal Stimulus Funds for CA

- \$295 million for energy efficiency, smart grid, renewables, transportation
- \$412 million in weatherization, DoE WAP, HUD housing, Home Investment Partnership
- \$500 million for Green Jobs training and job corps centers
- [www.recovery.ca.gov](http://www.recovery.ca.gov)

# Reduce Your Carbon Footprint: A Call To Action

- **Energy/fuels audit** – where are your emissions – reduce your energy bill
- **Offices/buildings** – set temperature, lighting, insulate, EPP products, renewables, water efficient, motion sensors
- **Truck/vehicles** – fuel efficient, low emission, alternative fuels, tire pressure, A/C, tune-ups, reflective paints
- **Procurement** – Energy Star, recycled-content, long-lasting, repairable, recyclable, packaging

# Participate in the AB 32/Scoping Plan Implementation Process

- Measure workshops and Regulatory Public Comment periods
- Web Site comments/calendar of events
- OCC Contact list on Web Site
- Community Meetings
- AB 32 Speakers Bureau
- Advisory Group Meetings
- ARB Board Meetings

# For Additional Information:

- ARB Climate Change: *(sign up for list serve)*

**[www.arb.ca.gov/cc/cc.htm](http://www.arb.ca.gov/cc/cc.htm)**

- California Climate Change Portal:

**[www.climatechange.ca.gov](http://www.climatechange.ca.gov)**

- ARB Office of Climate Change:

Jerry Hart: 916.324.5941

**[ghart@arb.ca.gov](mailto:ghart@arb.ca.gov)**

- ARB Office of Climate Change:

Barbara Bamberger: 916.324.2303

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