The State of California's Narrative Workplan Under U.S. EPA's Climate Pollution Reduction Planning Grant

Approved May 25, 2023

Workplan Summary

California appreciates the unprecedented lift by the Biden Administration to tackle climate change, as evidenced by the passing of the Inflation Reduction Act and the creation of the Climate Pollution Reduction Grant program (CPRG), among other investments. California values its long-standing relationship with the U.S. EPA and is submitting this workplan for the CPRG planning grants with the hope that together we deliver real greenhouse gas reductions as called for by the latest science, while supporting a resilient economy and reducing disparate air pollution and climate impacts faced by our most vulnerable populations. With the CPRG, California sees an opportunity to not only leverage funding for the specific intended and authorized purposes of this program, but also to deliver the steep greenhouse gas reductions needed to contribute to the United States commitment under the Paris Agreement.

Most recently, California passed Assembly Bill 1279 (AB 1279) (Muratsuchi, Chapter 337, Statutes of 2022). This bill establishes the State's science-based policy to achieve carbon neutrality no later than 2045 and to ensure that by 2045 statewide anthropogenic GHG emissions are reduced at least 85 percent below 1990 levels. California's 2022 Scoping Plan Update¹ lays out the sector-by-sector roadmap for California to achieve the mandates in AB 1279, outlining a technologically feasible, and cost-effective path to achieve the State's climate target. The 2022 Scoping Plan Update also highlights how increased climate ambition can address persistent air pollution and opportunity gaps faced by low-income communities and communities of color.

Under the CPRG program, California will leverage the substantial work of the 2022 Scoping Plan Update, the directives and sector-specific plans and reports it incorporates,² as well as local Climate Action Plans as appropriate. The 2022 Scoping Plan Update covers the geographic extent of California, every economic sector, and all greenhouse gas sources and sinks across the State.³ Under the CPRG program, California will similarly deliver a Priority Climate Action Plan (PCAP), Comprehensive Climate Action Plan (CCAP), and Status Report that reflects actions and emissions reductions statewide. Our deliverables under the CPRG program will elevate the most impactful actions needed to help California and the U.S. achieve a historic rate of clean technology production, deployment, and rapid consumer adoption, while ensuring affordability and maximizing myriad co-benefits.

Because California has been a leader in climate planning and policy efforts for many years, developing CPRG deliverables, particularly the PCAP, will require substantial synthesis of existing policies, regulations, plans and additional federal funding program through the lens of the CPRG opportunity, as well as prioritization and coordination across dozens of State agencies, tribal, and

¹ The 2022 Scoping Plan Update is available online at: https://ww2.arb.ca.gov/resources/documents/2022-scoping-plandocuments

² A partial list of these reports includes California's 2022 State Strategy for the State Implementation Plan, SB 100 Joint Agency Report, Climate Action Plan for Transportation and Infrastructure, AB 74 Studies on Vehicle Emissions and Fuel Demand and Supply, Short-Lived Climate Pollution Strategy, Achieving Carbon Neutrality Report, Climate Smart Lands Strategy, California Climate Insurance Report: Protecting Communities, Preserving Nature, and Building Resiliency, State Agency Sustainability Roadmaps, and more.

³ The California Air Resources Board Emission Inventory Program as well as data inventories can be found online at: https://ww2.arb.ca.gov/our-work/programs/ghg-inventory-program

local agencies and stakeholders. Our budget and timeline, included in this package, reflect the nature of the tasks ahead of us.

Responsible Entities

The California Air Resources Board (CARB) will serve as the lead agency for the State of California, and the California Environmental Protection Agency (CalEPA) will also play a key role in coordination across California entities and the production of grant materials and deliverables. Contact information for CARB and CalEPA is below.

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CONTACT INFORMATION

Coordinating Entities

CARB and CalEPA plan to coordinate with numerous entities over the course of the CPRG planning grant. These are grouped and listed below.

I. State level agencies – the California CPRG Task Force will include representatives from:

- California Environmental Protection Agency
- California Natural Resources Agency
- California Labor and Workforce Development Agency
- California State Transportation Agency
- California Business, Consumer Services, and Housing Agency
- California Government Operations Agency
- Governor's Office of Business and Economic Development
- California Volunteers Office of the Governor
- Governor's Office of Planning and Research
- California Public Utilities Commission
- California Energy Commission
- California Department of Transportation

- Department of Resources Recycling and Recovery
- California Air Resources Board
- California Department of Food and Agriculture
- California Infrastructure and Economic Development Bank
- California Department of General Services
- California Department of Public Health

II. Tribal nations

- Tribes listed on the U.S. Department of the Interior's Federally Recognized Tribal Contact list,
- Contacts from the above list updated by State agencies through recent engagement, and
- Contacts through the Southern California Tribal Chairmen's Association, the California Tribal Chairpersons Association, and others as identified.

III. Air districts

- Air districts representatives participating in the California Air Pollution Control Officers Association (CAPCOA), and
- The 35 air districts that span the State of California on a one-on-one basis as needed.

IV. Metropolitan Planning Organizations, metro areas and cities

- The 18 MPOs that span California,
- Large MSAs that are also participating in the CPRG program, and
- Smaller metro areas and other regions that may not otherwise be covered in the CPRG program.

V. Large California ports

- The Port of Los Angeles
- The Port of Long Beach
- The Port of Oakland
- The Port of San Diego

VI. Other

• CARB also intends to develop publicly available information related to our CPRG efforts and to host public meetings throughout the CPRG planning grant.

