

**Appendix A**  
**EJAC Recommendations**

Note: some ARB responses referring to a previously addressed issue are off due to the renumbering of the final EJAC recommendations.

Overarching Issues	ARB Response	Page
<p>1. AB32 implementing agencies should implement methods to analyze, consider, and avoid unintended adverse consequences of decisions. This analysis should occur at both the policy level and the individual project level.</p>	<p>Included in Proposed Update. The Proposed Update emphasizes the need to maximize health benefits while minimizing unintended negative health impacts. In addition, to the extent feasible, implementing agencies at the State, regional and local levels should use available data sources to ensure these communities receive benefits from programs and to guard against worsening conditions or new environmental justice problems. At a programmatic level, ARB has committed to implement an Adaptive Management process to identify and respond to any adverse localized impacts from Cap-and-Trade.</p>	<p>Page 144</p>
<p>2. AB32 implementing agencies should employ CalEnviroScreen and other appropriate data to all appropriate levels of policymaking. Examples include the targeting of resources, programs, incentives, enforcement, and in the siting of potentially hazardous facilities and ensuring we do not create new EJ problems and that residents of EJ Communities receive benefits of investments outside of their community.</p>	<p>Included in Proposed Update. The Proposed Update emphasizes the need to maximize health benefits while minimizing unintended negative health impacts. In addition, it also states that to the extent feasible, implementing agencies at the State, regional and local levels should use available data sources to ensure these communities receive benefits from programs and to guard against worsening conditions or new environmental justice problems.</p>	<p>Page 144</p>
<p>3. AB32 implementing agencies should develop and adopt official environmental justice policies to the extent such policies do not currently exist.</p>	<p>Concept included in Proposed Update. The Proposed Update discusses ARB’s approved Environmental Justice Policies and Actions approved in December of 2001. While not discussed in the</p>	<p>Page 143</p>

	<p>Proposed Update, it is important to note that Cal/EPA finalized their Intra-agency Environmental Justice Strategy in August of 2004. DTSC, DPR, Water Boards, &amp; U.S. EPA also have Environmental Justice programs/policies. while the intra agency structure is being revived that cal epa EJ advisory committee need to reflect</p>	
<p>4. The Air Resources Board (ARB) should collaborate with state implementing agencies to develop rigorous and consistent metrics for tracking, verifying, and reporting the economic, environmental, and public health benefits of AB 32 measures in Environmental Justice (EJ) Communities. EJAC recommends using CalEnviroScreen as a clear metric for evaluating if AB 32 measures are reducing emissions in hot spots and to ensure that no new hot spots are created.</p>	<p>Concept included in Proposed Update. The Proposed Update indicates that ARB will work with other State agencies and groups to evaluate feasibility of potential methods for tracking the effects of AB 32 programs on environmental justice communities.</p>	<p>Page 143-144</p>
<p>5. Interim (2030-2035) numerical greenhouse gas (GHG) reduction targets should be developed to ensure California is on the right trajectory for meeting the state's 2050 emissions reduction goals.</p>	<p>Concept included in Proposed Update. The Proposed Update discusses the need for a 2030 emission target, describes the post-2020 emission trajectories, and relates an interim climate target to the 2032 ozone attainment date for the South Coast and San Joaquin Valley.</p>	<p>Page 40</p>
<p>6. An in-depth assessment of the health benefits of existing AB 32 programs to date, and the health benefits of measures going beyond 2020, must be conducted.</p>	<p>Concept included in Proposed Update. The Proposed Update describes the challenges of assessing health impacts that can be specifically attributed to AB 32, but recognizes that climate change mitigation efforts not only help combat the direct adverse health impacts of climate change, many of the strategies laid out in the Proposed Update have additional health co-benefits. The Proposed Update also</p>	<p>Page 137-142</p>

	notes that “Efforts are underway to integrate health co-benefit modeling tools into regional transportation demand models...to help quantify health co-benefits of active transport...”	
7. A complete evaluation of the benefits of AB 32 programs, as well as the health costs of inaction due to environmental degradation, including but not limited to extreme heat events, water and air contamination, wildfires, increased ozone and pollen, and impacts on respiratory disease, cancer, and reproductive and developmental health, and other health disparities is needed to illustrate the importance of strong climate action.	Concept included in Proposed Update. The Proposed Update describes the health consequences of unmitigated climate change. It specifically recognizes that these impacts are especially felt among our most vulnerable populations, including children, elderly, people with respiratory diseases, low-income communities, and people without access to health insurance.	Page 137-142
8. Inclusion of public health costs and benefits of both action and inaction should be considered within agency decision-making processes at both the local, regional, and state levels.	Concept included in Proposed Update. The Proposed Update recognizes many of the actions that reduce GHG emissions also improve the health and well-being of vulnerable communities, providing an opportunity to address current environmental and health disparities. See also response to e.ii. above.	Page 137-142
9. The state shall provide resources for the California Department of Public Health to conduct this evaluation and share resources. Ensure there is a public health official on the Strategic Growth Council.	Concept included in Proposed Update. While requests for new resources are considered in the State budget process, the Proposed Update states that ARB is committed to working with the Department of Public Health, the Office of Environmental Health Hazard Assessment, local air districts and environmental justice communities and organizations to evaluate the feasibility of potential methods for tracking the effects of AB 32 implementation. We also note that Diana Dooley, Secretary of the California Health and Human Services Agency, is currently a member of the	Page 144

	Strategic Growth Council.	
10. The Plan should emphasize education to increase literacy about energy production and its impacts with a focus on geographically, linguistically, and/or economically isolated communities using trusted sources of information such as community based organizations. Wherever feasible, such outreach should occur in language and employ culturally appropriate messaging techniques.	Concept included in Proposed Update. The Proposed Update recognizes that outreach and community capacity building are critical and that additional effort is needed in communities that are geographically, linguistically, and/or economically isolated. The Proposed Update also specifically recommends development of educational/outreach programs to enhance effectiveness of energy efficiency and demand response programs.	Page 111
11. AB32 implementing agencies should ensure sufficient staffing, resources, and internal administrative infrastructure exists to support the full implementation of such policies.	Not included in Proposed Update. This recommendation is beyond the scope of the Proposed Update. These decisions are part of the State Budget process.	N/A
12. Every new law and policy should be explicitly and publicly evaluated in terms of its ability to assist in achieving AB 32 goals; the boards, departments, and offices of the California Environmental Protection Agency should consult on these evaluations.	Not included in Proposed Update. These recommendations are beyond the scope of the Proposed Update. However, the Proposed Update does call on government agencies, to the extent feasible, to employ available data sources to help target resources, programs, incentives, and enforcement efforts to ensure that residents of environmental justice communities receive benefits from climate-related efforts and to guard against worsening conditions or creating new environmental justice problems.	Page 144
13. The Plan should direct implementing agencies (and entities subject to their jurisdiction), in consultation with state workforce agencies, to identify and develop data and criteria for measuring employment outcomes and related co benefits resulting from AB 32 related public investments.	Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update. The Department of Finance is responsible for oversight of investments of Cap-and-Trade auction proceeds, including reporting by recipient agencies.	N/A

