California's Air Resources Board (CARB) has adopted a new 2017 Climate Change Scoping Plan, which is designed to extend and expand upon the state's longstanding commitment to reduce California's aggregate greenhouse gas (GHG) emissions. This is a landmark achievement, one that moves California further down the road to a sustainable environment and economy.

A bit of historical background: in 2006, the California Legislature enacted the landmark Global Warming Solutions Act, better known as AB 32. That legislation committed the State of California to roll back its statewide GHG emissions to 1990 levels by the year 2020. That law gave CARB broad authority to devise a multifaceted strategy to achieve that seemingly audacious goal, and directed CARB to adopt a Scoping Plan setting forth exactly what that strategy would be. CARB duly adopted its initial Scoping Plan in 2008. It was an extraordinary document: visionary, ambitious, inspiring and clearly-written. Among other things, it quantified the statutory goal contained in AB 32 as capping California's annual aggregate GHG emissions at 431 million metric tons by the 2020 deadline. Nine years later, we're well on our way to accomplishing that once-daunting goal: 2015 GHG emissions were 440.4 MMTCO2e, and CARB staff reported at the Board's December hearing that California is actually projected to achieve the AB 32 GHG reduction target significantly *before* the 2020 deadline.

Proving the adage that no good deed–or regulatory initiative–goes unpunished, the California Legislature over the past two years has responded to the AB 32 success story with a number of new laws designed to push California's GHG emission reduction envelope even further. The most important of those new statutes is SB 32, 2016 legislation that "doubles down" on the state's climate change efforts by mandating that California reduce the state's GHG emissions fully *40% below* 1990 levels by the year 2030. This year the Legislature followed up by enacting AB 398, which builds upon SB 32 by expressly authorizing the continuation of CARB's market-based cap-and-trade program through 2030 and directing CARB to adopt a new Scoping Plan by the end of 2017 to articulate how it plans to achieve SB 32's heightened GHG emission reduction mandate by the 2030 statutory deadline.

Which brings us to December 2017, and CARB's adoption of its new Climate Change Scoping Plan.

The 2017 Scoping Plan was anxiously anticipated by the regulated community, environmental organizations and the environmental justice community alike. That's because it's widely and accurately recognized that achieving the 40% GHG emission reduction goal will require a major transformation of our energy, transportation, land use and manufacturing sectors over the next 13 years. How to accomplish that transformation while continuing to grow California's booming economy and addressing legitimate environmental justice concerns is–to put it mildly–a daunting challenge.

The 2017 Scoping Plan just adopted by the Board, however, appears up to that challenge. Comparable to CARB's original 2008 Scoping Plan, the 2017 version contains a broad portfolio of regulatory and market-based strategies designed to cap California's GHG emissions at 260 MMTCO2e by the end of 2030. Key elements of the 2017 Scoping Plan include:

- Relying on California's previously-codified statutory commitment to generate at least half of its electricity from renewable resources by 2030;
- Making more stringent CARB's pioneering Low Carbon Fuel Standard;
- Depending on the California Energy Commission to strengthen dramatically the state's already-stringent building and appliance efficiency standards;
- Enforcing strong new rules to reduce state methane and other short-lived climate pollutants that are especially pernicious;
- Supporting and preserving California's natural and working landscapes in order to enhance carbon sequestration; and
- Devising transformative changes to California's public and private transportation sectors, including a ramped-up conversion of private vehicles from carbon-based to alternative fuels, increased public transit opportunities and progressive land use policies that allow Californians to live closer to their workplaces, thus reducing individual and statewide vehicle miles traveled. (California's transportation sector is responsible for fully 40% of the state's GHG emissions.)

CARB's new Scoping Plan projects that these and other "direct" regulatory strategies will take the State of California 62% of the way towards achieving SB 32's mandated GHG emission reductions by 2030. The Scoping Plan relies on an expanded cap-and-trade program, covering California industries responsible for 80% of the state's overall GHG emissions, to achieve the remaining 38% of the emission reductions needed to reach the 40% 2030 emission reduction targets required under SB 32.

The CARB hearing that culminated in the Board's unanimous adoption of the new Scoping Plan reveals that the cap-and-trade program is one of the two most controversial components of that Scoping Plan. Several witnesses at the hearing expressed skepticism or outright opposition to CARB's continued reliance on cap-and-trade as a key arrow in the Board's GHG emissions reduction quiver. Concerns were expressed by speakers at the hearing regarding overallocation and banking of emission allowances, freely-granted vs. auctioned allowances, and expenditure of revenues derived from auctioned allowances.

The second main reservation concerning the 2017 Scoping Plan was expressed by numerous environmental justice advocates focused on potential disproportionate impacts of Plan implementation imposed on low-income and minority communities.

Overall, however, speakers testifying at CARB's Scoping Plan hearing were supportive of the Board's proposed regulatory strategies. This observer, like many others, was heartened by CARB Board members' pledge to incorporate an "adaptive management" approach to implementing the Scoping Plan–learning as the Board proceeds, relying on newly-available information from climate scientists, other regulatory agencies, etc., as it goes.

One additional note: as several Board members and speakers aptly noted in the course of the hearing, CARB's 2017 Scoping Plan is merely a step–albeit a critically important one–in a longer GHG emission reduction quest for California. That's because back in 2005, then-California Governor Arnold Schwarzenegger issued an Executive Order committing the State of California to reduce its statewide GHG emissions by *80%* by the year 2050. Governor Jerry Brown has fully embraced that long-term goal as part of his own climate change agenda. Even more noteworthy, government leaders from around the globe endorsed the same 80%-by-2050 target at the just-concluded Conference of the Parties (COP23) in Bonn, Germany as necessary to keep global temperature increases below 2 degrees C. (This is yet another example of California's global leadership and pioneering policymaking when it comes to climate change regulation.)

As 2017 comes to a close, the news from Washington and our federal government is profoundly discouraging: a steady drumbeat of regulatory initiatives by the Trump Administration designed to roll back conventional pollution control regulation; abrogation of federal land stewardship obligations; an inexplicable drive to promote expanded mining and combustion of fossil fuels at the same time federal support for renewable energy initiative is waning; and abject refusal to address or even acknowledge the existential threat presented by climate change.

California, in stark contrast, remains steadfast to its commitment to environmental quality, wise stewardship of its natural resources and to leading by example in reducing the state's GHG emissions and otherwise confronting the cataclysmic consequences of climate change. CARB has for decades been one of California's most impressive and effective agencies in fulfilling that commitment. And CARB's adoption of its ambitious, new Climate Change Scoping Plan at year's end is Exhibit A that the Board's tradition of regulatory excellence continues. That's an early holiday present that 39 million California residents can justifiably celebrate.