

AB 32 Environmental Justice Advisory Committee (EJAC)

**Initial Recommendations to Inform Development
of the 2013 Update to the AB 32 Scoping Plan (Plan)**

August 6, 2013

I. Overarching Issues

- a. State agencies responsible for implementing AB 32 and related statutes should develop and adopt official environmental justice policies to the extent such policies do not currently exist.
 - i. Such agencies should ensure sufficient staffing, resources, and internal administrative infrastructure exists to support the full implementation of such policies.
 - ii. Such agencies should implement methods to analyze, consider, and avoid unintended adverse consequences of decisions. This analysis should occur at both the policy level and the individual project level.
- b. The Air Resources Board (ARB) should collaborate with state implementing agencies to develop rigorous and consistent metrics for tracking, verifying, and reporting the economic, environmental, and public health benefits of AB 32 measures in Environmental Justice (EJ) Communities. EJAC recommends using CalEnviroScreen as a clear metric for evaluating if AB 32 measures are reducing emissions in hot spots and to ensure that no new hot spots are created.
- c. State, regional, and local government agencies with a role in implementing AB 32 should employ CalEnviroScreen and other appropriate data to all appropriate levels of policymaking.¹ Examples include the targeting of resources, programs, incentives, enforcement, and in the siting of potentially hazardous facilities and ensuring we do not create new EJ problems and that residents of EJ Communities receive benefits of investments outside of their community.
- d. Interim (2030-2035) numerical greenhouse gas (GHG) reduction targets should be developed to ensure California is on the right trajectory for meeting the state's 2050 emissions reduction goals.
- e. The health impacts of past, present, and future AB 32 efforts should be quantified:
 - i. An in-depth assessment of the health benefits of existing AB 32 programs to date, and the health benefits of measures going beyond 2020, must be conducted.
 - ii. A complete evaluation of the benefits of AB 32 programs, as well as the health costs of inaction due to environmental degradation, including but not limited to extreme heat events, water and air contamination, wildfires, increased ozone and pollen, and impacts on respiratory disease, cancer, and reproductive and developmental health, and other health disparities is needed to illustrate the importance of strong climate action.

¹ Subsequent versions of the CalEnviroScreen will likely provide more granular data.

- iii. Inclusion of public health costs and benefits of both action and inaction should be considered within agency decision-making processes at both the local, regional, and state levels.
- iv. The state shall provide resources for the California Department of Public Health to conduct this evaluation and share resources. Ensure there is a public health official on the Strategic Growth Council.
- f. The 2013 Update to the AB 32 Scoping Plan (Plan) should include a concerted focus on short-lived climate pollutants.
 - i. The Plan should report on progress to date and establish a framework for additional reductions in short-lived climate pollutants, including methane, black carbon (soot), smog, and hydrofluorocarbons. The Plan should both evaluate and highlight the efficacy of existing California pollution reduction programs in reducing short-lived climate pollutants and recommend areas where additional reductions in short-lived pollutants are feasible. In addition, the Plan should provide a list of additional regulations and strategies needed to eliminate short-lived climate pollutants from our atmosphere along with existing carbon dioxide-based programs. These pollutants should be directly regulated.
 - 1. ARB should put in place strong standards to reduce methane leakage from landfills.
 - 2. ARB should put in place and enforce regulations to reduce emissions from Concentrated Animal Feeding Operations.
 - 3. ARB should establish standards to reduce methane from oil and gas extraction.
- g. Every new law and policy should be explicitly and publicly evaluated in terms of its ability to assist in achieving AB 32 goals; the boards, departments, and offices of the California Environmental Protection Agency should consult on these evaluations.

II. Energy

- a. California should fully practice the state's energy loading order: Prioritizing all cost-effective energy efficiency, then demand response, and finally renewables and distributed generation. These priority resources in combination with energy storage should be fully utilized prior to the use of natural gas power plants.
- b. The Plan should emphasize the importance of siting of renewable energy, grid storage, and micro-grid projects within communities identified by the CalEnviroScreen tool.
- c. State and municipal energy agencies should work to lower barriers to pursuing deep energy retrofits to upgrade homes, businesses, and public institutions in low-to-moderate income communities.
- d. The Plan should emphasize the importance of broadening access to low and no-interest energy efficiency financing for the low-to-moderate income single and multifamily, and small business sectors. This includes credit enhancements, interest rate buy downs, and supporting the use of alternative measure of creditworthiness to provide greater access to affordable capital.
- e. The Plan should emphasize education to increase literacy about energy production and its impacts with a focus on geographically, linguistically, and/or economically isolated communities using trusted sources of information such as community based organizations. Wherever feasible, such outreach should occur in language and employ culturally appropriate messaging techniques.

