

Climate All-Stars Conference

California's Climate Change Proposed Scoping Plan:

A Framework for Change

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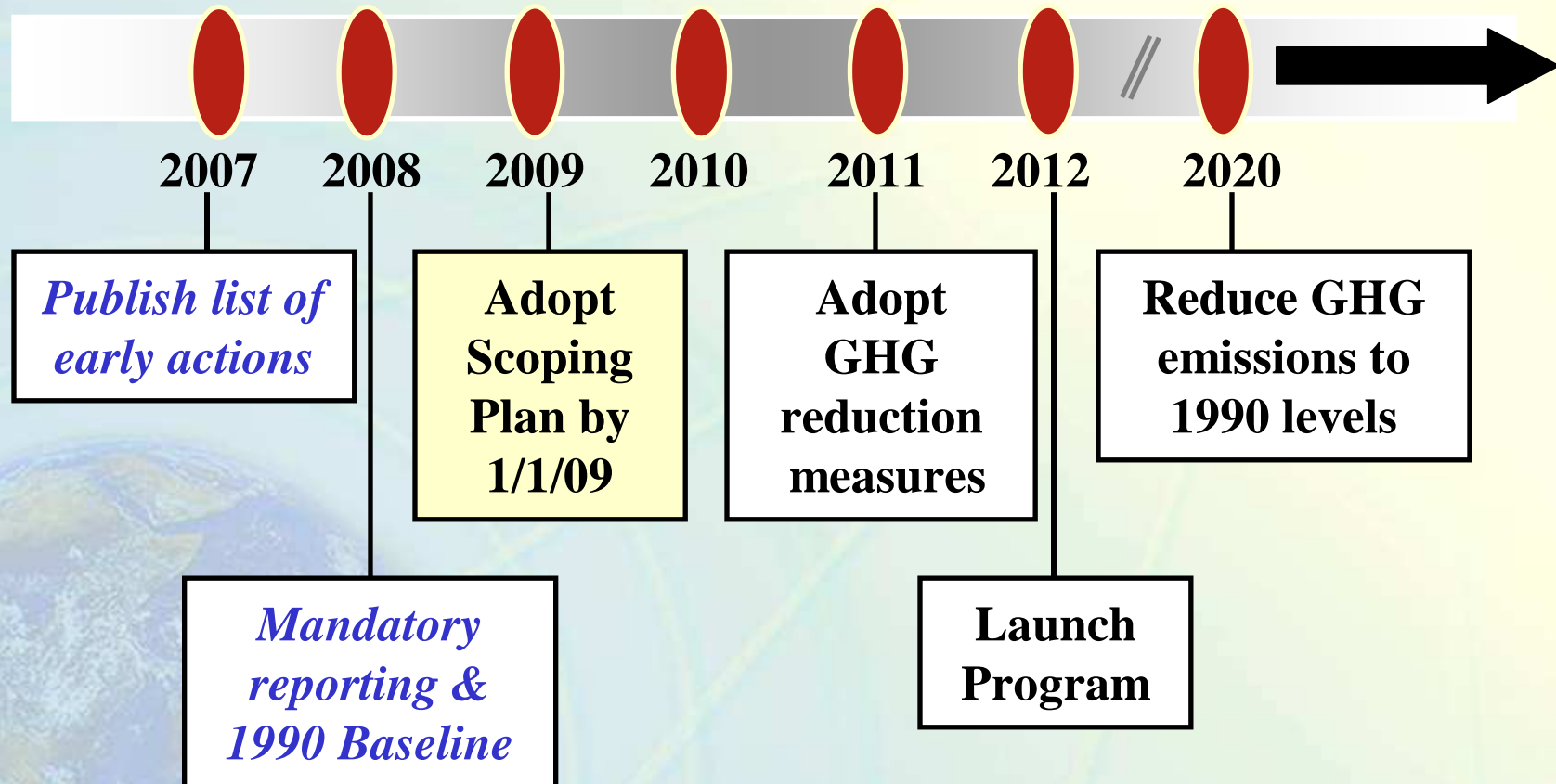
California Air Resources Board

November 6, 2008

The Time for Action Is Now

- Reduce California's greenhouse gas emissions to 1990 levels by 2020
- Provide a model for regional, national and international programs
- Grow the State's economy and promote investment in green technology
- Protect and improve public health

AB 32 Timeline



Plan Recommendations

- Mix of strategies that combine market mechanisms, regulations, voluntary measures, and fees
- Key elements:
 - Energy efficiency programs
 - Renewable energy
 - California cap-and-trade program linked to WCI
 - Targets for transportation-related emissions
 - Existing laws and policies (e.g., Pavley, LCFS)
 - Targeted fees

Cap-and-Trade

- Firm cap on emissions
- California program linked to western region
- Electricity and industrial sectors in 2012
 - Add Transportation and Natural Gas in 2015
- Transition to 100% auction of allowances worthwhile goal
- Offsets limited to less than half of required reductions
- Will seek input from broad range of experts on use of revenue