Deliverables Development Process

Key Deliverable #1: Priority Climate Action Plan

PCAP Development Approach

California will develop the PCAP through a combination of approaches which will be listed in turn below. Many of these efforts – from creating GHG inventories to stakeholder engagement – will leverage and update California's recent work that created the 2022 Scoping Plan Update, which was approved and became California's most recent climate plan in December 2022.

To begin with key participants for the PCAP, it is worth noting that the development of the 2022 Scoping Plan Update itself included careful consideration of, and coordination with, other State

agencies, consistent with Governor Gavin Newsom's whole-of government approach to tackling climate change. It is a product of work by multiple agencies across the Administration, followed dozens of public workshops and two years of rigorous analysis and economic modeling by California's leading institutions. These efforts lay the foundation for close coordination among California's State agencies, and in the creation of the California CPRG Task Force for this grant program. This task force will be critical in the development of the PCAP, as well as in the identification and coordination with local stakeholders aligned with each members' unique activities across clean technology, energy, transportation, natural resources, and other aspects of California's climate policy.

In addition to the California CPRG Task Force, the PCAP development process will include outreach and collaboration with tribal nations, metropolitan planning organizations, cities, ports, low-income and disadvantaged communities, and the public. While this engagement is detailed in the subsection that follows, it is worth noting up front that because of the many stakeholders actively working on climate action across the State, and because we have several substantial climate planning documents and processes to draw upon, coordination is among the largest activities in the development of California's PCAP. Other planned development activities can be summarized into Table 1 below and are described in the text that follows.

Type of activity	Month	Activities	Key milestone
	Monthly	Meetings with CA CRPG Task Force	
	May 2023	Initial outreach to tribal nations and sub-state entities	
Coordination / collaboration	Quarterly	Quarterly meetings with tribal nations and sub-state entities to prioritize PCAP measures	
	Fall 2023 – Feb. 2024	3 Public meetings + other public engagement	Dedicated webpage created
Staffing /	June –	Recruitment of staff and contractor	Hires made, contractors
contracting	Aug 2023	to support stakeholder facilitation	in place
Synthesis	Jun – Dec 2023	Review, synthesis, and inclusion of existing and forthcoming climate plans and reports	
	Jun 2023 – Jan 2024	Review and coordination across different funding opportunities	
GHG	Fall 2023	Statewide GHG inventory update	GHG inventory released
quantification	Fall 2023 – Feb 2024	Quantification of GHG reductions from PCAP measures	
Analysis	Oct 2023 – Feb 2024	Statewide benefit analysis	
	Oct 2023 – Feb 2024	Low-income and DAC benefits analysis	
	Oct 2023 – Feb 2024	Review of authority to implement PCAP measures	
	Oct 2024 Jan 2024	Workforce analysis for PCAP	

Table 1: Overview of activities and key milestones in the development of the PCAP

PCAP Drafting & Review		Drafting of PCAP, review by CA Cross-agency Task Force and coordinating entities	Draft PCAP released
	Feb 2024	PCAP finalized	PCAP published

Element 1.1: Preliminary GHG Inventory (Required)

Pursuant to the Global Warming Solutions Act of 2006 (AB 32), CARB has been responsible for preparing, adopting, and updating California's greenhouse gas (GHG) inventory for over a decade. California's annual statewide GHG emission inventory is an important tool for establishing historical emission trends and in tracking California's progress in reducing GHGs. CARB has developed many resources to estimate, understand, evaluate, and track greenhouse gas emissions from industrial, mobile, natural, and other sources of emissions, including a GHG reporting regulation with third-party verification. In addition to this inventory, in the 2022 Scoping Plan Update, emissions sources and potential carbon sinks of natural and working lands (NWL) were included for the first time.

Under the CPRG program, updates to the State's inventory and emissions data will be used to help ground the measures and actions California ultimately includes in its PCAP. To serve these purposes, we expect to have an update to our statewide AB 32 GHG inventory in Fall 2023. This update will add to our ongoing inventory, emissions from major sources such as industry, transportation, electricity generation and imports, commercial and residential buildings, waste, short-lived climate pollutants, and agriculture for the calendar year 2021.

Element 1.3: GHG Reduction Targets (Not Required)

The measures and actions identified in California's PCAP will be selected to help advance and accelerate our State's progress toward our goals of reaching carbon neutrality no later than 2045 and reducing anthropogenic emissions 85% below 1990 levels by 2045, as well as meeting our interim 2030 target of reducing emissions by at least 40% below 1990 levels. In addition, PCAP measures and actions will also help ensure we reduce air pollution in line with our 2022 State Implementation Plan,⁴ contribute to our efforts to meet stringent federal air quality standards, and forward California's goals to advance equity and reduce pollution burdens for low-income and disadvantaged communities.

Element 1.2: GHG Emissions Projections (Not Required)

CARB may utilize the Reference Scenario developed in the 2022 Scoping Plan Update, as it outlines a recent and reasonable trajectory of emissions absent the implementation of additional policies since the Spring of 2022. Such a projected baseline of overall emissions will allow CARB to assess the change in GHGs and other benefits of the actions that will ultimately be included in the PCAP.

