California’s Climate Strategies
May 2017
GHG Reduction Targets

- **Emissions to be Reduced by 2020**
  - 2020 Target
  - Additional Reductions by 2030
  - Additional Reductions by 2050

Note: MMT = Million Metric Tons
Current modeling shows GHG emissions will be below the 2020 target.
Objectives for Scoping Plan Update

- Achieve 2030 target
- Provide direct GHG emissions reductions
- Provide air quality co-benefits
- Minimize emissions “leakage” – increase to non-CA GHG emissions
- Support climate investment in disadvantaged communities
- Protect public health
- Facilitate sub-national and national collaboration
- Support cost-effective and flexible compliance
- Support Clean Power Plan and other federal action
Proposed Scoping Plan Scenario

- SB 350 - increase renewable energy and energy efficiency
- SB 1383 - Short-Lived Climate Pollutant Plan
- SB 375 – support sustainable community development
- Mobile Source Strategy - help State achieve its federal and state air quality standards
- Low Carbon Fuel Standard
- Sustainable Freight Action Plan
- New Refinery Efficiency Measure for All Facilities in the Sector
  - Fewer GHG emissions per barrel of a refined product
  - 20 percent GHG reductions by 2030
- Post-2020 Cap-and-Trade Program
  - Economy-wide cap
  - Trading and offset usage limit of 8 percent

*Existing commitments included in any Scoping Plan Update
Alternatives Considered

- No Cap-and-Trade
  - Enhanced existing commitments and prescriptive measures
  - Higher cost than proposed plan and uncertainty of not meeting 2030 target

- Carbon Tax
  - Existing commitments & tax at the social cost of carbon ($50/tonne in 2030)
  - Difficult to set correct tax to meet target & uncertainty of not meeting 2030 target

- All Cap-and-Trade
  - Existing commitments; no enhancements to LCFS and no refinery sector measure
  - Estimated lower direct costs than proposed plan

- Cap and Tax
  - Tax all GHG emissions that occur
  - Fuel suppliers, gas and electricity utilities, and industry would each reduce GHG emissions by about set percent each year
  - Highest direct costs than proposed plan and all alternatives considered
Scoping Plan Analyses

- Cost-effectiveness of each measure
- Social cost of carbon of each measure
- Range of potential reductions of GHG of each measure
- Range of projected AP reductions of each measure
- Potential health benefits of each measure
- Potential public health benefits of active transportation
- Macroeconomic analysis of proposal and alternative scenarios
SB 605 (Lara, 2014) directed development of SLCP Strategy to reduce emissions
SB 1383 (Lara, 2016) directed approval and implementation of SLCP reduction measures
SLCP approved by the Air Resources Board in March 2017
Identifies measures for reducing SLCPs
- 40% reduction of methane
- 40% reduction of HFCs
- 50% reduction in black carbon
Relies on reductions from dairy operations, waste sector, refrigerants, diesel engines, and wood stoves