

ACTION ALERT

Terrible Cap & Trade extension--AB398--written by Oil Industry behind Closed Doors, is being justified as a package with Weak Air Quality Bill--AB617 -> OPPOSE BOTH!

Full language just came out for these two bills, which are headed to committee and a floor vote in the next few days. Although not directly connected, these two bills are being sold as a package, with the air quality bill (AB 617) used as political cover to buy off legislators and pass the Cap & Trade extension. The Governor has cut this terrible deal with Big Oil and is trying to get a needed 2/3 vote on the Cap & Trade extension. Apparently he doesn't care just how bad the Cap & Trade bill is as long as he gets his extension beyond 2020, and it generates some funds.

- 1) **AB398-FALSE CLIMATE SOLUTION -- Cap & Trade extension & Big Oil Giveaway:** California Global Warming Solutions Act of 2006: market-based compliance mechanisms: fire prevention fees: sales and use tax manufacturing exemption. (2017-2018), *Member Eduardo Garcia*
- 2) **AB617-WEAK AIR QUALITY BILL -- Air Pollution Monitoring and standards:** Nonvehicular air pollution: criteria air pollutants and toxic air contaminants. (2017-2018), *Members C. Garcia, E. Garcia, and M. Santiago*

AB398 – This Cap & Trade extension is even worse than the failed existing program:

- It won't work to cut greenhouse gases, and undermines other programs that would.
- It includes huge free allowance giveaways worth between \$10-\$30 billion through 2030. Oil and gas get about 72%. It floods the post 2020 market with unsold allowances, making it near impossible to meet our 2030 targets, and includes an overabundance of offsets.
- It undermines our state's ability to meet SB 32 cuts in Greenhouse Gases, of 40% by 2030, and in essence overturns AB 197 (that requires Direct Emissions cuts first, instead of prioritizing pollution trading).
- It preempts local Air Districts from regulating CO2, for example, killing the Bay Area Refinery Cap community-driven campaign of the last 5 years that was on the verge of being adopted.

AB617 – This Air Quality package is part of the deal with the devil; & is weak and inadequate:

- Most of the air pollution monitoring provisions are already being put in place due to new EPA and Air District regulations, so the statewide requirements don't add much that's new.
- Setting up consistent statewide reporting isn't a big step forward – there are already statewide emissions inventories—furthermore, statewide consistency doesn't necessarily mean better accuracy.
- Provisions requiring Districts to plan to implement Best Available Retrofit Technology (BARCT) for facilities like refineries, would require many decisions by Districts to define BARCT, and Districts are allowed varying definitions including cost-effectiveness. Plans to implement standards can easily fall into the same problems plaguing smog planning (where some Districts do plans every few years, but never meet standards). And unlike the federal Clean Air Act (CAA), this bill doesn't set penalties if the Districts fail to truly implement best technologies. Districts already have the authority and duty to clean up smog under the CAA. It is also likely that the oil industry will try to take this provision out at the 11th hour, and they are actively lobbying to even get more concessions from the Governor and the legislators.

We need energy transformation away from fossil fuels, not a patchwork of pollution trading & preemptions.

Tell legislators today to say NO to AB 398 & AB617, which would undermine California's climate leadership.

- **Call your legislators at 916-694-1101 right now.**

- Testify at Senate EQ Committee on Thursday, July 13th at State Capitol, Sacramento, Room 3191