⁴ 2022 State Strategy for the State Implementation Plan, Adopted September 22, 2022 is available online at: https://ww2.arb.ca.gov/sites/default/files/2022-08/2022_State_SIP_Strategy.pdf

Element 1.4: Quantified GHG Reduction Measures (Required)

To arrive at the list of measures that will be included in the PCAP, California will utilize and update the measures listed in the 2022 Scoping Plan Update, as well as those in existing and forthcoming plans from across State agencies, and as elevated in California's planned stakeholder coordination. Particular attention will be paid to the actions and measures that are a priority for entities not otherwise involved in any other PCAP. In addition, actions and measures included will be those that best achieve the shared goals of California and U.S. EPA⁵: those that achieve the most significant GHG reductions, the greatest reduction of co-pollutants, the greatest benefit to low-income and disadvantaged communities, address existing environmental and health inequities, are costeffective, technologically feasible, support a growing workforce, and more.

To quantify the GHG reduction potential of measures included in the PCAP, CARB and CalEPA will work with modelers from leading institutions to estimate their emissions reducing potential at the most granular level possible. Without such modeling, it is only possible to analyze the emissions reductions of PCAP actions aggregated by sector, as disaggregation is extremely difficult given the many overlapping regulations, policies, and incentives already underway in California. Every specific policy or incentive program that could contribute to the deployment of clean technology and energy in California may overlap in ways that without modeling, make it infeasible to isolate the individual effects of PCAP measures with any reasonable degree of certainty. Given that the measures included in the PCAP will be eligible for competitive funding under the second phase of the CPRG Program, we have prioritized this one-time modeling for the PCAP deliverable.

In addition, estimates of total GHG reductions to 2045 will be included as an outcome under the CPRG program.

Element 1.5: Benefits Analysis (Encouraged)

To deliver a statewide benefits analysis under the PCAP, California agencies will review a body of recent reports to describe and qualify the scope and magnitude of expected benefits of near-term climate action to avoid the worst effects of climate change. The sources that California will utilize include the benefits estimated through a series of robust modeling exercises during the 2022 Scoping Plan Update.⁶ These characterize the direct cost of overall measures to address climate change, as well as the effects on the State's economy, employment, and public health for continued climate action out to 2045. In addition, other reports will be forthcoming in 2023 that will shed light on the benefits of ambitious climate action, such as a coordinated statewide approach to reaching 100 percent renewable and zero-carbon energy resources by 2045 as mandated by Senate Bill 100.⁷ Through the California CPRG Task Force, we will identify, assess, and cite other relevant sources to assess the benefits of California's PCAP. In addition, such a review will be used to list the outcomes expected from PCAP development as part of regular CPRG program reporting. These outcomes

⁵ As suggested under the CPRG program guidance, California will pay particular attention to EPA's Goal 1, "Tackle the Climate Crisis" Objective 1.1, "Reduce Emissions that Cause Climate Change" in EPA's Fiscal Year (FY) 2022-2026 Strategic Plan

⁶ Described in Chapter 3 of the 2022 Scoping Plan Update and its appendices, and available online at: https://ww2.arb.ca.gov/resources/documents/2022-scoping-plan-documents

⁷ The California Public Utility Commission, the California Energy Commission and the California Air Resources Board must issue an SB 100 report every four years. More information is available online at: <u>https://www.energy.ca.gov/sb100</u>

will include estimates of co-pollutants reduced out to 2045 as well as the health and economic benefits of such reductions, as feasible.

Element 1.6: Low Income/Disadvantaged Communities Benefits Analysis (Required)

To focus a benefits analysis on low-income and disadvantaged communities, CARB will pull from and update the methodologies used in the 2022 Scoping Plan that map air quality improvements associated with climate action to health end points. CARB will also overlay air quality results with the spatial data used to identify and track low-income and disadvantaged communities across the State.

In addition, CARB will utilize its Climate Vulnerability Metric (CVM) to inform the PCAP, which estimates the relative economic impact of climate change impacts (e.g., extreme heat) across the diverse range of California's communities. The CVM includes the projected economic impacts of climate change on human welfare across four categories (hours worked, household energy costs, human mortality, and flood-related property damage) through midcentury. These effects are aggregated by census tract level across the State and expressed as a percentage of the annual income in each tract.

Together, these tools, alongside input from communities during PCAP workshops and listening sessions, will inform and characterize the actions and measures included in the PCAP. They will help ensure that California's PCAP climate actions also reduce air pollution and advance equity in communities long experiencing social and environmental injustices, and don't disproportionately burden such communities with the cost of climate change or climate mitigation efforts.

In addition, California will track the number of meetings where community members from lowincome and disadvantaged communities participate throughout the stakeholder engagement process as one CPRG planning outputs. Estimates of co-pollutant reductions and associated benefits for disadvantaged communities will also be included as a CPRG outcome, as feasible.

Element 1.7: Review of Authority to Implement (Required)

As the lead agency, CARB's legal department will assess actions and measures as they are identified, proposed, and included through the PCAP development process. Throughout, the legal team will assess and ensure that implementation of the measures and actions included in the PCAP fall appropriately under the jurisdiction of the actors contributing to and listed within the PCAP. In addition, CARB's legal team will consult with peers from other State and local agencies as appropriate to confirm and create a shared understanding of authority to implement the actions listed in the PCAP. In addition, we will assess whether any additional legal review is needed for the PCAP under California State law, including whether the PCAP will require additional analysis under the California Environmental Quality Act (CEQA).

Element 1.8: Leverage/and Intersection with other Funding (Encouraged)

Across State agencies, California is actively tracking and assessing the funding opportunities made possible through the Inflation Reduction Act (IRA), the Infrastructure Investment and Jobs Act (IIJA), and the Creating Helpful Incentives to Produce Semiconductors (CHIPS) Act. This is in addition to investments and incentive programs across California, such as the Greenhouse Gas Reduction Fund, the California State budget, State administered revolving Ioan funds, and by the private sector.