<p>14. The Plan should direct implementing agencies (and entities subject to their jurisdiction) to develop, in consultation with state workforce agencies, specific goals to train and facilitate employment of workers from disadvantaged communities. EJAC recommends using CalEnviroScreen and other more robust screening tools and localized unemployment data to identify and prioritize communities for job creation programs.</p> <p>Agencies should employ/require project labor agreements and best-value contracting combined with local/targeted hire goals to provide access to career track construction jobs for disadvantaged workers.</p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update.</p>	<p>N/A</p>
<p>15. Implementing agencies should build training partnerships with local institutions that have a proven track record of placing disadvantaged workers in career-track jobs (such as community colleges, nonprofit organizations, labor management partnerships, state-certified apprenticeship programs, and high school career technical academies).</p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update. However, the Proposed Update does highlight the benefit of utilizing local groups to implement urban forest and green infrastructure projects.</p>	<p>Page 84</p>
<p>16. In order to maximize carbon reduction and energy savings, the Plan should direct implementing agencies to promote the highest standard of quality work and explicitly include standards for participating contractors and minimum training and skill standards for workers. (Note: also in Energy.)</p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update.</p>	<p>N/A</p>
<p>17. Existing and new job growth in recycling and related sectors should provide family-sustaining wages, strong health and safety protections, and opportunities for training and career ladders. (Note: also in Waste Management.)</p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update. However, the Proposed Update does refer to new jobs that the implementation of AB 32 may create.</p>	<p>Page 75</p>

<p><i>(new)</i></p> <p>18. Define “green job” and prioritize low-income communities to benefit from AB32 programs and projects that yield green jobs. Existing and new job growth (in energy, forestry, recycling and other sectors) should provide family-sustaining wages, strong health and safety protections, and opportunities for training, education and career ladders to low-income communities.</p>		
<p><i>(new)</i></p> <p>19. Maximize the benefits of coordination among agencies and departments, funding to support AB 32 implementation should be strategically deployed to projects and locations where investments will have the most long lasting and positive impact. Not only do we need to better align our resources among agencies, but also target them to those projects that have the highest impact on communities most affected by climate change.</p>		
<p><i>(new)</i></p> <p>20. Convene Environmental Justice Advisory Committees regionally by air basin. Their responsibilities include advancing environmental justice to monitor AB32 emissions reductions, investments, data tracking, coordination with agencies and advising regional air districts.</p>		

<p><i>(new)</i></p> <p>21. <i>Establish a system that will provide the public access to permits related to AB32 in environmental justice communities in and around identified top CalEnviroScreen areas.</i></p>		
<p><i>(new)</i></p> <p>22. <i>Collect, assemble and distribute the data on GHGs, criteria pollutants, air toxics, allowances and offsets from over 800 reporting stationary sources by the end of 2014 and complete the analysis by June of 2015. This data along with facility locations needs to be shared with OEHHA, DPH, CEC and other agencies to explore options and determine the potential impacts on disadvantaged communities using many indicators and establish a baseline for future comparisons.</i></p>		
<p><i>(new)</i></p> <p>23. <i>Similar to the staffing and funding provided to the ARB, other agencies having a role in AB 32 implementation either directly or receiving funds from the Cap and Trade moneys should also receive adequate fiscal and personnel resources to ensure that they can also coordinate and track their investments, establish the baseline for future comparison and monitor the progress in disadvantaged communities.</i></p>		

<p><i>(new)</i></p> <p><i>24. LCFS and RPS have significant correlation with AB 32 programs, but could have negative impacts on disadvantaged communities. ARB should work with Cal EPA and Climate Action Team, SGC and local agencies in an open public process to evaluate siting, emission burden changes, and related potential health, environmental and economic impacts in disadvantaged communities.</i></p>		
<p><i>(new)</i></p> <p><i>25. A separate program needs to be established in Cal EPA to evaluate and modify as necessary the distribution of funds to ensure that the disadvantaged communities reap the maximum benefits of green economy as well as intent and requirements of SB 535 are fulfilled. All agencies should work closely with Cal EPA and OEHHA to ensure that CalEnviroScreen serves as the base map for identifying and evaluating disadvantaged communities.</i></p>		

<p><b>Energy</b></p>		
<p>1. As we move towards a future that includes electrification of the state's transportation system for freight, transit, and personal automobiles, accessible and affordable options should be provided for low-income households and small businesses. (Note: also in Transportation.)</p>	<p>Included in Proposed Update. The Proposed Update discusses the need to ensure tools developed to support planning efforts emphasize the needs of vulnerable communities including but not limited to access to affordable transportation options. The Proposed Update also states that “as these actions and policies are implemented [transportation, land use, fuels and infrastructure], they will need to be</p>	<p>Page 57</p>

	consistent with principles and criteria, as recommended by EJAC, which ensure access, equity and benefits to vulnerable communities.”	
2. Set Renewables Portfolio Standard targets for 2050 with specific milestones that both drive and incentivize technology(s) needed to accomplish them, while at the same time phasing out the use of non-renewable energy resources, such as natural gas-fired power plants, and creating disincentives for continued use of non-renewable energy sources.	Concept Included in Proposed Update. The Proposed Update calls for evaluating the potential to increase renewables and maximize GHG benefits.	Page 50
3. California should fully practice the state’s energy loading order: Prioritizing all cost-effective energy efficiency, then demand response, and finally renewables and distributed generation. These priority resources in combination with energy storage should be fully utilized prior to the use of natural gas power plants.	Concept included in Proposed Update. The Proposed Update recommends increasing renewables to maximize GHG reductions, expanding and upgrading transmission and distribution systems, increasing energy efficiency and demand response programs, and decarbonizing natural gas generation.	Page 41
4. The Plan should emphasize the importance of and prioritize siting of distributed generation of renewable energy, grid storage, zero net energy (ZNE) and micro-grid projects within communities identified by the CalEnviroScreen tool so they are not left behind in benefitting from these energy programs. (Note: also in Green Buildings.)	Concept included in Proposed Update. The Proposed Update recommends an overarching State Energy Plan be developed which would recommend strategies and actions for development of these projects. Right now, policy discussions are focused on increasing the economic and technological feasibility of energy storage and micro-grid systems. Discussions are not at the point of identifying specific locations of projects.	Page 49-50
5. State and municipal energy agencies should work to lower barriers to pursuing deep energy retrofits to upgrade homes, businesses, and public institutions in low-to-moderate	Concept included in Proposed Update. The Proposed Update discusses the challenges to consumer participation in residential energy efficiency programs. Residential energy efficiency	Page 120, 124

