Proposed Public Health-Related Analyses for Cap-and-Trade Rulemaking

Public Health Working Group
September 14, 2009
Edie Chang
Framework for Public Health Analyses

- Environmental review required for all regulations
- Must follow ARB & Cal/EPA EJ policies
- AB 32 has additional requirements
  - Consider direct, indirect, cumulative, and localized emission impacts of market-based mechanisms
  - Direct investment toward the most disadvantaged communities
  - Ensure activities undertaken to comply with the regulations do not disproportionately impact low-income communities
• Identify potential impacts of proposed regulatory actions
• Focus on communities and vulnerable populations
• Consider cumulative air pollution impacts for market-based compliance mechanisms
• Cap-and-trade is the primary market-based compliance mechanism included in the Scoping Plan
Cap-and-Trade Rulemaking

- One of about 30 measures in the Scoping Plan
- Broad-based California cap-and-trade program to provide a declining fixed limit on emissions
- Link to other Western Climate Initiative Partner programs
- Consider effects of the program on the California economy and public health
## Cap-and-Trade Rulemaking Timeline

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
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<tbody>
<tr>
<td>Fall 2009</td>
<td>Preliminary draft concept regulation released</td>
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<tr>
<td>Mid-2010</td>
<td>Draft proposed regulation released</td>
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<td>Fall 2010</td>
<td>Final proposed regulation released</td>
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<td>Nov 2010</td>
<td>ARB hearing on cap-and-trade regulation</td>
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<td>Jan 2012</td>
<td>California/WCI cap-and-trade programs launch</td>
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Health Impact Assessment for Cap-and-Trade

- CDPH draft HIA guidelines provide framework

- Provides mechanism to consider broad range of impacts

- Supports required analyses of market-based compliance mechanism required in statute
Health Impact Assessment Process

• ARB and CDPH working together to evaluate initial scenarios that are consistent with economic analysis to establish a common analytic framework
  ▪ Advised by academic experts and CAT Public Health Workgroup

• Preliminary HIA complete in early 2010

• Sets stage for evaluation of final regulatory proposal
  ▪ May include refined/additional scenarios
Cap-and-Trade Impacts Analysis

- Evaluate proposed cap-and-trade regulation to identify potential changes “on the ground” and where they are likely to occur
- Conduct technical assessment of potential direct, indirect, cumulative and localized emission impacts in selected communities
- Consider results during cap-and-trade program rulemaking
On the Ground Changes

• Assess potential on the ground changes in communities as a result of cap-and-trade
  ▪ What facilities could be affected?
  ▪ Where are the facilities located?
  ▪ What direct and indirect changes might be expected?
  ▪ Are these changes concentrated in certain communities?
Technical Assessments

• Assessments could include:
  ▪ Spatial resolution of current and forecast emission inventories
  ▪ Current monitored concentrations
  ▪ Air quality modeling to understand exposure and risk
Use of the Impacts Analyses

- Refine staff regulatory proposals
- Inform program design and decisions regarding final development of the rule
• POSTPONED September 21st – Cap-and-trade HIA scoping public meeting
• Early October – Cap-and-trade HIA scoping public meeting
• November – HIA preliminary assessment public meeting
• January – Presentation to CAT Public Health Workgroup
• January – Preliminary HIA report released
• February – Preliminary HIA public meeting
Disadvantaged Communities - Timeline

- October – Public meeting to discuss possible characteristics of disadvantaged communities
- December – Public meeting to discuss potential method to select disadvantaged communities
- January – Release white paper on disadvantaged communities
- January – Public meeting to discuss white paper
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