There are many potential funding synergies to take advantage of and to accelerate the implementation of PCAP measures. California agencies will continue to assess various funding opportunities and their connection to the actions and entities that will be listed in the PCAP. In this assessment, California aims to minimize the duplication of efforts, and to maximize GHG reductions and air quality and other co-benefits across the landscape of funding opportunities. This will require ongoing tracking of opportunities, a review of their potential use, tracking of potential recipients and who may be applying for different funds, and coordination and conversation with relevant stakeholders around each of these elements. State agencies will look at funding opportunities that fall within and across our respective authorities.

Element 1.9: Workforce Planning Analysis (Encouraged)

Efforts to tackle the climate crisis will create economic and workforce development opportunities in the clean energy economy in communities across the State. Transitioning existing skills and expanding workforce training opportunities in climate related fields are critical for reducing harmful emissions and supporting workers in transitioning to new, high-quality jobs. California is taking action in workforce planning and transition, which provide a framework around which to assess the actions that will be listed in the PCAP.

In particular, in the face of shifting economic landscapes and increasing climate impacts, California's Community Economic Resilience Fund (CERF) supports communities and regions as they create plans for economic recovery and transition that prioritize new high-quality jobs in sustainable industries. In addition, in 2021, Assembly Bill 680 (AB 680) (Burke, Chapter 746, Statutes of 2021) required an update to existing Funding Guidelines used by agencies administering some California Climate Investment programs. The update requires workforce and wage standards, the prioritization of projects with training programs, and the creation of high-quality jobs. Through partnerships with California Community Colleges, the State is supporting the development of training courses to help workers train for jobs in growing zero-emissions technology fields. Under the CPRG grant, California agencies will assess any opportunities to build mechanisms to support workers alongside and in support of the actions listed in the PCAP.

PCAP Interagency and Intergovernmental Coordination

CARB and CalEPA will engage the members of the California CPRG Task Force (listed on page 2) once per month. At a minimum, these meetings will serve to discuss and track how each agency's ongoing climate work – both in terms of analysis, planning, and implementation of policies and incentives – can inform the PCAP process. These meetings will also help California ensure a robust engagement with the stakeholders that each agency engages regularly, either through meetings, outreach, or other methods. Such channels can serve to help engage as comprehensive a set of stakeholders as possible in California's PCAP development.

In addition, CalEPA has already established a SharePoint document library through which ongoing meeting notes, and PCAP background materials and draft deliverables can be shared and iterated upon. CalEPA will serve as the convener of this group and communicate updates across a shared listserv.

CARB and CalEPA will also hold quarterly workshops with coordinating entities listed starting on page 3 above (e.g., MPOs, cities, air districts, and ports). Outreach to our coordinating partners has already begun, with CARB establishing initial meetings with CAPCOA and air districts across the State. California will also conduct outreach to tribes geographically located within the boundaries of the State and will invite tribal representatives to quarterly workshops. California will also conduct government-to-government consultations and listening sessions with tribal nations upon their request, providing opportunity for written & verbal input.

Given California's large extent, the physical location for quarterly workshops will rotate from Northern to Southern California to the Central Valley, and each will have a webinar option as well. The findings from these workshops and tribal consultations will not only inform the PCAP development but will also help CARB track progress under the CPRG grant for quarterly reports, where we will indicate the number of events held, stakeholders engaged, and the dissemination of project information.

In addition, in winter 2024, CARB and CalEPA will share the draft PCAP for review by coordinating entities and the California CPRG Task Force and will ensure they have adequate time to review the PCAP before it is finalized. California will also identify a specific tribal liaison for tribal engagement and input into the State's CPRG process and its deliverables, including the PCAP. This staff contact will be shared with tribes within the State's geographic boundary in the first few months of the program. By 2/1/2024 California will have incorporated input from tribes on projects to be included in the PCAP. The California Governor's Office will have final approval over the PCAP.

PCAP Public and Stakeholder Engagement

CARB and CalEPA will host three public workshops and listening sessions during the development of the PCAP. During these, there will be a focus on sharing information and creating space to listen to the concerns of communities and the public. CARB and CalEPA will work with a professional facilitator and any translators to ensure the best possible process and to best capture the suggestions and concerns of the public and community members in their own voices.

California will explicitly prioritize and engage residents from disadvantaged communities. To identify low-income and disadvantaged communities for CPRG purposes, California will follow EPA's recommendation to use the Climate and Economic Justice Screening Tool (CEJST) with EPA's Environmental Justice Screening and Mapping Tool (EJScreen) as a supplement.⁸ California may also compare this with its own method for identifying disadvantaged communities – the CalEnviroScreen tool. This was developed by the California Office of Environmental Health and Hazard Assessment (OEHHA), and it utilizes 21 indicators across demographic, socioeconomic, health, pollution burden and other data to screen for California's most burdened residents.⁹ In addition, CARB administers the Community Air Protection Program in response to AB 617 (C. Garcia, Chapter 136, Statutes of 2017) to reduce exposure in communities most impacted by air

⁸ See EPA's Benefits Analyses: Low-Income and Disadvantaged Communities" under its Climate Pollution Reduction Grants Program Technical Reference Document for States, Municipalities, and Air Pollution Control Agencies. Available online at: https://www.epa.gov/system/files/documents/2023-05/LIDAC%20Technical%20Guidance%20-%20Final_2.pdf ⁹ More about the CalEnviroScreen tool can be found on OEHHA's website: https://oehha.ca.gov/calenviroscreen

pollution, ¹⁰ and other State agencies administer similar programs targeted to engage and close opportunity gaps and persistent health and economic disparities experienced in disadvantage communities. Engagement through such efforts can be used to drive participation in public workshops and listening sessions under the CPRG program. Lessons learned from these ongoing efforts can also inform PCAP development.