<p>income communities. (Note: also in Green Buildings.)</p>	<p>financing is also covered in the Investment chapter of the Proposed Update. We also note that the details of energy efficiency policies for rented and leased spaces to ensure broader energy efficiency retrofits will be determined through the AB 758 rulemaking process.</p>	
<p>6. The Plan should emphasize the importance of broadening access to low and no-interest energy efficiency financing for the low-to-moderate income single and multifamily, and small business sectors. This includes credit enhancements, interest rate buy downs, and supporting the use of alternative measure of creditworthiness to provide greater access to affordable capital.</p>	<p>Concept included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update. However, the Proposed Update does generally recommend the development of appropriate financing systems and mechanisms and specifically supports expansion of residential energy efficiency financing. We also note that AB 758 is the appropriate venue to discuss opportunities for broad access to energy efficiency financing.</p>	<p>Page 120, 124</p>
<p>7. Renewable energy should be used to pump all water in the state. Energy systems, both large and small, should be co-located with pumping infrastructure. (Note: also in Water.)</p>	<p>Concept included in Proposed Update. The Water section of the Proposed Update states that conservation-adjusted business plans, investments in efficient water infrastructure and self-generation of energy will need to become industry norms. It does not address where to locate energy systems.</p>	<p>Page 72</p>
<p>8. The Plan, ARB, and implementing agencies should not provide any incentives that encourage waste-to-energy facilities or landfills and should instead promulgate regulations and provide incentives that encourage composting and anaerobic digestion. (Note: also in Waste Management.)</p>	<p>Concept included in Proposed Update. CalRecycle and ARB are in the process of evaluating the best approaches to waste reduction. Incentives for anaerobic digestion infrastructure and non-landfill alternatives as possible waste reduction solutions are identified in the Proposed Update. The Cap-and-Trade Regulation includes a compliance obligation for Waste-to-Energy facilities, however, the 2013 Proposed Regulatory Amendments would exempt Waste-to-Energy facilities in the first compliance period: January 1, 2013-December 31, 2014.</p>	<p>Page 77</p>

<p>9. The Plan should recognize the importance of not returning electric and natural gas sector Cap-and-Trade revenues volumetrically. Instead, the Plan should recognize the importance of policies (such as the Climate Dividend), which employ a polluter pays model, protect low-income households from disproportionate costs in basic necessities, and provide a transparent price signal. (Note: also in Cap and Trade.)</p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update.</p>	<p>N/A</p>
<p>10. Carbon capture and storage projects related to enhanced oil recovery should not be certified as a project that sequesters carbon for the purpose of carbon credits.</p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update.</p>	<p>N/A</p>
<p>11. The carbon intensity of drilling and fracking shale oil in California should be immediately and holistically calculated by March of 2014.</p>	<p>Not included in Proposed Update. However, the Oil Production GHG Emissions Estimator (OPGEE) model which is used in the Low Carbon Fuel Standard program will be adding a module to account for fracking's impact on the carbon intensity of California's fuels once ARB has the necessary data from pending contracts. Additionally, ARB has recently hired a testing contractor to measure direct emissions from a handful of fracking operations in California, with results due by the end of 2014.</p>	<p>N/A</p>
<p>12. In order to maximize carbon reduction and energy savings, the Plan should direct implementing agencies to promote the highest standard of quality work and explicitly include standards for participating contractors and minimum training and skill standards for workers. (Note: also in Overarching Issues.)</p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update.</p>	<p>N/A</p>

<p>13. The Plan should recommend modifying the definition of “renewable energy” for the purposes of subsidies and incentives like the Renewables Portfolio Standard to prevent perverse subsidies for waste disposal in landfills and incinerators. (Note: also in Waste Management.)</p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update.</p>	<p>N/A</p>
<p>14. <i>A complete lifecycle analysis (including alternative uses of the different fuels, land use changes of all types, location of the biomass incinerator and traveled distance of fuel source) should be made of the fuel supply for biomass incinerators of all types that qualify as renewable energy pursuant to the Renewables Portfolio Standard. (Note: also in Waste Management.)</i></p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update. The California Energy Commission and California Public Utilities Commission have jurisdiction over Renewables Portfolio Standard criteria in their separate rulemaking processes.</p>	<p>N/A</p>
<p>15. Biomass fuel transported more than 30 miles from its source should not be considered eligible for the Renewables Portfolio Standard. All state, regional, and local agencies should have a uniform definition and set of criteria for Renewables Portfolio Standard eligibility. (Note: also in Waste Management.)</p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update. The California Energy Commission and California Public Utilities Commission have jurisdiction over Renewables Portfolio Standard criteria in their separate rulemaking processes.</p>	

Transportation		
<p>1. The Plan should emphasize the importance of maintaining affordable housing near transit and job centers.</p>	<p>Included in Proposed Update. See response to d. above.</p>	<p>Page 115</p>
<p>2. The Plan should prioritize freight transportation strategies with the greatest reduction of toxic air pollutants (focusing on localized public health benefits for EJ communities).</p>	<p>Included in Proposed Update. The Proposed Update emphasizes that “achieving the State’s emission targets [for climate (including black carbon), and criteria/toxic pollutants] means moving goods more efficiently, and with zero or near-zero emissions...” It also recognizes that California needs take a comprehensive approach to further reducing Short-Lived Climate</p>	<p>Page 22</p>

	Pollutants, including black carbon/diesel particulate matter, “particularly where efforts will result in air quality and public health co-benefits.” The Proposed Update notes that funding focus areas include projects near ports, railyards, and distribution centers “located in areas most affected by air pollution...”	
3. The Plan should include strategies that accelerate aggressive transition to zero emissions freight transportation and also aggressively reduce the toxic air emissions in environmental justice communities. Strategies should include regulations and aggressive regulatory timeline towards zero emissions, incentives, research and development, and demonstration projects at the goods movement corridor level.	Included in Proposed Update. See response to a. above. In addition, the Proposed Update notes that ARB will be considering measures to require or promote zero emission trucks for trips between ports and near-dock railyards, as well as recommending regulations and funding to support sustainable freight strategies.	Page 22
4. The Plan should prioritize strategies to control black carbon and other short-lived climate pollutants. (Note: also in SLCP.)	Included in Proposed Update. The Proposed Update includes a section dedicated to Short Lived Climate Pollutants – Black Carbon that notes “advanced technologies in the freight system, including zero and near-zero emission vehicles and fuels, will also be needed to meet future air quality and climate goals.” In addition, the Draft states that “ARB will develop a Short Lived Climate Pollutant Strategy by 2016 that will include an inventory of sources and emissions, the identification of research gaps, and a plan for developing necessary control measures.”	Page 22
5. As we move towards a future that includes electrification of the state's transportation system for freight, transit, and personal automobiles, accessible and affordable options should be provided for low-income households and small businesses. (Note: also in Energy.)	Included in Proposed Update. The Proposed Update discusses the need to ensure tools developed to support planning efforts emphasize the needs of vulnerable communities including but not limited to access to affordable transportation options. The Proposed Update also states that “as these actions	Page 57

	and policies are implemented [transportation, land use, fuels and infrastructure], they will need to be consistent with principles and criteria, as recommended by EJAC, which ensure access, equity and benefits to vulnerable communities.”	
6. Ensure stronger equity and environmental justice metrics in the Sustainable Communities Strategies including the Regional Housing Needs Assessments and the Regional Transportation Plan.	Concept included in Proposed Update. The Proposed Update recommends tools developed to support planning efforts emphasize the needs of vulnerable communities, as recommended by EJAC including, but not limited to: access to affordable public transit, electric vehicle charging, or other low carbon fueling infrastructures; accessible low-cost housing; and localized public health benefits.	Page 57
7. The state shall develop guidelines for promoting a social equity model of investing in transit-oriented development and infill policies that mitigate the negative impacts (such as loss of low income housing) and protect low income residents from displacement. Link investments to a strategy that promotes affordable housing near jobs, reliable public transit, good schools, parks and recreation. Provide robust and affordable local transit service that connects people to opportunity.	Concept included in Proposed Update. The Proposed Update recognizes this concern, noting that “pursuing more compact, transit-oriented development will help reduce GHG emissions; however, without appropriate preventative measures, it may have the potential to displace current residents who are disproportionately from low-income and minority communities...” The list of specific areas for funding to support AB 32 includes affordable transit oriented development and infill housing development that cuts vehicle miles traveled. The Cap-and-Trade Investment Plan also discusses transit subsidies and the potential for linking investments in transportation/transit infrastructure and housing.	Page 142
8. Target incentives and investments for improving services and affordability of public transit services, especially for transit-dependent communities, such as students, low wage workers, small and ultra-small businesses.	Concept included in Proposed Update. See response to b. above.	Page 142

