

Environmental justice advocates continue their campaign to halt a key portion of California's proposed climate regulations. According to [Greenwire](#), they have recently filed a complaint with U.S. EPA claiming that the proposed cap-and-trade regulation is discriminatory. Specifically, their complaint is this:

“Cap and trade allows them to buy allowances from other facilities or offsets from out of state or even internationally, denying communities next to refineries and other polluting businesses the benefits that would occur through direct regulation,” said Brent Newell, a lawyer for the Center on Race, Poverty and the Environment, which filed the complaint with U.S. EPA on Friday.

“It's discrimination because these communities living very close to cap-and-trade facilities are overwhelmingly populated by people of color, and the African-American population is disproportionately affected,” he added.

Of course, nearly all of the actors behind the current regulation, from Governor Brown down, are deeply sympathetic to the interests of the disadvantaged communities in question. But they find a combination of countervailing factors ultimately outweigh the desire to do as much as possible for these communities. These factors include the following:

1. The cap-and-trade system is nearly ready to go. Switching gears at this point would undercut California's position of global leadership on climate change at a time when morale is already low.
2. To achieve the same total carbon reductions, cap and trade imposes lower costs on industry than direct regulation. This lower cost benefits disadvantaged communities, who would otherwise be paying larger utility bills that they can ill afford.
3. The lower cost also improves the effectiveness of the program by diminishing the incentive for firms to shift production elsewhere, which causes carbon “leakage.”
4. The revenue from auctioning some of the allowances can be used to benefit low-income communities — for instance, by subsidizing weatherizing and other energy efficiency investments for the poor.
5. Compared to the relatively small benefits they might receive from direct regulation of carbon emissions, the communities in question will receive much

more benefit, in terms air quality improvements, from other regulatory efforts that are now underway, such as the Obama Administration's mercury regulations.

6. There are other disadvantaged communities in developing countries, and those communities will benefit from immediate action against climate change and from some or many of the offset projects that would take place in their countries.

These are weighty arguments against the EJ position. Even if EJ advocates remain unpersuaded, they should recognize that it is possible to disagree with their views in good faith.