

APPENDIX E



CAP Regulatory Context

Livermore Climate Action Plan Update

prepared for

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Regulatory Context

As the impacts of climate change are becoming clearer, strategies to address climate change are emerging at all levels of government. This section provides an overview of the regulatory context at the international, state, and local levels relative to Sacramento's actions toward reducing greenhouse gas (GHG) emissions.

International Climate Action Guidance

1992 United Nations Framework Convention on Climate Change

The primary international regulatory framework for GHG reduction is the United Nations Framework Convention on Climate Change (UNFCCC). The UNFCCC is an international treaty adopted in 1992 with the objective of stabilizing atmospheric GHG concentrations to prevent disruptive anthropogenic climate change. The framework established non-binding limits on global GHG emissions and specified a process for negotiating future international climate-related agreements.¹

1997 Kyoto Protocol

The Kyoto Protocol is an international treaty that was adopted in 1997 to extend and operationalize the UNFCCC. The protocol commits industrialized nations to reduce GHG emissions per country-specific targets, recognizing that they hold responsibility for existing atmospheric GHG levels. The Kyoto Protocol involves two commitment periods during which emissions reductions are to occur, the first of which took place between 2008-2012. The second commitment period set new targets and other changes but has not been entered into force (meaning it has not gone into effect).²

2015 The Paris Agreement

The Paris Agreement is the first universal, legally binding global climate agreement that was adopted in 2015 and has been ratified by 191 countries worldwide.³ The Paris Agreement establishes a roadmap to keep the world under 2 degrees Celsius (°C) of warming with a goal of limiting an increase of temperature to 1.5°C. The Paris Agreement does not dictate one specific reduction target, instead relying on individual countries to set nationally determined contributions (NDCs) or reductions based on gross domestic product and other factors. According to the International Panel on Climate Change (IPCC), limiting global warming to 1.5°C will require global emissions to reduce through 2030 and hit carbon neutrality by mid-century.⁴

¹ United Nations Framework Convention on Climate Change (UNFCCC). United Nations Framework Convention on Climate Change. https://unfccc.int/files/essential_background/background_publications_htmlpdf/application/pdf/conveg.pdf

² UNFCCC. What is the Kyoto Protocol? https://unfccc.int/kyoto_protocol

³ UNFCCC. Paris Agreement - Status of Ratification. <https://unfccc.int/process/the-paris-agreement/status-of-ratification>

⁴ IPCC. Global Warming of 1.5 C. <https://www.ipcc.ch/sr15/>

California Regulations and State GHG Targets

California remains a global leader in the effort to reduce GHG emissions and combat climate change through its mitigation and adaptation strategies. By the early 2000's, California was passing climate change bills including Senate Bill (SB) 1078 and Executive Order (EO) S-3-05 which began to require state agencies and utilities to address climate change. With the passage of Assembly Bill (AB) 32 in 2006, California became the first state in the nation to mandate GHG emission reductions across its entire economy. To support AB 32, California has enacted legislation, regulations, and executive orders (EO) that put it on course to achieve robust emission reductions and address the impacts of a changing climate. The following is a summary of executive and legislative actions most relevant to the Climate Action Plan.

2002 Senate Bill 1078

In 2002, Senate Bill (SB) 1078 established the California Renewables Portfolio Standards (RPS) Program which requires that 20 percent of retail electricity sales be composed of renewable energy sources by 2017 and was accelerated in 2006 by SB 107,⁵ which requires that 20 percent of retail electricity sales be composed of renewable energy sources by 2010, instead of 2017. EO S-14-08 was signed in 2008 to further streamline California's renewable energy project approval process and increase the state's RPS to the most aggressive in the nation requiring 33 percent renewable power by 2020.⁶ SB 350, discussed further below, further accelerated the program which mandated a 50% RPS by 2030.

2002 Assembly Bill 1493

In 2002, AB 1493, also known as the Pavley Regulations, directed the California Air Resources Board (CARB) to establish regulations to reduce GHG emissions from passenger vehicles to the maximum and most cost-effective extent feasible. CARB approved the first set of regulations to reduce GHG emissions from passenger vehicles in 2004, with the regulations initially taking effect with the 2009 model year.

2005 Executive Order S-3-05

EO S-3-05 was signed in 2005, establishing statewide GHG emissions reduction targets for the years 2020 and 2050. The EO calls for the reduction of GHG emissions in California to 2000 levels by 2010, 1990 levels by 2020, and 80 percent below 1990 levels by 2050. The 2050 emission reductions target would put the state's emissions in line with the worldwide reductions needed to reach long-term climate stabilization as concluded by the IPCC 2007 *Fourth Assessment Report*.