<p>9. The Sustainable Communities Strategies should promote investment without displacement through incentives that strengthen and stabilize communities vulnerable to gentrification and the displacement of low-income residents of color.</p>	<p>Concept included in Proposed Update. See response to b. above. Also, the Proposed Update notes that transit ridership is highest among lower-income households, many of whom already reside in transit rich areas, making the preservation and upgrading of affordable housing in these locations important.</p>	<p>Page 115</p>
<p>10. Jobs-Housing-Fit modeling should be required and weighed heavily in the development of the regional Sustainable Communities Strategies and Regional Transportation Plan preparation.</p>	<p>Concept included in Proposed Update. See response to a. above.</p>	<p>Page 57</p>
<p>11. Regional governments and jurisdictions should develop and use tools to ensure that low-income populations are not displaced as a result of transit siting and routing. Tools may include the allocation of resources to support public land banking adjacent to transit nodes, requiring inclusionary housing to be integrated into transit-oriented development, and mandatory one-to-one replacement of demolished low-income housing stock. Such tools should be flexible and customized to address the land use issues in urban, suburban, and rural environments.</p>	<p>Concept included in Proposed Update. See response to d. above. This recommendation is at a level of detail beyond the scope of the Proposed Update.</p>	<p>Page 115</p>
<p>12. The Plan should emphasize the co-benefits (public health, environmental, and social and financial well-being) in making connections between jobs and cost-appropriate housing.</p>	<p>Concept included in Proposed Update. See response to a. above.</p>	<p>Page 57</p>
<p>13. The Plan should recognize the importance of financial support for transit operations and restoration of transit service and routes in disadvantaged communities.</p> <ul style="list-style-type: none"> <li>• The Plan should recognize and promote the GHG reduction and co-benefits of providing free youth</li> </ul>	<p>Concept included in Proposed Update. Coordinated planning is critical to achieve deep emission reductions in the transportation sector and should include development of the sustainable community strategy development. Tools developed to support this planning effort should emphasize the</p>	<p>Page 53</p>

<p>transit passes for public school students and low cost transit service for low-income families.</p>	<p>needs of the most vulnerable communities, including access to affordable public transit. The Cap-and-Trade Investment Plan also supports funding for expansion of transit services and transit subsidies.</p>	
<p>14. Implementing agencies should provide incentives for the construction of electric vehicle charging infrastructure in multifamily affordable housing.</p>	<p>Concept included in Proposed Update. The Proposed Update highlights that “Tools developed to support this planning effort should emphasize the needs of the most vulnerable communities, including access to electric vehicle charging.”</p>	<p>Page 57</p>
<p>15. The Plan should highlight the GHG and co-benefits of co-locating active transportation programs and infrastructure with transit and increased accessibility within disadvantaged communities.</p>	<p>Concept included in Proposed Update. See responses to d., j., and m. above.</p>	<p>Page 57</p>
<p>16. ARB should devise and implement strategies that ensure low carbon and zero emissions technologies, low carbon fuels, and fueling infrastructure are accessible and affordable, for instance to small businesses, workers (e.g. truck drivers), low-income residents, rural communities.</p>	<p>Concept included in Proposed Update. The Proposed Update recognizes the need for public investments to “provide funding for advanced technology freight demonstration projects and pilot deployments of vehicles and equipment.” The funding section also highlights the need for rebates and grants for zero-emission vehicles and advanced technology demonstrations, which include freight equipment.</p>	<p>Page 63</p>
<p>17. Develop strategies, including regulations and data analysis that focus on reducing ultrafine particulate matter as a co-benefit to AB 32.</p>	<p>Concept included in Proposed Update. While the Proposed Update does not use the term “ultra-fine particulate matter [PM],” it does recognize the need to reduce fine PM (PM2.5) to meet air quality standards and diesel PM to reduce health risk, including the black carbon component of each. See also response to c. above.</p>	<p>Page 20</p>
<p>18. Reevaluate the SB 375 GHG targets so we meet state 2050 GHG reduction goals.</p>	<p>Not included in Proposed Update. We believe it’s most appropriate for the Legislature to consider SB 375 targets for post-2035 in the context of future discussions on long-term climate policy.</p>	<p>N/A</p>

<p>19. Prioritization should be placed on the preservation of the existing transit systems (operations and maintenance/ replacement) rather than continued emphasis on expansion projects.</p>	<p>Not included in Proposed Update. This recommendation is inconsistent with the policies in the Cap-and-Trade Investment Plan, which calls for expansion of transit options to reduce vehicle miles traveled and GHG emissions.</p>	<p>N/A</p>
<p>20. Implementing agencies should incentivize the co-location of first/last-mile electric vehicle car sharing programs, safe routes with transit, etc. with increased incentives for income qualified transit riders.</p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update. However, the Cap-and-Trade Investment Plan supports funding for expansion of transit subsidies.</p>	<p>N/A</p>
<p>21. ARB should align existing scrappage programs for gross polluting vehicles and state incentives for low-carbon and zero-carbon vehicles to provide additional assistance to move low-income drivers scrapping their old vehicle into a much lower emission vehicle.</p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update. However, ARB is evaluating mechanisms to achieve the recommended objective with existing incentive programs and would propose any feasible mechanisms as amendments to incentive guidelines for Board consideration in 2014.</p>	<p>N/A</p>
<p>22. Incentives for electric vehicles and other such vehicles should be tiered based upon the model of the vehicles. (For example, a rebate is less meaningful for someone buying a Tesla Model S yet could be a significant decision factor for someone purchasing a more affordable model.) <i>Electrification technologies should be affordable accessible to all income levels.</i></p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update. While the recommendation is not consistent with the current ARB program that focuses on the vehicle emissions (rather than the economic status of the purchaser), the underlying concept to make zero-emission vehicles more accessible for lower-income consumers is under discussion. See response to o. above.</p>	<p>N/A</p>
<p>23. Highway expansion and road repaving should not be considered eligible GHG mitigation strategies for purposes of the Cap-and-Trade investment plan.</p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update. The Cap-and-Trade Investment Plan does not include or exclude these projects.</p>	<p>N/A</p>
<p>24. The state shall incentivize or fund only those planning and development models and mechanisms in the general plan</p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update.</p>	<p>N/A</p>