CARB will also establish a public website and landing page that describes California's efforts under the CPRG program and provides a link to U.S. EPA's CPRG program page. It will also list public meeting notices, opportunities for public comment, public PCAP development materials, and other relevant information. For the purposes of tracking outputs, we will capture traffic to this site as well as comments received.

Key Deliverable #2: Comprehensive Climate Action Plan

CCAP Development Approach

For the Comprehensive Climate Action Plan (CCAP), CARB will continue to lead with regular input from the California CPRG Task Force, as well as other stakeholders. Again, California will rely on our proven climate planning methodologies, data, and processes to ensure that such high-quality inputs are also reflected in the CCAP. In particular, California's durable GHG and carbon neutrality targets, CARB's ongoing annual GHG inventory, and list of comprehensive climate actions to achieve carbon neutrality by 2045 as outlined in the 2022 Scoping Plan Update, remain relevant elements in the development of the CCAP. CARB anticipates that for the CCAP, new analysis by contractors will be needed to update statewide and localized benefits for disadvantaged communities. Early in the CCAP process, California will also finalize a scope of work with leading researchers throughout the University of California system to produce timely findings on the status of emerging emissionscutting technologies and other applications.

In addition, CARB and CalEPA will rely on the continued input from our California CPRG Task Force, tribes, and local entities throughout the development of the CCAP. A high-level overview of all CCAP activities and milestones are listed in Table 2 below, and a description of California's approach to each required element of the CCAP follows.

Type of activity	Month	Activities	Key milestone
Coordination / collaboration	Bimonthly	Meetings with CA CRPG Task Force	
	Ongoing	Meetings with tribal nations and sub-	
		state entities to inform CCAP	
	Mar 2024 –	2 Public meetings + other public	
	Jun 2025	engagement	
Contracting	Mar 2024	Scope research tasks for UC contract	Contract in place
	Aug 2024	Finalize contract(s) for analytical support	Contract(s) in place

¹⁰ More about the Community Air Protection Program can be found at this website: <u>https://ww2.arb.ca.gov/capp</u>

	Mar 2024 –	Ongoing review of emerging climate	
Review	Sept 2024	policies, reports, and implementation	
	Mar 2024 –	Ongoing review across different funding	
	Sept 2024	opportunities	
GHG	Fall 2024	Statewide GHG inventory update	GHG inventory released
quantification	Fall 2024 –	Quantification of GHG reductions from	
quantification	Jan 2025	CCAP measures	
	Jul 2024 –	Review and update list of climate actions	
	Nov 2024	to include in CCAP	
	Oct 2024 –	Statewide benefit analysis	All new results finalized and discussed with stakeholders
	Feb 2025		
Analysis	Oct 2024 –	Low-income and DAC benefits analysis	
Allalysis	Feb 2025		
	Nov 2024 –	Review of authority to implement CCAP	
	Mar 2025	measures	
	Nov 2024 –	Workforce analysis for CCAP	
	Mar 2025		
CCAP Drafting & Review	Dec 2024 –	Drafting of CCAP, review by all	Draft CCAP released
	May 2025	stakeholders	Dialt CCAI Teleased
	Mid-2025	Finalize CCAP	CCAP published

Element 2.1: GHG Inventory (Required)

Consistent with existing statute in California and as outlined under the PCAP process, CARB will deliver an updated annual inventory of GHGs covered by the AB 32 categories. For the purposes of the CCAP, these data will reflect annual emissions by sector and subsector through 2022. In addition, any updated inventory for emissions from our separate NWL sector will be added to offer a comprehensive picture of California's emissions to inform the CCAP.

Element 2.2: GHG Emissions Projections (Required)

As with the PCAP, California will rely on the Reference Scenario created under the 2022 Scoping Plan Update to assess GHG emissions absent the full implementation of new climate policies, programs, and measures. Given the long time horizon required to implement the measures outlined in California's supporting climate plans, reports and documents, as well as in the PCAP, the Reference Scenario in the 2022 Scoping Plan Update will remain a robust and comprehensive picture of GHG emissions in California, projected out to 2045.

Element 2.3: GHG Reduction Targets (Required)

As described above, California has codified comprehensive and far-reaching GHG emissions reductions targets for 2045, with an interim emissions target in 2030. Should any sector-specific targets be created through statute or regulation before the CCAP is finalized, State agencies will add these into any description of the overall mandates that guide California's climate policy planning and implementation.

Element 2.4: Quantified GHG Reduction Measures (Required – comprehensive)

Several plans, reports, and ongoing climate planning efforts across California provide a strong foundation from which to draft a comprehensive list of climate actions for the CCAP. These include the full suite of measures outlined sector-by-sector in the statewide 2022 Scoping Plan Update, other measures outlined in local climate action plans and gleaned during the PCAP process, updates on statewide measures needed to achieve 100% renewable and zero-carbon electricity generation by mid-century under Senate Bill 100,¹¹ and efforts established by Assembly Bill 1757¹² to set targets for natural carbon sequestration and nature-based climate solutions into the future, to name a few. Additionally, contracted under the CPRG program from leading academic institutions across California may shed additional light on the application and/or scale of emerging emissions reduction technologies. Such findings may also have national relevance as well.

