

May 30, 2008

Mary Nichols, Chairman  
Air Resources Board  
1001 I St. P.O. Box 2815  
Sacramento, CA 95812

Dear Chairman Nichols:

We are writing this letter in appreciation of your and staff's efforts to work with various stakeholders in shaping the elements of the Scoping Plan and to suggest efforts that can be pursued to estimate the cumulative and localized impacts as well as co-benefits of global warming reduction policies under consideration.

We are pleased with the level of effort being placed to conduct economic analyses on a set of five scenarios by using different models and sensitivity analyses. However, similar rigorous evaluation is still necessary to ensure that CARB meets its requirement to maximize the social, economic, environmental, and public health benefits of the mix of policies and market-based mechanisms it chooses to include in the plan. In particular, many environmental and health groups are very concerned about the cumulative and localized impacts that may result from policies that are being considered for inclusion in the scoping plan. These impacts need to be analyzed and taken into account when choosing policies to include in the final scoping plan. We believe the role of the AB 32 EJ Advisory Committee is extremely important in the development of the Scoping Plan and particularly, ARB's approach to addressing cumulative and localized impacts, and urge the board to listen carefully to the concerns and suggestions expressed by the committee.

AB 32 requires "the greenhouse gas emission reduction rules, regulations, programs, mechanisms, and incentives .....direct public and private investment toward the most disadvantaged communities in California and provide an opportunity for small businesses, schools, affordable housing associations, and other community institutions to participate in and benefit from the statewide efforts"

AB 32 also further directs that "when designing any market-based compliance mechanism and regulations consider the potential for direct, indirect, and cumulative emission impacts from these mechanisms, including localized impacts in communities that are already adversely impacted by air pollution, as well as prevent any increase in the emissions of toxic air contaminants or criteria air pollutants."

In order to meet the requirements of the law and address the concerns of many environmental and health organizations, we ask that you and the ARB staff:

1. Conduct cumulative impacts assessments to identify the geographic areas that currently bear a higher pollution burden using best available data and tools,

- including the Cumulative Impacts Screening Tool currently being developed by a team of university researchers in conjunction with CARB;<sup>1</sup>
2. Protect disproportionately impacted communities from any additional pollution burden that could result from AB 32 policies. This may include special requirements for facilities located in burdened areas;
  3. Seek input from these communities in designing the scoping plan elements;<sup>2</sup>
  4. Include in the Scoping Plan a plan (with input from the EJ Advisory Committee and other stakeholders) and schedule for updating methods and tools for analyzing local and cumulative impacts as well as a plan and schedule for conducting analysis of localized impacts of AB 32 policies prior to their development as regulations.

Recognizing the methodological limitations in quantifying co-benefits and cumulative, localized impacts we are suggesting two pieces to the evaluation that could be undertaken to assure that regulations would maximize co-benefits and not result in additional pollution in already burdened communities.

First, a majority of the sources coming under the purview of AB 32 can be plotted on a map generated to evaluate cumulative impacts.<sup>3</sup> This will give an overall picture of the sources and source categories to be regulated for their GHG emissions, and how those same sources relate to the distribution of local air pollutants and population centers in the state. Subsequently, as each regulation is developed, multiple scenarios (with a justifiable and reasonable set of assumptions) can be evaluated using this map to understand the variation in the magnitude of localized impacts and the population size likely to derive the benefits or co-benefits.

Second, these sources can also be directed to report their emissions annually.<sup>4</sup> Over time, the emissions information displayed in this map can be used to evaluate individual sources and source categories that opted to reduce emissions as required, complied by purchasing credits or offsets, or failed to comply. This type of monitoring will also be useful to evaluate the effectiveness of the program, to ensure that the program meets the

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<sup>1</sup> Research approved by ARB October 29, 2004 -

<ftp://ftp.arb.ca.gov/carbis/board/books/102904/start.pdf>

<sup>2</sup> We applaud CARB's intent, announced at the May 19, 2008 Scenarios Workshop, to conduct workshops in small and medium-sized communities after the release of the Draft Scoping Plan in June. In addition, we ask that ARB clearly define the process for assessing cumulative and localized impacts in the Scoping Plan, as well as the approach that will be used to ensure no increases in toxic or criteria air pollutants.

<sup>3</sup> The Cumulative Impacts Screening Tool employs such a map, which ARB could use as a starting point for this analysis. Research results were presented on March 24, 2007, at a Discussion Forum entitled Environmental Justice and Climate Change: Understanding the Problem, Considering the Alternatives hosted by the program for Environmental and Regional Equity, USC

<sup>4</sup> Many of these sources may already report their emissions to local air districts. ARB could work with local districts to coordinate such reporting.

requirements and the intent of AB 32, to design adequate enforcement mechanisms, and to design future Scoping Plans in the 5-year cycle.

Finally, we request that you educate and update the Board Members on currently available and proposed methods and models to assess cumulative and localized impacts at an upcoming Board meeting. Collectively, these actions will reflect the Board's commitment to follow through on the requirements and the intent of the law and provide the assurance to the general public that pollution-burdened communities will be protected and will receive an equitable share of the benefits of new regulations.

Once again, we thank you for the leadership and the willingness to work with the stakeholders in the design phase of the Scoping Plan.

Sincerely,

American Lung Association of California  
California Wind Energy Association  
Center for Biological Diversity  
Coalition for Clean Air  
Environment California  
Environmental Defense Fund  
Latino Issues Forum  
Natural Resources Defense Council  
Planning and Conservation League  
Sierra Club-California  
The Nature Conservancy  
Union of Concerned Scientists

cc: ARB Board Members  
James Goldstene  
Chuck Shulock  
Edie Chang  
Kevin Kennedy