<p>guidelines proven to support mobility, improve safety, and reduce GHGs with co-benefits of reducing criteria pollutants.</p>		
<p>25. Encourage collaboration across the California-Mexico border to reduce idling of transport trucks.</p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update. However, ARB staff will pursue this as part of the freight strategy work.</p>	<p>N/A</p>
<p><i>(new)</i> 26. <i>Public funding for infrastructure should be prioritized and focused to achieve the upfront benefits of more rapidly transitioning communities to transit based modes of transportation. Specifically, this would include strategically leveraging public resources among agencies and departments to equitable TOD that includes benefits to the existing core transit riders such as those residing in low income and affordable housing, and other investments near transit nodes that enhance mobility and affordability for our communities.</i></p>		
<p><i>(new)</i> 27. <i>Provide guidance on land uses that have the effect of vehicle trip reduction/GHG-reduction when integrated at TOD.</i></p>		
<p><i>(new)</i> 28. <i>Recommend that jobs/housing fit, and other racial and economic equity criteria for allocation of public monies targeted in support of equitable TOD planning, development, and supporting infrastructure be weighted heavily.</i></p>		
<p><i>(new)</i> 29. <i>Support and encourage efforts to strengthen AB32/SB375 mandates and incentives to ensure public benefits by ensuring strong equity focused TOD. Specifically, 1)</i></p>		

<i>remove barriers to and create resources for public land banking at the time of transit siting, 2) requiring or incentivizing meaningful anti-displacement measures and inclusion of affordable and low income housing, and 3) requiring a jobs-housing fit analysis to be conducted concurrent with SCS preparation.</i>		
<i>(new) 30. Integrate green infrastructure into SCS and Active Transportation.</i>		

Agriculture		
1. The Plan should encourage the sequestration of carbon in agricultural soils as a means of reducing GHG.	Included in Proposed Update. The Proposed Update discusses the potential for employing management practices and measures that will maximize carbon sequestration on agricultural lands.	Page 67
2. Major stationary sources of agricultural GHG emissions should be identified and regulated, including livestock emissions.	Concept included in Proposed Update. The Proposed Update recognizes the importance of methane emissions from cattle operations and the need for enhanced efforts to secure additional emission reductions. It also recommends an evaluation of the potential for establishing agriculture sector goals and development of a menu of management practices that could be used to reduce GHG emissions. In addition, the Cap-and-Trade Investment Plan supports funding for dairy digesters.	Page 70
3. Incentives should not be provided to reduce GHG from agricultural sources unless they concurrently reduce criteria air pollutants from the same source.	Concept included in Proposed Update. The Proposed Update does not address this recommendation directly. However, the agriculture sector states: “Increase efforts to identify and encourage implementation of agricultural GHG emission reduction management practices that provide co-benefits to air and water quality.” The	Page 69

	Cap-and-Trade Investment Plan includes an investment principle that the expenditure of auction proceeds should complement efforts to improve air quality.	
4. Concentrated Animal Feeding Operations and dairies should use appropriate conservation management practices to treat waste.	Concept included in Proposed Update. The Proposed Update generally discusses the importance of and need for effective livestock manure management practices to reduce GHG emissions and recommends further research to examine and quantify such practices.	Page 68
5. ARB should put in place and enforce regulations to reduce emissions from Concentrated Animal Feeding Operations. (Note: also in SLCP.)	Concept included in Proposed Update. The Proposed Update recognizes the importance of methane emissions from cattle operations and the need for enhanced efforts to secure additional emission reductions. It also recommends an evaluation of the potential for establishing agriculture sector goals. It also recommends development of a menu of management practices that could be used to reduce GHG emissions. In addition, the Cap-and-Trade Investment Plan supports funding for dairy digesters.	Page 70
6. The Plan should recommend banning the disposal of agricultural waste, food, and other plant discards in landfills and incinerators, and increased pathways to return this nutrient-rich material to California's soils.	Concept included in Proposed Update. ARB and CalRecycle are in the process of evaluating the benefits of all waste diversion. The Proposed Update identifies the phase out of organic materials at landfills and discusses expanding agricultural waste diversion through composting.	Page 77

<b>Water</b>		
1. The Plan should recommend that water efficiency and conservation measures for homes are available and affordable to low income residents.	Concept Included in Proposed Update. The Proposed Update notes that local, regional, and State agencies will need to work together to collect data, provide financial assistance, and set standards to maintain affordable water	Page 73

	<p>rates while keeping water safe to drink, especially in disadvantaged communities. ARB recommends that the environmental justice community fully engage with the California Public Utilities Commission as it shapes energy efficiency finance programs. These programs could help low income communities obtain efficient appliances such as washing machines, dishwashers, and hot water heaters, among others.</p>	
<p>2. Renewable energy should be used to pump all water in the state. Energy systems, both large and small, should be co-located with pumping infrastructure.</p>	<p>Concept included in Proposed Update. The Water section of the Proposed Update states that conservation-adjusted business plans, investments in efficient water infrastructure and self-generation of energy will need to become industry norms. It does not address where to locate energy systems.</p>	<p>Page 72</p>
<p>3. ARB, CEC, CalEPA, and the SWRCB, along with all associated local and regional agencies, districts, and other resource regulating entities, should actively coordinate GHG reduction planning in such a way as to ensure the EJAC vision regarding water resources is fully realized.</p>	<p>Concept Included in Proposed Update. See response to a. above.</p>	<p>Page 73</p>
<p>4. The state shall provide competitive grants and/or incentivize municipal governments to install water drinking fountains in appropriate areas of the community intended for pedestrians and bicyclists in the effort to further encourage non-vehicular transportation, i.e. sidewalks, greenways, and pedestrian refuges.</p>	<p>Concept included in Proposed Update. Drinking fountains are not called out, but the Natural Lands section recommends increased urban forestry and green infrastructure investments to motivate active transportation. In addition, the Transportation section highlights the need to develop communities with a wide range of mobility options including active transportation.</p>	<p>Page 84</p>

Waste Management		
<ol style="list-style-type: none"> <li>1. The Plan, ARB, and implementing agencies should prioritize the development of regulations that phase out the disposal of organic waste, including, among other things, commercially generated organics and residential yard trimmings.</li> <li>2. Expand to 1) address all disposal facilities, including incinerators, in order to avoid unintentionally increasing the amount of organics that are burned in the state's incinerators or the number of incinerators, and 2) include an explicit focus on commercial generators</li> </ol>	<p>Included in Proposed Update. The Proposed Update recommends that regulatory actions to further reduce GHG emissions and remove organic wastes at landfills be considered.</p>	<p>Page 78</p>
<ol style="list-style-type: none"> <li>3. Methane from landfills should be targeted for additional regulations resulting in direct emission reductions, including fugitive methane emissions. (Note: also in SLCP.)</li> </ol>	<p>Included in Proposed Update. The Proposed Update explains that actions to identify opportunities to further expand and maximize various waste management alternatives will be pursued. This may include implementing regulatory or statutory actions to further reduce GHG emissions, to promote “best management” practices, and to phase out organic materials at landfills and/or consider including landfills in the Cap-and-Trade Program.</p>	<p>Page 77</p>
<ol style="list-style-type: none"> <li>4. ARB should put in place strong standards to reduce methane leakage from landfills. (Note: also in SLCP.)</li> </ol>	<p>Included in Proposed Update. The Proposed Update describes existing ARB and air district landfill control measures that are currently in place and states that ARB and CalRecycle will continue to assess new information to determine if additional actions are warranted. It also recommends that regulatory actions to further reduce GHG emissions and remove organic wastes at landfills be considered.</p>	<p>Page 22-25</p>