California will also quantify the associated emissions reductions of the package of measures included in the CCAP. This analysis will rely on assessing and summing disaggregated estimates in the 2022 Scoping Plan Update, the modeling described in Element 1.4 above, as well as modeling results from other forthcoming reports focused on specific sectors. Similar to the methodology used in the AB 197 analysis of the 2022 Scoping Plan Update, ¹³ CARB and CalEPA will be able to analyze the emissions reductions of CCAP actions grouped by sectors where several policies and programs are expected to overlap. Such an aggregation serves as a reasonably accurate methodology given the difficulty of teasing out the emissions reductions impact of single measures added to an ongoing mix of emissions reduction policies, incentive programs, and ever tightening regulations. These estimates will rely on understanding the rate of clean energy and technology deployment along with the reduction in the production and combustion of fossil fuels similar to the methodologies used in other planning reports by State agencies. For natural and working lands, the State may rely on a new forecast model developed for use in the 2022 Scoping Plan Update. This model will continue to be updated with more landscape types over time.

Element 2.5: Benefits Analysis (Required)

With inputs from the above quantified emissions reduction measures, CARB will work with contractors to provide in-depth analyses that look at a range of costs and benefits associated with the complete set of CCAP measures. These will rely on several health and economic models and will include assessments of the health impacts of reduced air pollution and toxics, the direct technology cost and fuel savings, costs and benefits experienced by households and across the economy. CARB will develop contracts with leading institutions to carry out such analysis. An example of such analyses can be found in the 2022 Scoping Plan Update.

¹¹ Senate Bill 100 (De León, Chapter 312, Statutes of 2018).

¹² Assembly Bill 1757 (Garcia, Chapter 341, Statutes of 2022) is available online at:

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB1757

¹³ Appendix C: AB 197 Measure Analysis is available online at: https://ww2.arb.ca.gov/sites/default/files/2022-11/2022-sp-appendix-c-ab-197-measure-analysis.pdf

Element 2.6: Low Income/Disadvantaged Communities Benefits Analysis (Required)

California will rely on all the elements listed in 1.6 above, updating Low Income and Disadvantaged Communities Benefit Analysis for the CCAP with any new data or insights from stakeholder processes.

Element 2.7: Review of Authority to Implement (Required)

To assess the authority to implement the measures outlined in the CCAP, CARB and coordinating partners will follow the process outlined under element 1.7 above.

Element 2.8: Leverage/and Intersection with other Funding (Required)

California State agencies will continue to actively track and review how the items identified in the CCAP relate to other funding sources, particularly large funding and tax credit opportunities created under the Inflation Reduction Act and the Infrastructure Investment and Jobs Act. As in the development of the PCAP, State agencies will look to create outreach and support applications to receive funding for the critical climate actions outlined in the CCAP.

Element 2.9: Workforce Planning Analysis (Required)

As under the PCAP development, the CCAP process will include an assessment of how existing workforce programs and efforts are filling gaps in the growing clean technology and clean energy labor markets, as well as the needs of workers for training and high-quality opportunities in these sectors. In addition, as part of the updated analysis that will underpin the CCAP, CARB will be able to deliver an assessment of jobs created as a result of the CCAP measures, sector by sector.¹⁴ CARB and CalEPA will coordinate closely with the California Labor and Workforce Development Agency, as well as other identified partners to go over these findings and help generate any recommended policy actions from them.

CCAP Interagency and Intergovernmental Coordination

Similar to the PCAP, CARB and CalEPA will convene and coordinate CCAP activities with input and in collaboration with California CPRG Task Force members. These meetings will shift from once per month to once every two months over the course of the CCAP development. Key activities will be maintaining coordination and staying informed on relevant climate related reports, analyses, and implementation of measures by each agency; respective coordination with other stakeholders across the State; and coordination across various funding opportunities. In addition, the CPRG Task Force will be given the chance to review interim analytical results underpinning the CCAP as well as other draft materials to offer feedback and guidance. CARB and CalEPA will continue to maintain a shared online repository for such materials as well as meeting and progress notes for CPRG reporting purposes.

¹⁴ This is possible using the REMI PI+ economic model as described in Chapter 3 of and Appendix H to the 2022 Scoping Plan Update.

Building off the stakeholder process established in the PCAP, State agencies will continue to coordinate with tribes and local entities across the State in the form of workshops and information sharing. In addition, CARB and CalEPA will ensure that these coordinating entities get a chance to review the measures under their authority that are included in the CCAP. Such coordinating stakeholders will be notified in a timely manner when interim findings and the draft CCAP is ready for their review and feedback. The California Governor's Office will have final approval over the CCAP.

CCAP Public and Stakeholder Engagement

In the development of the CCAP, CARB and CalEPA will continue its approach of creating space to build a dialogue with members of disadvantaged communities, the public, and other stakeholders. As in the PCAP, CARB and CalEPA will host workshops and listening sessions to engage on climate action and much-needed air quality improvements for residents and workers in disadvantaged communities. CARB will maintain updated, publicly available information through its CPRG program webpage, and respond in a timely manner to outreach from the public and other stakeholders. As previously outlined under PCAP development, CARB and CalEPA will track this engagement as outputs for CPRG program reporting purposes.