2006 Assembly Bill 32

California's major initiative for reducing GHG emissions is outlined in AB 32, the "California Global Warming Solutions Act of 2006," which was signed into law in 2006. AB 32 codifies the statewide goal of reducing GHG emissions to 1990 levels by 2020 and requires CARB to prepare a Scoping Plan that outlines the main state strategies for reducing GHG emissions to meet the 2020 deadline. In

⁵ California Public Utilities Commission. 2021. Renewables Portfolio Standard (RPS) Program. <https://www.cpuc.ca.gov/General.aspx?id=6442463710>

⁶ Executive Order S-14-08. <http://www.climatestrategies.us/library/library/view/292>

addition, AB 32 requires CARB to adopt regulations to require reporting and verification of statewide GHG emissions.

Based on this guidance, CARB approved a 1990 statewide GHG baseline and 2020 emissions limit of 427 million metric tons of CO₂ equivalent (MMT CO₂e). The Scoping Plan was approved by CARB on December 11, 2008 and included measures to address GHG emission reduction strategies related to energy efficiency, water use, and recycling and solid waste, among other measures. Many of the GHG reduction measures included in the Scoping Plan (e.g., Low Carbon Fuel Standard, Advanced Clean Car standards,⁷ and Cap-and-Trade) have been adopted since approval of the Scoping Plan.

In May 2014, CARB approved the first update to the AB 32 Scoping Plan. The 2014 Scoping Plan update defined CARB's climate change priorities for the next five years and set the groundwork to reach post-2020 statewide goals. The update highlighted California's progress toward meeting the "near-term" 2020 GHG emission reduction goals defined in the original Scoping Plan. It also evaluated how to align the state's longer-term GHG reduction strategies with other state policy priorities, including those for water, waste, natural resources, clean energy, transportation, and land use (CARB 2014).

2007 Executive Order S-1-07

Also known as the Low Carbon Fuel Standard, EO S-1-07, issued in 2007, established a statewide goal that requires transportation fuel providers to reduce the carbon intensity of California's transportation fuels by at least 10 percent by 2020. EO S-1-07 was readopted and amended in 2015 to require a 20 percent reduction in carbon intensity by 2030, the most stringent requirement in the nation. The new requirement aligns with California's overall 2030 target of reducing climate changing emissions 40 percent below 1990 levels by 2030, which was set by SB 32 and signed by the governor in 2016.

2007 Senate Bill 97

Signed in August 2007, SB 97 acknowledges that climate change is an environmental issue that requires analysis in California Environmental Quality Act (CEQA) documents. In March 2010, the California Natural Resources Agency adopted amendments to the State CEQA Guidelines for the feasible mitigation of GHG emissions or the effects of GHG emissions. The adopted guidelines give lead agencies the discretion to set quantitative or qualitative thresholds for the assessment and mitigation of GHG and climate change impacts.

2008 Senate Bill 375

SB 375, signed in August 2008, enhances the state's ability to reach AB 32 goals by directing CARB to develop regional GHG emission reduction targets to be achieved from passenger vehicles by 2020 and 2035. In addition, SB 375 directs each of the state's 18 major Metropolitan Planning Organizations (MPOs), to prepare a Sustainable Communities Strategy" that contains a growth strategy to meet these emission targets for inclusion in the MPO's Regional Transportation Plan.

⁷ On September 19, 2019, the National Highway Traffic Safety Agency and the U.S. Environmental Protection Agency issued a final action entitled the One National Program on Federal Preemption of State Fuel Economy Standards Rule. This action finalizes Part I of the Safer, Affordable, Fuel-Efficient (SAFE) Vehicles Rule. This rule states that federal law preempts State and local tailpipe GHG emissions standards as well as zero emission vehicle (ZEV) mandates. The SAFE Rule withdraws the Clean Air Act waiver it granted to California in January 2013 as it relates to California's GHG and zero emission vehicle programs.

In March 2018, CARB adopted updated regional targets for reducing GHG emissions from 2005 levels by 2020 and 2035. Each region was assigned a target for 2020 and 2035.⁸

2009 California Green Building Code

The California Green Building Standards Code (CALGreen) is Part 11 of the California Building Standards Code or Title 24 and is the first statewide “green” building code in the nation. The purpose of CALGreen is to improve public health, safety, and general welfare by enhancing the design and construction of buildings. Enhancements include higher energy efficiency, better air quality, and improved daylighting. The first CALGreen Code was adopted in 2009 and has been updated in 2013, 2016, 2019, and 2022. The CALGreen Code will have subsequent, and continually more stringent, updates every three years.

2009 Senate Bill X7-7

In 2009, SB X7-7, also known as the Water Conservation Act, was signed, requiring all water suppliers to increase water use efficiency. This legislation sets an overall goal of reducing per capita urban water use by 20 percent by 2020.

2011 Senate Bill 2X

In 2011, SB 2X was signed, requiring California energy providers to buy (or generate) 33 percent of their electricity from renewable energy sources by 2020.

2012 Assembly Bill 341

AB 341 directed the California Department of Resources Recycling and Recovery (CalRecycle) to develop and adopt regulations for mandatory commercial recycling. As of July 2012, businesses are required to recycle, and jurisdictions must implement a program that includes education, outreach, and monitoring. AB 341 also set a statewide goal of 75 percent waste diversion from landfill by the year 2020.