<p>5. The Plan, ARB, and implementing agencies should not provide any incentives that encourage waste-to-energy facilities or landfills and should instead promulgate regulations and provide incentives that encourage composting and anaerobic digestion. (Note: also in Energy.)</p>	<p>Concept included in Proposed Update. CalRecycle and ARB are in the process of evaluating the best approaches to waste reduction. Incentives for anaerobic digestion infrastructure and non-landfill alternatives as possible waste reduction solutions are identified in the Proposed Update. The Cap-and-Trade Regulation includes a compliance obligation for Waste-to-Energy facilities, however, the 2013 Proposed Regulatory Amendments would exempt Waste-to-Energy facilities in the first compliance period: January 1, 2013-December 31, 2014.</p>	<p>Page 77</p>
<p>6. The Plan should recommend banning the disposal of agricultural waste, food, and other plant discards in landfills and incinerators, and increased pathways to return this nutrient-rich material to California's soils. (Note: also in Agriculture.)</p>	<p>Concept included in Proposed Update. ARB and CalRecycle are in the process of evaluating the benefits of all waste diversion. The Proposed Update identifies the phase out of organic materials at landfills and discusses expanding agricultural waste diversion through composting.</p>	<p>Page 77</p>
<p>7. The Plan should prioritize recycling manufacturing growth in-state as a key energy conservation strategy, which, when coupled with clean production measures, appropriate zoning, and other community health protections, will create jobs and reduce amount of recyclable commodities being shipped through California's ports.</p>	<p>Concept included in Proposed Update. The Proposed Update states that "California must take full ownership for the wastes generated within its borders. Shipping of waste, even recyclable products, to other states or nations is not a viable, long-term, environmentally appropriate waste management practice for California. Furthermore, exporting waste denies California the economic opportunity of significant job growth that would result if these materials were processed and remanufactured in California."</p>	<p>Page 76</p>
<p>8. The Plan should address the root causes of waste by incentivizing efficiencies in California's food system to reduce waste (and reduce</p>	<p>Concept included in Proposed Update. The Proposed Update states that greater producer responsibility for end-of-life product management, along with product design changes that minimize</p>	<p>Page 77</p>

<p>hunger), and by requiring manufacturers to redesign products to avoid waste and toxics in the first place, with the additional benefit of reducing demand for oil, since 5-10% of oil is made into plastics.</p>	<p>impacts on human health and the environment at every stage, will be increasingly important.</p>	
<p>9. The Plan should recommend modifying the definition of “renewable energy” for the purposes of subsidies and incentives like the Renewables Portfolio Standard to prevent perverse subsidies for waste disposal in landfills and incinerators. (Note: also in Energy.)</p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update.</p>	<p>N/A</p>
<p>10. In the second compliance period of the Cap-and-Trade program, waste incinerators should be moved from being exempt to having compliance obligations. When this topic is next addressed by ARB, ARB should conduct a public process including meaningful engagement with environmental justice communities impacted by this policy. (Note: also in Cap-and-Trade.)</p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update. However, we note that Waste-to-Energy facilities would be covered under Cap-and-Trade for the second and third compliance periods.</p>	<p>N/A</p>
<p>11. Existing and new job growth in recycling and related sectors should provide family-sustaining wages, strong health and safety protections, and opportunities for training and career ladders. (Note: also in Overarching Issues.)</p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update. However, the Proposed Update does refer to new jobs that the implementation of AB 32 may create.</p>	<p>Page 75</p>

<p>12. <i>A complete lifecycle analysis (including alternative uses of the different fuels, land use changes of all types, location of the biomass incinerator and traveled distance of fuel source) should be made of the fuel supply for biomass incinerators of all types that qualify as renewable energy pursuant to the Renewables Portfolio Standard. (Note: also in Energy.)</i></p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update. The California Energy Commission and California Public Utilities Commission have jurisdiction over Renewables Portfolio Standard criteria in their separate rulemaking processes.</p>	<p>N/A what can carb say to them</p>
<p>13. <i>The Plan should consider and encourage alternatives to biomass incineration, such as land application and well controlled aerobic composting of some of this biomass material, with greater incentives than those existing for incineration.</i></p>	<p>Not included in Proposed Update. ARB and CalRecycle are in the process of evaluating the benefits of all waste diversion alternatives. The Biomass Action Plan contains additional information related to this subject.</p>	<p>N/A</p>
<p>14. Biomass fuel transported more than 30 miles from its source should not be considered eligible for the Renewables Portfolio Standard. All state, regional, and local agencies should have a uniform definition and set of criteria for Renewables Portfolio Standard eligibility. (Note: also in Energy.)</p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update. The California Energy Commission and California Public Utilities Commission have jurisdiction over Renewables Portfolio Standard criteria in their separate rulemaking processes.</p>	<p>N/A</p>
<p>(new) 15. <i>The Draft Scoping Plan recommendations should be modified to remove mention of “non-landfill alternatives” and “bioenergy processes” which are unnecessarily broad categories that clearly encompass incinerators.</i></p>		

<p><i>(new)</i> 16. <i>Improve markets for compost in order to reap the benefits of this nutrient-rich and water-conserving material in California's soils.</i></p>		
<p><i>(new)</i> 17. <i>All definitions of what technologies constitute renewable energy should be consistent across state and local agencies. Please also see the above recommendations on waste to energy technologies.</i></p>		

Natural and Working Lands		
<p>1. The Plan should place great attention and emphasis on and valuation of co-benefits such as reductions in energy consumption, air and water quality improvements, alleviation of the urban heat island effect, and public health.</p>	<p>Included in Proposed Update. The Proposed Update recognizes that efforts to reduce GHG emissions and enhance carbon sequestration on natural and working lands also have significant economic, social, and environmental co-benefits, and can aid progress on efforts to prepare for climate change risks. A few key co-benefits mentioned include protection of water supply and quality, air quality, species habitat, recreation, jobs, products, flood protection, nutrient cycling and soil productivity, reduced heat-island effect, and reduced energy use.</p>	<p>Page 79</p>
<p>2. The Plan should encourage the maximization of green infrastructure investments in California's disadvantaged communities.</p>	<p>Included in Proposed Update. The Proposed Update recommends expansion of urban forestry and green infrastructure programs and investments, particularly in environmental justice communities.</p>	<p>Page 85</p>
<p>3. Implementation of projects should be supported by grants funded through the GHG reduction plan to community-based organizations administered through state and local agencies.</p>	<p>Included in Proposed Update. The Proposed Update states that funding is critical to address the needs in this sector. Support and investment in urban forest and green infrastructure in environmental justice communities is</p>	<p>Page 85</p>

	called for. The Proposed Update also recommends utilizing local groups to implement these projects.	
4. The Plan should encourage the creation and use of modeling and decision-making tools supporting optimal urban forestry and other green infrastructure configurations that maximize GHG reductions, sequestration, and co-benefits.	Concept included in Proposed Update. For Natural and Working Lands, the Proposed Update recommends the development of strategic prioritization guidelines for any investments that reduce GHG emissions or increase carbon sequestration.	Page 85
5. Green infrastructure and better ecosystems management (such as increasing permeable surfaces and bioswales) should be integrated within Sustainable Communities Strategies, instituting the latest technology in forestry to reduce particulates.	Concept included in Proposed Update. The Proposed Update states that local and regional land use policies need to more fully incorporate and emphasize conservation, avoided conversion of forests, rangelands, and wetlands; and promote urban forestry and green infrastructure.	Page 84
6. The Plan should encourage the setting of community tree planting goals.	Not included in Proposed Update. However, the Proposed Update does discuss the importance of urban forests in reducing environmental burdens in disadvantaged communities and recommends expansion of urban forestry and green infrastructure programs and investments, particularly in environmental justice communities.	Page 84