Throughout the PCAP and CCAP development process State agencies will solicit and pay particular attention to the types of climate and air quality benefits that are salient to members of disadvantaged communities, as well as the economic opportunity, training and job gapsenvithey experience. To the extent possible, we will use these insights to inform our updated benefits analysis under required elements 2.6 and 2.9 above.

Key Deliverable #3: Status Report

Status Report Development Approach

The Status Report for the CPRG program will be developed in parallel with the next Scoping Plan Update, also due in 2027. As such, the Status Report will build off both the PCAP and CCAP processes and deliverables that preceded it, and will be informed through additional processes, analyses, and intermediate results of the 2027 Scoping Plan Update. The reverse is also expected – the planning activities under the CPRG program will inform and strengthen the next Scoping Plan Update.

In addition, CARB and CalEPA will rely on the continued input from our California CPRG Task Force, tribes, and local entities throughout the development of the Status Report. A high-level overview of such activities and milestones are listed in Table 3 below, and a description of California's approach to each required element of the Status Report follows.

Table 3: Overview of activities and key milestones in CPRG Status Report development			
Type of activity	Month	Activities	Key milestone
Coordination / collaboration	Bimonthly	Meetings with CA CRPG Task Force	
	Ongoing	Meetings with tribal nations and	

sub-state entities

Table 3: Overview of activities and key milestones in CPRG Status Report development

	Mid-2025 –	2 Public meetings + other public	
	Jun 2027	engagement	
Review	Jun 2025 –	Ongoing review of climate policies,	
	Jul 2027	reports, and implementation	
	Jun 2025 –	Ongoing review across different	
	Jul 2027	funding opportunities	
	Fall 2026	Statewide GHG inventory update	GHG inventory released
GHG	May 2026 – Sept 2026	Updated GHG projections	
quantification	Sept 2026 –	Quantification of GHG reductions	
	Dec 2026	from Status Report measures	
	Jun 2025 –	Review and update comprehensive	All new results finalized
	Nov 2026	list of climate actions	
	Nov 2026 – Mar 2027	Statewide benefit analysis	
Analysis	Nov 2026 –	Low-income and DAC benefits	
Analysis	Mar 2027	analysis	
	Dec 2026 –	Review of authority to implement	
	Mar 2027	measures in Status Report	
	Dec 2026 – Mar 2027	Workforce analysis for Status Report	
Status Report	Jan 2027 –	Drafting of Status Report and review	Draft Status Report
Drafting &	May 2027	by all stakeholders	released
Review	Mid-2027	Finalize Status Report	Status Report published

Element 3.1: GHG Inventory (Update Encouraged)

Consistent with the existing statute in California and as outlined above, CARB will deliver an updated annual inventory of GHGs covered by the AB 32 categories. For the purposes of the Status Report, these data will reflect annual emissions by sector and subsector through 2024 (released in Fall 2026). Given that California has such data going back to 2000, the inventory used in the Status Report will have the benefit of describing California's trajectory of emissions reductions by sector, as well as highlighting where further implementation is required to meet overall State GHG reduction goals.

Element 3.2: GHG Emissions Projections (Update Encouraged)

To the extent possible, CARB will adapt the GHG emissions projections that will be done for the 2027 Scoping Plan Update out to 2045. As with past GHG emissions projections, these will take into account all existing climate policies and actions, as well as existing GHG levels, to project a reasonable trajectory for future GHGs absent additional intervention or update.

Element 3.3: GHG Reduction Targets (Not Required)

See Element 2.3 above.

Element 3.4: Quantified GHG Reduction Measures (Status and Updates Required)

After the release of the PCAP, CARB and CalEPA will work with the California CPRG Task Force, as well as coordinating stakeholders, to track the funding and implementation status of actions and

measures identified in the PCAP, the CCAP or both. For the Status Report, California will include a current description of the status of each measure, action, or policy. Based on the state of implementation and the need for additional action to cut emissions and remove carbon from the atmosphere, California will be updating its comprehensive list of necessary climate actions.

With an updated list of comprehensive GHG reduction and sequestration actions, CARB will leverage the multifaceted modeling efforts of the 2027 Scoping Plan Update to gain insight into the emissions reductions of measures included in the Status Report. While the exact modeling efforts of the 2027 Scoping Plan are not yet determined, the Status Report will rely on these available updates as well as any from other reports and modeling efforts (similar to the process outlined under Element 2.4 above).

Element 3.5: Benefits Analysis (Required)

In the Status Report, California will include benefits analysis conducted in parallel with a similar analysis for the 2027 Scoping Plan Update. The statewide benefit analysis in the Status Report will include assessments of the health impacts of reduced air pollution and toxics, the direct technology cost and fuel savings, costs and benefits experienced by households and across the economy, and more.

Element 3.6: Low Income/Disadvantaged Communities Benefits Analysis (Required)

California will conduct a low income and disadvantaged communities benefits analysis for the Status Report using proven methodologies and tools included in required element 1.6 and 2.6 above, as well as in concert with updated GHG, air pollution and toxics data, data on the location and characterization of disadvantaged communities and the relative cost of climate change impacts and mitigation efforts. This analysis will also be conducted in parallel with the 2027 Scoping Plan Update and like previous benefit analyses under the CPRG program will incorporate input from disadvantaged communities and listening sessions.

If possible, the Status Report will characterize any perceivable changes in emissions levels and health outcomes over time for low income and disadvantaged communities. This analysis will help ensure that California's ongoing climate actions continue to reduce air pollution and advance equity in communities experiencing economic, health, and environmental disparities.

In addition, State agencies will track the number of meetings where community members from lowincome and disadvantaged communities participate throughout the stakeholder engagement process as one measure of CPRG planning outcomes.