- f. The Plan should recognize the importance of not returning electric and natural gas sector Cap-and-Trade revenues volumetrically. Instead, the Plan should recognize the importance of policies (such as the Climate Dividend), which employ a polluter pays model, protect low-income households from disproportionate costs in basic necessities, and provide a transparent price signal. (Note: This recommendation may also be appropriately identified in the Cap-and-Trade section.)
- g. As we move towards a future that includes electrification of the state's transportation system for freight, transit, and personal automobiles, accessible and affordable options should be provided for low-income households and small businesses.
- h. Employment in the Green Economy
 - i. The Plan should direct implementing agencies (and entities subject to their jurisdiction), in consultation with state workforce agencies, to identify and develop data and criteria for measuring employment outcomes and related co-benefits resulting from AB 32 related public investments.
 - ii. The Plan should direct implementing agencies (and entities subject to their jurisdiction) to develop, in consultation with state workforce agencies, specific goals to train and facilitate employment of workers from disadvantaged communities. EJAC recommends using CalEnviroScreen and other more robust screening tools and localized unemployment data to identify and prioritize communities for job creation programs.
 - 1. Agencies should employ/require project labor agreements and best-value contracting combined with local/targeted hire goals to provide access to career track construction jobs for disadvantaged workers.
 - iii. Implementing agencies should build training partnerships with local institutions that have a proven track record of placing disadvantaged workers in career-track jobs (such as community colleges, nonprofit organizations, labor management partnerships, state-certified apprenticeship programs, and high school career technical academies).
 - iv. In order to maximize carbon reduction and energy savings, the Plan should direct implementing agencies to promote the highest standard of quality work and explicitly include standards for participating contractors and minimum training and skill standards for workers.
- i. Carbon capture and storage projects related to enhanced oil recovery should not be certified as a project that sequesters carbon for the purpose of carbon credits of any kind.
- j. The carbon intensity of drilling and fracking shale oil in California should be immediately and holistically calculated by March of 2014.
- k. Fugitive methane emissions from natural gas pipeline and infrastructure should be identified and targeted for direct regulation.

III. Waste & Biomass

Waste

- a. The Plan, ARB, and implementing agencies should prioritize the development of regulations that phase out the disposal of organic waste, including, among other things, commercially generated organics and residential yard trimmings.
- b. The Plan, ARB, and implementing agencies should not provide any incentives that encourage waste-to-energy facilities or landfills and should instead promulgate regulations and provide incentives that encourage composting and anaerobic digestion.
- c. Methane from landfills should be targeted for additional regulations resulting in direct emission reductions, including fugitive methane emissions.
- d. The Plan should recommend modifying the definition of “renewable energy” for the purposes of subsidies and incentives like the Renewables Portfolio Standard to prevent perverse subsidies for waste disposal in landfills and incinerators.
- e. The Plan should recommend banning the disposal of agricultural waste, food, and other plant discards in landfills and incinerators, and increased pathways to return this nutrient-rich material to California’s soils. (Note: This recommendation may also be appropriate in the Agriculture chapter.)
- f. Waste incinerators should have compliance obligations under the Cap-and-Trade program.
- g. Existing and new job growth in recycling and related sectors should provide family-sustaining wages, strong health and safety protections, and opportunities for training and career ladders.
- h. The Plan should prioritize recycling manufacturing growth in-state as a key energy conservation strategy, which, when coupled with clean production measures, appropriate zoning, and other community health protections, will create jobs and reduce amount of recyclable commodities being shipped through California’s ports.
- i. The Plan should address the root causes of waste by incentivizing efficiencies in California’s food system to reduce waste (and reduce hunger), and by requiring manufacturers to redesign products to avoid waste and toxics in the first place, with the additional benefit of reducing demand for oil, since 5-10% of oil is made into plastics.

Biomass

- a. A complete lifecycle analysis should be made of the fuel supply for biomass incinerators of all types that qualify as renewable energy pursuant to the Renewables Portfolio Standard.
- b. The Plan should consider and encourage alternatives to biomass incineration such as land application.
- c. Biomass fuel transported more than 30 miles from its source should not be considered eligible for the Renewables Portfolio Standard. All state, regional, and local agencies should have a uniform definition and set of criteria for Renewables Portfolio Standard eligibility.
- d. The Adaptive Management Plan should be emulated to address the unintended impacts of certain technologies within the Renewables Portfolio Standard and the Low Carbon Fuel Standard.