<b>Short-Lived Climate Pollutants</b>		
1. The 2013 Update to the AB 32 Scoping Plan (Plan) should include a concerted focus on short-lived climate pollutants. The Plan should report on progress to date and establish a framework for additional reductions in short-lived climate pollutants, including methane, black carbon (soot), smog, and hydrofluorocarbons. The Plan should both evaluate and highlight the efficacy of existing California pollution reduction programs in reducing short-lived climate	Included in Proposed Update. The Proposed Update describes the major short-lived climate pollutants and ARB's existing programs to reduce emissions. For many of these pollutants, ARB is proposing further action to investigate and potentially require additional emission reductions prior to 2020. ARB will also develop a short-lived climate pollutant strategy by 2016 that will include an inventory of sources and	Page 85-89

<p>pollutants and recommend areas where additional reductions in short-lived pollutants are feasible. In addition, the Plan should provide a list of additional regulations and strategies needed to eliminate short-lived climate pollutants from our atmosphere along with existing carbon dioxide-based programs. These pollutants should be directly regulated.</p>	<p>emissions, the identification of additional research needs, and a plan for developing necessary control measures.</p>	
<p>2. ARB should establish standards to reduce methane from oil and gas extraction.</p>	<p>Included in Proposed Update. The Proposed Update describes ARB’s development of a regulation to control methane emissions from Oil and Gas Production Processing and Storage.</p>	<p>Page 25</p>
<p>3. The Plan should prioritize strategies to control black carbon and other short-lived climate pollutants. (Note: also in Transportation.)</p>	<p>Included in Proposed Update. The Proposed Update includes a section dedicated to Short Lived Climate Pollutants – Black Carbon that notes “advanced technologies in the freight system, including zero and near-zero emission vehicles and fuels, will also be needed to meet future air quality and climate goals.” In addition, the Draft states that “ARB will develop a Short Lived Climate Pollutant Strategy by 2016 that will include an inventory of sources and emissions, the identification of research gaps, and a plan for developing necessary control measures.”</p>	<p>Page 22</p>
<p>4. ARB should put in place strong standards to reduce methane leakage from landfills. (Note: also in Waste Management.)</p>	<p>Included in Proposed Update. The Proposed Update describes existing ARB and air district landfill control measures that are currently in place and states that ARB and CalRecycle will continue to assess new information to determine if additional actions are warranted. It also recommends that regulatory actions to further reduce GHG emissions and remove organic wastes at landfills be considered.</p>	<p>Page 22-25</p>

5. Methane from landfills should be targeted for additional regulations resulting in direct emission reductions, including fugitive methane emissions. (Note: also in Waste Management.)	Included in Proposed Update. The Proposed Update explains that actions to identify opportunities to further expand and maximize various waste management alternatives will be pursued. This may include implementing regulatory or statutory actions to further reduce GHG emissions, to promote “best management” practices, and to phase out organic materials at landfills and/or consider including landfills in the Cap-and-Trade Program.	Page 77
6. ARB should evaluate the impact of fugitive methane emissions from conventional and unconventional oil and gas production (fracking) upon AB32 goals and programs.	Included in Proposed Update. The Oil and Gas Production measure is expected to be proposed in 2014. In addition, proposed changes to the Mandatory Reporting Regulation would require additional reporting for fracking and oil production.	Page 25
7. Fugitive methane emissions from natural gas pipeline and infrastructure should be identified and targeted for direct regulation.	Concept is included in Proposed Update. ARB is currently updating emission factors through field measurements and will consider regulatory development after field testing is completed in 2015.	Page 49
8. ARB should put in place and enforce regulations to reduce emissions from Concentrated Animal Feeding Operations. (Note: also in Agriculture.)	Concept included in Proposed Update. The Proposed Update recognizes the importance of methane emissions from cattle operations and the need for enhanced efforts to secure additional emission reductions. It also recommends an evaluation of the potential for establishing agriculture sector goals. It also recommends development of a menu of management practices that could be used to reduce GHG emissions. In	Page 70

	addition, the Cap-and-Trade Investment Plan supports funding for dairy digesters.	
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Green Buildings		
1. The Plan should emphasize the importance of and prioritize siting of distributed generation of renewable energy, grid storage, zero net energy (ZNE) and micro-grid projects within communities identified by the CalEnviroScreen tool so they are not left behind in benefitting from these energy programs. (Note: also in Green Buildings.)	Concept included in Proposed Update. The Proposed Update recommends an overarching State Energy Plan be developed which would recommend strategies and actions for development of these projects. Right now, policy discussions are focused on increasing the economic and technological feasibility of energy storage and micro-grid systems. Discussions are not at the point of identifying specific locations of projects.	Page 49-50
2. State and municipal energy agencies should work to lower barriers to pursuing deep energy retrofits to upgrade homes, businesses, and public institutions in low-to-moderate income communities. (Note: also in Energy.)	Concept included in Proposed Update. The Proposed Update discusses the challenges to consumer participation in residential energy efficiency programs. Residential energy efficiency financing is also covered in the Investment chapter of the Proposed Update. We also note that the details of energy efficiency policies for rented and leased spaces to ensure broader energy efficiency retrofits will be determined through the AB 758 rulemaking process.	Page 120, 124

Cap-and-Trade		
1. A minimum of 25%, preferably more, must be spent for the benefit of the communities most burdened by pollution and socioeconomic distress (as defined by CalEnviroScreen), with at least 10%, preferably more, to be spent directly in those communities, as required by SB 535. Investment of proceeds into community-accessible GHG reduction programs should include low income energy efficiency, solar for low-income homes, transit	Included in Proposed Update. A number of the EJAC recommended investments are included in the Funding section of the Proposed Update. These include, energy efficiency, solar, transit oriented development, and urban forestry. More specific support for the EJAC priorities can be found in the May 2013 Cap-and-Trade Auction Proceeds Investment Plan.	Page 120