Sector-Specific Measures

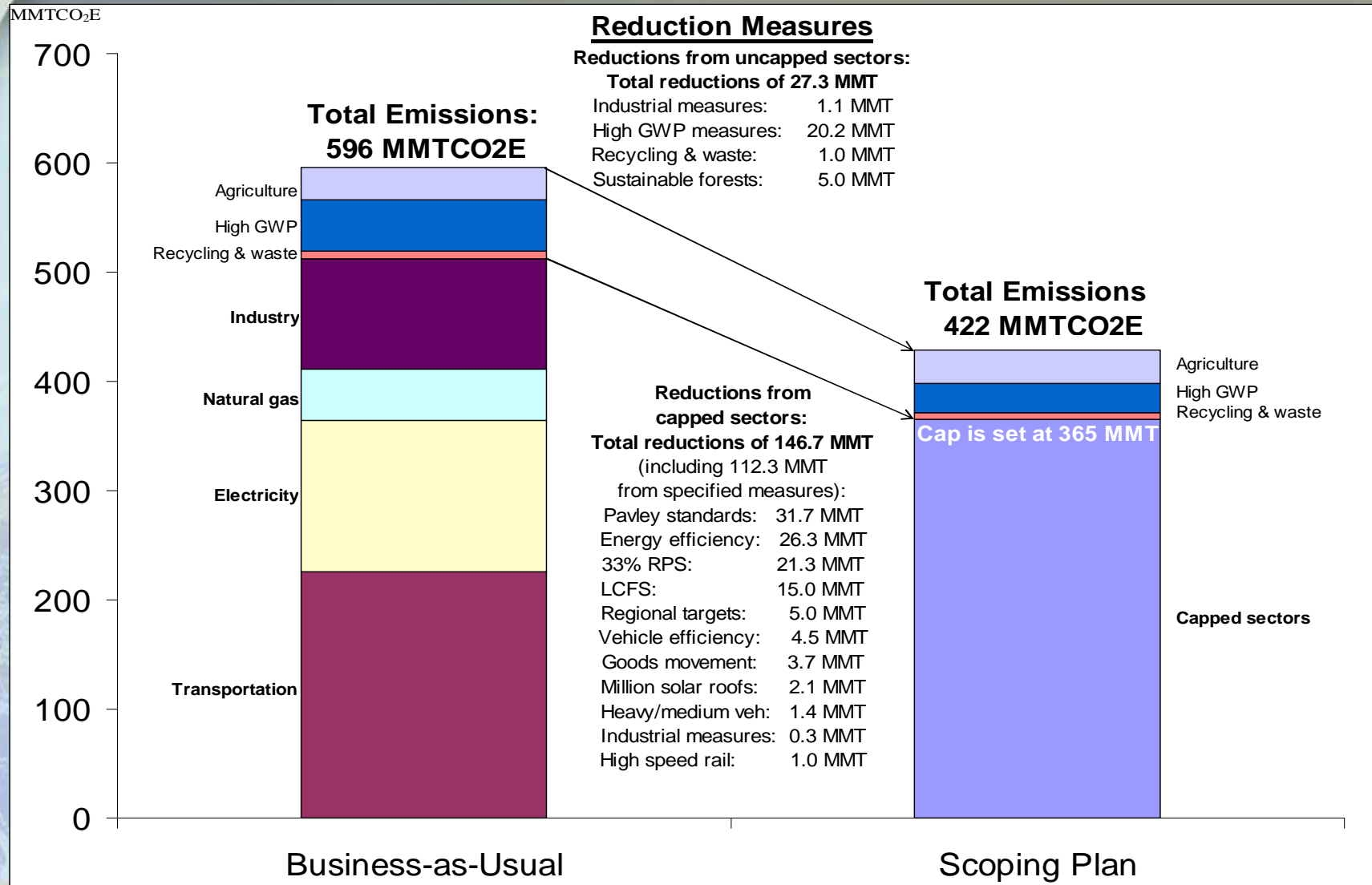
CAPPED SECTORS

- **Transportation** (Pavley, LCFS, regional VMT targets)
- **Electricity/Energy** (Efficiency, 33% renewables, Solar Roofs and water heating)
- **Industry** (Combustion sources)

UNCAPPED SECTORS

- **High Global Warming Potential Gases** (New products and existing banks)
- **Forests** (Preserve sequestration, biomass utilization)
- **Recycling & Waste** (Landfill methane, high recycling/zero waste)
- **Agriculture** (Methane capture at large dairies)
- **Industry** (Fugitive emission sources)

California 2020 GHG Emissions and Recommended Reduction Measures



Economic Benefits

- Create jobs and save households money
- Position California for more sustainable future
 - Energy efficiency and clean technology