IV. Cap-and-Trade

- a. The Plan should emphasize the importance of using CalEnviroScreen to identify fenceline communities to target GHG reduction programs.
- b. A minimum of 25%, preferably more, must be spent for the benefit of the communities most burdened by pollution and socioeconomic distress (as defined by CalEnviroScreen), with at least 10%, preferably more, to be spent directly in those communities, as required by SB 535. Investment of proceeds into community-accessible GHG reduction programs should include low income energy efficiency, solar for low-income homes, transit operations and other low and no-carbon transportation alternatives, affordable transit oriented development and urban forestry and green infrastructure (including parks).
- c. ARB should lead implementing agencies in the development of rigorous and consistent metrics to measure the GHG reductions and co-benefits of GHG reduction programs using environmental, economic and health metrics. Such measurements of program accountability should be based on sound science.
- d. Adequate staffing and resources should be provided to said agencies to ensure transparency and accountability regarding the investment of this special source of public monies.
- e. ARB should prioritize strict and ongoing evaluation of the Cap-and-Trade system, enforcement of caps and management to prevent toxic hot spots, including studying alternative carbon mechanisms to reduce GHG emissions.
- f. ARB should evaluate the impact of fugitive methane emissions from conventional and unconventional oil and gas production (fracking) upon AB32 goals and programs.
- g. ARB should minimize carbon offsets that could diminish direct emission reductions in disadvantaged communities.
- h. ARB should not give any free allowances to provide certainty that the value of allowances will be used for the benefit of consumers and to further the purposes of AB 32 and to avoid rewarding industry stalling, delay, and obstruction. ARB should give equal consideration to the risk of overcompensating covered entities as it currently gives to leakage risk. Leakage risk should be subject to independent 3rd party analysis.
- i. ARB should not extend transition assistance in lieu of requiring the industrial sector to purchase allowances at auction. ARB must provide sufficient supporting analysis prior to extending transition assistance.
- j. The transportation fuels sector should be required to purchase 100% of their allowances at auction when they come under the cap in 2015.
- k. The Department of Finance, ARB, and implementing agencies should ensure that covered entities are prohibited from receiving revenues from the Greenhouse Gas Reduction Fund.
- l. Waste incineration facilities should be covered entities with compliance obligations under the Cap-and-Trade program.
- m. The Adaptive Management Plan should provide for proactive solutions when unintended environmental justice impacts are discovered.

V. Water

- a. The Plan should recommend that water efficiency and conservation measures for homes are available and affordable to low income residents.
- b. Renewable energy should be used to pump all water in the state. Energy systems, both large and small, should be co-located with pumping infrastructure.
- c. ARB, the California Energy Commission, the California Environmental Protection Agency, and the State Water Resources Control Board, along with all associated local and regional agencies, districts, and other resource regulating entities, should actively coordinate GHG reduction planning in such a way as to ensure the EJAC vision regarding water resources is fully realized.²
- d. The state shall provide competitive grants and/or incentivize municipal governments to install water drinking fountains in appropriate areas of the community intended for pedestrians and bicyclists in the effort to further encourage non-vehicular transportation, i.e. sidewalks, greenways, and pedestrian refuges.

VI. Agriculture

- a. Major stationary sources of agricultural GHG emissions should be identified and regulated, including livestock emissions.
- b. Incentives should not be provided to reduce GHG from agricultural sources unless they concurrently reduce criteria air pollutants from the same source.
- c. The Plan should encourage the sequestration of carbon in agricultural soils as a means of reducing GHG.
- d. Concentrated Animal Feeding Operations and dairies should use appropriate conservation management practices to treat waste.

VII. Natural Lands

- a. The Plan should place great attention and emphasis on and valuation of co-benefits such as reductions in energy consumption, air and water quality improvements, alleviation of the urban heat island effect, and public health.
- b. The Plan should encourage the maximization of green infrastructure investments in California's disadvantaged communities.
- c. The Plan should encourage the creation and use of modeling and decision-making tools supporting optimal urban forestry and other green infrastructure configurations that maximize GHG reductions, sequestration, and co-benefits.
- d. Green infrastructure and better ecosystems management (such as increasing permeable surfaces and bioswales) should be integrated within Sustainable Communities Strategies, instituting the latest technology in forestry to reduce particulates.
- e. The Plan should encourage the setting of individual community tree planting goals.
- f. Implementation of projects should be supported by grants funded through the GHG reduction plan to community-based organizations administered through state and local agencies.

² We envision a California where all residents have access to fresh clean, safe drinking water without increasing either GHG emissions or costs to those residing in designated environmental justice communities.