Element 3.7: Review of Authority to Implement (Required)

Using the same methods described in 1.7 and 2.7, California will update the discussion of the authority to implement the actions and measures listed in the CPRG Status Report.

Element 3.8: Leverage/and Intersection with other Funding (Update Required)

In addition to continuing the tracking, assessment, coordination and outreach functions described under 2.8 above, for the CPRG Status Report, State agencies will capture and assess to the extent possible the efforts that have been funded through large federal programs under the IRA, IIJA, and others. In addition, California will include in the Status Report any gaps that could be filled by additional funding in the future.

Element 3.9: Workforce Planning Analysis (Required)

State agencies will continue to work with the entities and stakeholders outlined in 2.9 above to deliver a workforce planning analysis under the Status Report. To update the analysis from the CCAP, CARB, CalEPA and coordinating entities may review additional reports, analyses or actions as they arise, and update the quantitative methodology for looking at jobs created by sector across the California economy. As with the PCAP and CCAP, this analysis will continue to engage members of disadvantaged communities to understand unique opportunity gaps and needs faced by such residents and workers.

Element 3.10: Next Steps/Future Budget/Staffing Needs (Required)

Against the backdrop of the status of GHG reduction measures that will be fulfilled under element 3.4 above, State agencies, in collaboration with all coordinating entities, will include in the Status Report suggested actions that State agencies, tribal nations, local entities, and the federal government can take to continue to transition away from fossil fuels toward carbon neutrality and net negative emissions. Under any recommendations, the actors who have the authority to take such action will be listed, as well as any needed support they might need such as ongoing budget allocations and permanent staffing.

Status Report Interagency and Intergovernmental Coordination

As with the previous deliverables, CARB and CalEPA will convene and coordinate Status Report activities win input and in collaboration with California CPRG Task Force members. These meetings will continue to be once every two months over the course of the Status Report's development. Key activities will be maintaining coordination and staying informed on relevant climate related reports, analyses, and implementation of measures by each agency; respective coordination with other stakeholders across the State; and coordination across various funding opportunities. In addition, the CPRG Task Force will be given the chance to review interim analytical results underpinning the Status Report as well as other draft materials to offer feedback and guidance. CARB and CalEPA will continue to maintain a shared online repository for such materials as well as meeting and progress notes for CPRG reporting purposes.

Building off the stakeholder process established in the PCAP and CCAP, State agencies will continue to coordinate with tribes and local entities across the State in the form of regular workshops and information sharing. In addition, CARB and CalEPA will ensure that these coordinating entities get a chance to review the measures under their authority that are included in the Status Report. Such coordinating stakeholders will be notified in a timely manner when interim findings and the draft Status Report is ready for their review and feedback. The California Governor's Office will have final approval over the Status Report.

Status Report Public and Stakeholder Engagement

In the development of the Status Report, California will continue its approach of creating space to build a dialogue with members of disadvantaged communities, the public, and other stakeholders. As in the PCAP and CCAP, CARB and CalEPA will host workshops and listening sessions to engage on climate action and much-needed air quality improvements for residents and workers in disadvantaged communities. CARB will maintain updated, publicly available information through its CPRG program webpage, and respond in a timely manner to outreach from the public and other stakeholders. As previously outlined, CARB and CalEPA will track this engagement as outputs for CPRG program reporting purposes.

Similarly, throughout the Status Report development process State agencies will solicit and pay particular attention to the types of climate and air quality benefits that are salient to members of disadvantaged communities, as well as the economic opportunity, training and job gaps they experience. To the extent possible, we will use these insights to inform our required elements 3.6 and 3.9 above.

Environmental Results, Outputs, and Outcomes

To meaningfully track progress under the CPRG Program, California has identified at least the following overall outcomes from the climate actions that will be included in the State's PCAP, CCAP and Status Report:

- Estimated GHG reductions out to 2045.
- Estimated air quality benefits both across the State and to California's disadvantaged communities.
- Estimates of the economic impacts of emissions reductions (e.g., direct technology costs, employment effects, and more).

Throughout the CPRG program California expects to produce at least the following outputs:

- The PCAP, CCAP and Status Report as required under the CPRG program.
- The creation of information materials, such as webpages, and publicly available meeting presentations.
- Traffic to our website to access the above materials.
- Count of meetings, workshops and listening sessions with the California CPRG Task Force, coordinating entities, the public and disadvantaged communities, as well as the estimates of participants in each.

To assess how well California is proceeding in both is four-year CPRG project execution and toward the outcomes outlined above, California will rely on at least the following performance measures:

- The progress toward and completion of each milestone listed in the attached timeline (see Grant Workplan and Reporting Tool Excel file, CA Timeline tab). For example, key milestones include the hiring of one full-time staff member and the signing of contracts.
- Management to ensure successful delivery under facilitation, analytical, and research contracts.
- Ongoing tracking and reporting of expenditures under the CPRG program.

Budget, Schedule, and Reporting

Attached to this narrative is a comprehensive timeline and a budget with detailed costs over the course of the four-year CPRG program. All of California's application materials account for quarterly reporting activities under the program as well.

Climate Innovation Teams

California would like to participate in the Climate Innovation Teams to collaborate on any policy issues that stretch across State lines (e.g., the build out of transmission lines to connect renewable energy resources to large population and industrial areas, cross boundary EV charging corridors, and more). In addition, California remains glad to engage and share lessons learned on our collective actions to confront the climate crisis.