Cap-and-Trade Auction Proceeds

Draft Second Investment Plan:
Fiscal Years 2016-17 through 2018-19

Public Workshop
Sacramento
November 3, 2015
Agency Representatives

- Ashley Conrad-Saydah
- Brian Annis
- Claire Jahns
- Jason Wimbley
- Randall Winston
- Jenny Lester-Moffitt
- Matt Almy
- Cynthia Marvin
California’s Climate Strategy

Reducing Greenhouse Gas Emissions to 40% Below 1990 Levels by 2030

**GOALS**

- **50% reduction in petroleum use in vehicles**
- **Carbon sequestration in the land base**
- **Safeguard California**
- **50% renewable electricity**
- **Double energy efficiency savings at existing buildings**
- **Reduce short-lived climate pollutants**
California’s Climate Strategy

PRINCIPLES

- Create jobs
- Transform to a clean energy economy
- Save water
- Give consumers clean energy choices
- Support vulnerable communities
- Make California more resilient
California’s Climate Strategy

IMPLEMENTATION

SCOPING PLAN
- Climate Action Plans
- SLCP Plan
- Forest Carbon Plan

LEGISLATION
- Cap and Trade Regulation
- AB758 Energy Efficiency Plan
- GGRF Investment Plan
- 2040 CA Transportation Plan
- Healthy Soils Action Plan

Other plans/regulations for renewables, efficiency, transportation, fuels

BUILDING BLOCKS
- Partnerships
- Incentives
- Voluntary Action
- Local Action
- Research
- Grants
- Regulations

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State Proceeds from Cap-and-Trade

- Proceeds go in Greenhouse Gas Reduction Fund (GGRF)
- State law sets framework
- Invest in projects that reduce greenhouse gases and achieve co-benefits
- Maximize benefits to disadvantaged communities
  - 10%+ of $ within
  - 25%+ of $ to benefit
Second Investment Plan

- Due to Legislature in January
- Covers Fiscal Years 2016-17 to 2018-19
- Qualitative assessment of needs and priorities
- Focuses on 40% of discretionary funding
  - 60% is continuously appropriated to affordable housing & sustainable communities, transit and High Speed Rail
- Legislature and Governor determine funding allocations in the annual State Budget

**Upcoming Milestones:**
- **Dec 17-18:** Board Hearing
- **Jan 2016:** Final Investment Plan to Legislature
Second Investment Plan Goals

- Reducing Greenhouse Gases and Other Climate Pollutants
- Benefitting California’s Most Disadvantaged Communities
- Increasing Rural Community Participation
- Maximizing Co-Benefits to Public Health, the Environment, and the Economy

Cross-Cutting Approaches

- Local Climate Action in Disadvantaged Communities
- Efficient Financing Mechanisms to Maximize Investment
Second Investment Plan Concepts

- Sustainable Communities & Clean Transportation
- Energy Efficiency & Clean Energy
- Natural Resources & Waste Diversion

Integrated Projects for Local Climate Action
Contact the Agencies

- **Deadline to Submit Public Comments:** Nov. 13, 2015*

- **Visit:** [www.arb.ca.gov/auctionproceeds](http://www.arb.ca.gov/auctionproceeds)
  - Central portal to connect to all agencies’ programs
  - Submit comments electronically
  - Subscribe to listserv and see upcoming events

- **Email:** GGRFProgram@arb.ca.gov

- **Questions:** Shelby Livingston, 916-324-0934

*Comments submitted after November 13th may not be considered during the revision process