2014 Assembly Bill 32 Scoping Plan Update

In 2014, CARB approved the first update to the Scoping Plan. This update defines CARB’s climate change priorities and sets the groundwork to reach the post-2020 targets set forth in EO S-3-05. The update highlights California’s progress toward meeting the near-term 2020 GHG emissions reduction target, defined in the original Scoping Plan. It also evaluates how to align California’s longer-term GHG reduction strategies with other statewide policy priorities, such as water, waste, natural resources, clean energy, transportation, and land use.

2014 Assembly Bill 1826

AB 1826 was signed in 2014 to increase the recycling of organic material. GHG emissions produced by the decomposition of these materials in landfills were identified as a significant source of emissions contributing to climate change. Therefore, reducing organic waste and increasing composting and mulching are goals set out by the AB 32 Scoping Plan. AB 1826 specifically requires jurisdictions to establish organic waste recycling programs by 2016, and phases in mandatory commercial organic waste recycling over time.

⁸ https://ww2.arb.ca.gov/sites/default/files/2020-06/SB375_Final_Targets_2018.pdf

2015 Senate Bill 350

SB 350, the Clean Energy and Pollution Reduction Act of 2015, has two objectives: to increase the procurement of electricity from renewable sources from 33 percent to 50 percent by 2030 and to double the energy efficiency of electricity and natural gas end users through energy efficiency and conservation.

2015 Executive Order B-30-15

EO B-30-15 was signed in 2015, establishing an interim GHG emissions reduction target to reduce emissions to 40 percent below 1990 levels by 2030. The EO also calls for another update to the CARB Scoping Plan to provide a pathway to achieve this goal.

2016 Senate Bill 32

In September 2016, the governor signed SB 32 into law, extending AB 32 by requiring the state to further reduce GHGs to 40 percent below 1990 levels by 2030 (the other provisions of AB 32 remain unchanged).

2016 Senate Bill 1383

Adopted in September 2016, SB 1383 requires CARB to approve and begin implementing a comprehensive strategy to reduce emissions of short-lived climate pollutants. SB 1383 requires achievement of the following reduction targets by 2030:

- Methane – 40 percent below 2013 levels
- Hydrofluorocarbons – 40 percent below 2013 levels
- Anthropogenic black carbon – 50 percent below 2013 levels

SB 1383 also requires CalRecycle, in consultation with CARB, to adopt regulations that achieve specified targets for reducing organic waste in landfills. SB 1383 further requires 20% of edible food disposed of at the time to be recovered by 2025.

2017 Scoping Plan Update

In December 2017, CARB adopted the 2017 Scoping Plan, which provides a framework for achieving the 2030 goal set by SB 32. The 2017 Scoping Plan relies on the continuation and expansion of existing policies and regulations, such as the Cap-and-Trade Program, as well as implementation of recently approved legislation, such as SB 350 and SB 1383.

The 2017 Scoping Plan also puts an increased emphasis on innovation, adoption of existing technology, and strategic investment to support its strategies. As with the 2014 Scoping Plan Update, the 2017 Scoping Plan does not provide project-level thresholds for land use development. Instead, it recommends that local governments adopt policies and locally appropriate quantitative thresholds consistent with statewide per capita goals of six metric tons (MT) CO₂e by 2030 and two MT CO₂e by 2050 (CARB 2017). As stated in the 2017 Scoping Plan, these goals may be appropriate for plan-level analyses (i.e., city, county, subregional, or regional level), but not for specific individual projects because they include all emissions sectors in the state (CARB 2017).

CARB is currently developing the 2022 Scoping Plan Update, which will focus on continuing to work towards the SB 32 target and lay out a path for achieving carbon neutrality by 2045.

2018 Senate Bill 100

Adopted in September 2018, SB 100 supports the reduction of GHG emissions from the electricity sector by accelerating the state’s RPS Program, which was last updated by SB 350 in 2015. SB 100 requires electricity providers to increase procurement from eligible renewable energy resources to 33 percent of total retail sales by 2020, 60 percent by 2030, and 100 percent by 2045.

2018 Executive Order B-55-18

In September 2018, the governor issued Executive Order B-55-18, which established a new statewide goal of achieving carbon neutrality by 2045 and maintaining net negative emissions thereafter. This goal is in addition to the existing statewide GHG reduction targets established by SB 375, SB 32, SB 1383, and SB 100.

2022 Scoping Plan Draft

Though still in draft form the CARB’s 2022 Scoping Plan Update assesses progress toward the statutory 2030 target, while laying out a path to achieving carbon neutrality no later than 2045. The 2022 Scoping Plan Update focuses on outcomes needed to achieve carbon neutrality by assessing paths for clean technology, energy deployment, natural and working lands, and others, and is designed to meet the State’s long-term climate objectives and support a range of economic, environmental, energy security, environmental justice, and public health priorities.