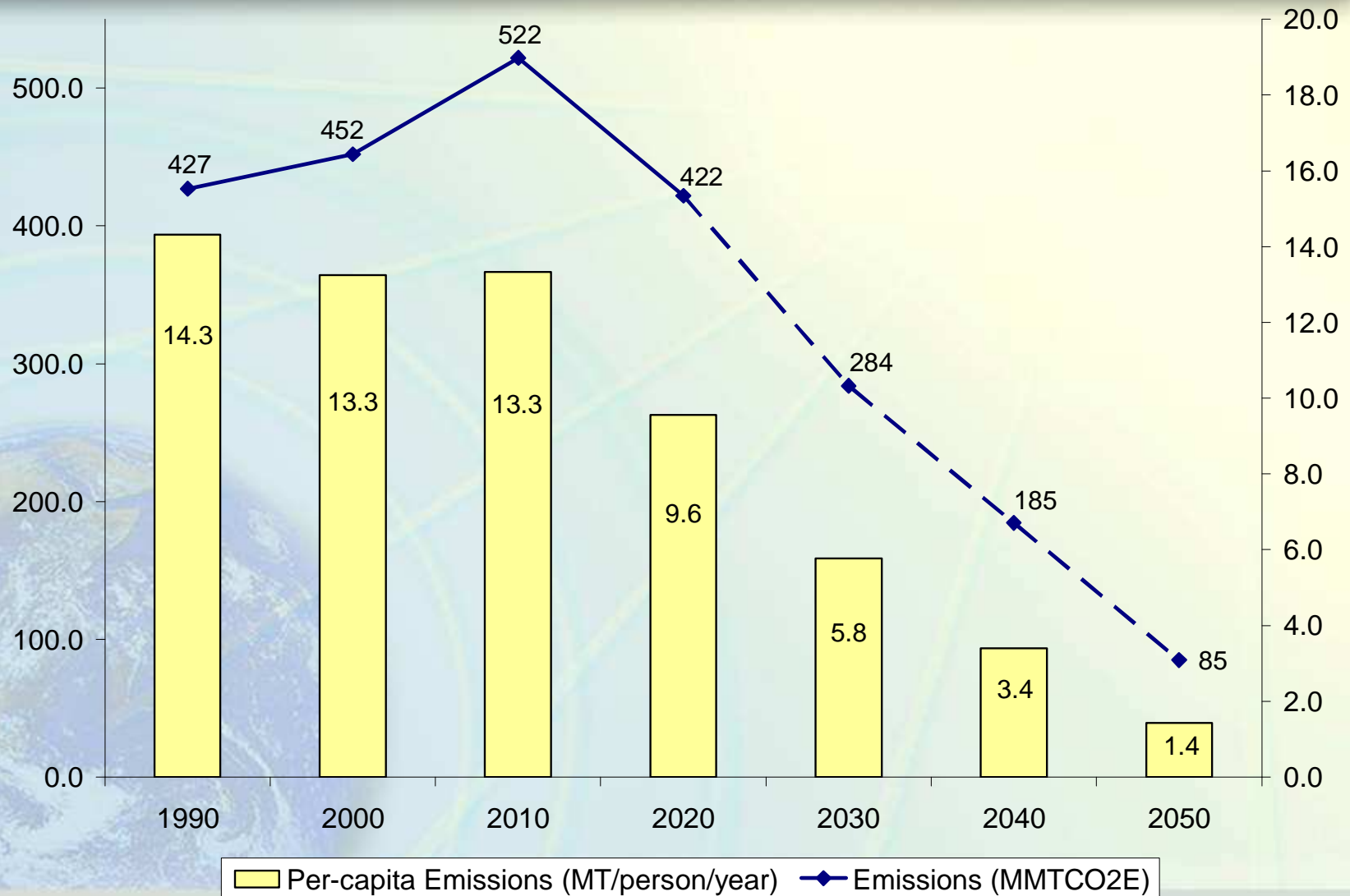
Economic Production	↑	\$33 billion
Overall Gross State Product	↑	\$7 billion
Overall Personal Income	↑	\$16 billion
Per Capita Income	↑	\$200
Jobs	↑	100,000

Public Health Benefits

- Plan will improve public health statewide
- Estimate we'll avoid 400 premature deaths in 2020
 - \$2.2 billion in air-quality public health benefits
- Additional benefits from local and regional transportation measures
 - Facilitate moderate physical activity

Moving Toward 2050

A Clean Energy Future




Next Steps

- November 20, 2008
 - Public Hearing to discuss Proposed Scoping Plan
- December 11, 2008
 - Board vote on Proposed Scoping Plan

Scoping Plan Implementation

- Two years to adopt AB 32 measures
 - Regulatory development will follow normal public process
 - Extensive stakeholder outreach and involvement, including small business
- Implementation and enforcement critical
- Local governments, State energy agencies, the Climate Action Team, and air districts will play key role



**We owe our children and we owe our
grandchildren. We simply must do
everything in our power to fight global
warming before it is too late**

**-- Governor Arnold Schwarzenegger
at the AB 32 signing ceremony
September 27, 2006**

On-line References

Download the Proposed Scoping Plan:

http://www.arb.ca.gov/cc/scopingplan/document/scopingplan_document.htm

ARB's Climate Change Website:

<http://www.arb.ca.gov/cc/cc.htm>

California's Climate Change Website:

<http://climatechange.ca.gov/>