VIII. Transportation/Fuels/Infrastructure/Land Use

Sustainable Communities and Personal Transportation

- a. Ensure stronger equity and environmental justice metrics in the Sustainable Communities Strategies including the Regional Housing Needs Assessments and the Regional Transportation Plan.
- b. The state shall develop guidelines for promoting a social equity model of investing in transit-oriented development and infill policies that mitigate the negative impacts (such as loss of low income housing) and protect low income residents from displacement. Link investments to a strategy that promotes affordable housing near jobs, reliable public transit, good schools, parks and recreation. Provide robust and affordable local transit service that connects people to opportunity.
- c. Target incentives and investments for improving services and affordability of public transit services, especially for transit-dependent communities, such as students, low wage workers, small and ultra-small businesses.
- d. The Sustainable Communities Strategies should promote investment without displacement through incentives that strengthen and stabilize communities vulnerable to gentrification and the displacement of low-income residents of color.
- e. Reevaluate the SB 375 GHG targets so we meet state 2050 GHG reduction goals.
- f. Jobs-Housing-Fit modeling should be required and weighed heavily in the development of the regional Sustainable Communities Strategies and Regional Transportation Plan preparation.
- g. The Plan should emphasize the importance of maintaining affordable housing near transit and job centers.
- h. Regional governments and jurisdictions should develop and use tools to ensure that low-income populations are not displaced as a result of transit siting and routing. Tools may include the allocation of resources to support public land banking adjacent to transit nodes, requiring inclusionary housing to be integrated into transit-oriented development, and mandatory one-to-one replacement of demolished low-income housing stock. Such tools should be flexible and customized to address the land use issues in urban, suburban, and rural environments.
- i. The Plan should emphasize the co-benefits (public health, environmental, and social and financial well-being) in making connections between jobs and cost-appropriate housing.
- j. The Plan should recognize the importance of financial support for transit operations and restoration of transit service and routes in disadvantaged communities.
 - i. The Plan should recognize and promote the GHG reduction and co-benefits of providing free youth transit passes for public school students and low cost transit service for low-income families.
- k. Prioritization should be placed on the preservation of the existing transit systems (operations and maintenance/replacement) rather than continued emphasis on expansion projects.
- l. Implementing agencies should incentivize the co-location of first/last-mile electric vehicle car sharing programs, safe routes with transit, etc. with increased incentives for income qualified transit riders.
- m. Implementing agencies should provide incentives for the construction of electric vehicle charging infrastructure in multifamily affordable housing.

- n. The Plan should highlight the GHG and co-benefits of co-locating active transportation programs and infrastructure with transit and increased accessibility within disadvantaged communities.
- o. ARB should align existing scrappage programs for gross polluting vehicles and state incentives for low-carbon and zero-carbon vehicles to provide additional assistance to move low-income drivers scrapping their old vehicle into a much lower emission vehicle.
- p. Incentives for electric vehicles and other such vehicles should be tiered based upon the model of the vehicles. (For example, a rebate is less meaningful for someone buying a Tesla Model S yet could be a significant decision factor for someone purchasing a more affordable model.)
- q. Highway expansion and road repaving should not be considered eligible GHG mitigation strategies for purposes of the Cap-and-Trade investment plan.

Freight Transportation

- a. The Plan should prioritize freight transportation strategies with the greatest reduction of toxic air pollutants (focusing on localized public health benefits for EJ communities).
- b. The Plan should include strategies that accelerate aggressive transition to zero emissions freight transportation and also aggressively reduce the toxic air emissions in environmental justice communities. Strategies should include regulations and aggressive regulatory timeline towards zero emissions, incentives, research and development, and demonstration projects at the goods movement corridor level.
- c. The Plan should prioritize strategies to control black carbon and other short-lived climate pollutants.
- d. ARB should devise and implement strategies that ensure low carbon and zero emissions technologies, low carbon fuels, and fueling infrastructure are accessible and affordable, for instance to small businesses, workers (e.g. truck drivers), low-income residents, rural communities.
- e. Develop strategies, including regulations and data analysis, that focus on reducing ultrafine particulate matter as a co-benefit to AB 32.
- f. The state shall incentivize or fund only those planning and development models and mechanisms in the general plan guidelines proven to support mobility, improve safety, and reduce GHGs with co-benefits of reducing criteria pollutants as well.
- g. Encourage collaboration across the California-Mexico border to reduce idling of transport trucks.

Energy

- a. Set Renewables Portfolio Standard targets for 2050 with specific milestones that both drive and incentivize technology(s) needed to accomplish them, while at the same time phasing out the use of non-renewable energy resources, such as natural gas-fired power plants, and creating disincentives for continued use of non-renewable energy sources.