<p>operations and other low and no-carbon transportation alternatives, affordable transit oriented development and urban forestry and green infrastructure (including parks).</p>		
<p>2. ARB should lead implementing agencies in the development of rigorous and consistent metrics to measure the GHG reductions and co-benefits of GHG reduction programs using environmental, economic and health metrics. Such measurements of program accountability should be based on sound science.</p>	<p>Included in Proposed Update. ARB has committed to working with other State agencies and environmental justice stakeholders to evaluate the feasibility of methods and metrics to track the overall effects of AB 32 programs with existing staffing resources.</p>	<p>Page 144</p>
<p>3. The Plan should emphasize the importance of using CalEnviroScreen to identify fenceline communities to target GHG reduction programs.</p>	<p>Concept included in Proposed Update. The Proposed Update recognizes that regulatory GHG reduction programs are targeted statewide where sources of GHG emissions occur. However, incentive programs funded by Cap-and-Trade auction proceeds will include monies for disadvantaged communities.</p>	<p>Page 118</p>
<p>4. Adequate staffing and resources should be provided to said agencies to ensure transparency and accountability regarding the investment of this special source of public monies.</p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update. These decisions are part of the State Budget process.</p>	<p>N/A</p>
<p>5. ARB should prioritize strict and ongoing evaluation of the Cap-and-Trade system, enforcement of caps and management to prevent toxic hot spots, including studying alternative carbon mechanisms to reduce GHG emissions.</p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update. However, ARB is developing an Adaptive Management process to identify and monitor the potential for any adverse impacts from Cap-and-Trade. In addition, an update to the initial Scoping Plan Functional Equivalent Document contained an alternatives analysis which included an evaluation of alternative mechanisms of reducing GHG emissions.</p>	<p>N/A</p>

<p>6. <i>ARB should minimize carbon offsets, and prevent use of international forestry offsets such as REDD, that could diminish direct emission reductions in disadvantaged communities in California and compromise GHG reductions in-state. Any offsets used need to have accompanying data that verifies GHG reduction and that it is additional to business as usual.</i></p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update. It is best addressed in the Cap-and-Trade rulemaking process. In addition, ARB is developing an Adaptive Management process to identify and monitor the potential for any adverse impacts from Cap-and-Trade.</p>	<p>N/A</p>
<p>7. ARB should not give any free allowances to provide certainty that the value of allowances will be used for the benefit of consumers and to further the purposes of AB 32 and to avoid rewarding industry stalling, delay, and obstruction. ARB should give equal consideration to the risk of overcompensating covered entities as it currently gives to leakage risk. Leakage risk should be subject to independent 3rd party analysis.</p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update. It is best addressed in the Cap-and-Trade rulemaking process. ARB has engaged academics to provide analysis on the potential leakage risk. ARB has two contracts in place to develop analytical tools to better monitor leakage and further assess leakage risk, with results due in 2014.</p>	<p>N/A</p>
<p>8. ARB should not extend transition assistance in lieu of requiring the industrial sector to purchase allowances at auction. ARB must provide sufficient supporting analysis prior to extending transition assistance.</p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update. It is best addressed in the Cap-and-Trade rulemaking process. The Initial Statement of Reasons for the October 2013 Cap-and-Trade amendments includes analyses to support recommendations for transition assistance.</p>	<p>N/A</p>
<p>9. The transportation fuels sector should be required to purchase 100% of their allowances at auction when they come under the cap in 2015.</p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update. However, we note that the Cap-and-Trade regulation does not provide for free allowances for gasoline and diesel fuel when those fuels are covered under the cap starting in 2015.</p>	<p>N/A</p>
<p>10. The Department of Finance, ARB, and</p>	<p>Not included in Proposed Update. This</p>	<p>N/A</p>

<p>implementing agencies should ensure that covered entities are prohibited from receiving revenues from the Greenhouse Gas Reduction Fund.</p>	<p>recommendation is at a level of detail beyond the scope of the Proposed Update and is inconsistent with State law. In the implementing statutes, the Legislature identified the scope of programs eligible for funding consideration, which could include projects at entities covered by Cap-and-Trade (for example, energy efficiency projects).</p>	
<p>11. The Adaptive Management Plan should provide for proactive solutions when unintended environmental justice impacts are discovered. <i>Publish annual report on where allowances are being surrendered and offsets used, disaggregated by facility, starting 2015.</i></p>	<p>Not included in Proposed Update. This concept may be further discussed during the EJAC consideration of mechanisms to track the impacts of AB 32 on environmental justice communities, including the Adaptive Management process for identifying and responding to any adverse impacts from Cap-and-Trade.</p>	N/A
<p>12. The Plan should recognize the importance of not returning electric and natural gas sector Cap-and-Trade revenues volumetrically. Instead, the Plan should recognize the importance of policies (such as the Climate Dividend), which employ a polluter pays model, protect low-income households from disproportionate costs in basic necessities, and provide a transparent price signal. (Note: also in Energy.)</p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update.</p>	N/A
<p>13. <i>In the second compliance period of the Cap-and-Trade program, waste incinerators should be moved from being exempt to having compliance obligations. When this topic is next addressed by ARB, ARB should conduct a public process including meaningful engagement with environmental justice communities impacted by this policy. (Note: also in Cap-and-Trade.)</i></p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update. However, we note that Waste-to-Energy facilities would be covered under Cap-and-Trade for the second and third compliance periods.</p>	N/A
<p>14. Waste incinerators should have compliance obligations under the Cap-</p>	<p>Not included in Proposed Update. This recommendation is at a level of detail</p>	N/A

<p>and-Trade program. (Note: also in Waste Management.)</p>	<p>beyond the scope of the Proposed Update. However, we note that Waste-to-Energy facilities would be covered under Cap-and-Trade for the second and third compliance periods.</p>	
<p>15. <i>The Adaptive Management Plan should be expanded to include the Renewable Portfolio Standard and the Low Carbon Fuel Standard. This should be done in order to cover all facilities qualifying as renewable energy and/or qualifying under the Renewable Portfolio Standard. (Note: also in Cap-and-Trade)</i></p>	<p>Not included in Proposed Update. This recommendation is at a level of detail beyond the scope of the Proposed Update. The Low Carbon Fuel Standard takes into account a full life cycle analysis when determining the carbon intensity of fuel pathways. The California Energy Commission and California Public Utilities Commission have jurisdiction over Renewables Portfolio Standard criteria in their separate rulemaking processes.</p>	<p>N/A</p>
<p>(new) 16. <i>Industrial emissions reduction benchmarks should be set and met. If these emissions are not consistently declining after 3 years from the inception of the Cap-and-Trade program, then ARB must implement a more effective program to reduce industrial emissions.</i></p>		
<p>(new) 17. <i>The Adaptive Management Plan needs to be responsive to environmental justice communities. There should be outreach to those affected communities, be told how AB32 is regulating these facilities, what specific improvements in the local environment may or may not occur due to AB32, and be directly asked for their input and suggestions.</i></p>		
<p>(new) 18. <i>Given environmental justice communities' opposition to the Cap-and-Trade program and its controversial components (including offsets and free allowances), these</i></p>		

<p><i>provisions of the regulation should not be exported to other jurisdictions such as states or countries.</i></p>		
<p><i>(new)</i>  <i>19. Study offset programs that return biomass to the soil (through sustainable farming, etc), reduce energy use in agricultural lands (such as using renewable energy in water transport).</i></p>		
<p><i>(new)</i>  <i>20. 100% of Cap and Trade auction proceeds should be invested in the most disadvantaged and polluted communities in CA.</i></p>		