The Sacramento Bee

California has head start, but new EPA rules on carbon will prompt state to go further on curbing emissions

By Dale Kasler
dkasler@sacbee.com

Published: Tuesday, Jun. 3, 2014 - 12:00 am
Last Modified: Tuesday, Jun. 3, 2014 - 12:20 am

With California already claiming a head start in the push to curb carbon, state leaders Monday hailed the Obama administration's proposal to slash greenhouse gas emissions from power plants.

Officials said California's crackdown on carbon, largely the result of the 2006 global warming law, means the Obama plan won't translate into radical change on how electricity is generated in the state. But they said the state won't ease off in its quest to reduce emissions.

"We have to continue on the path we're on," said Stanley Young, spokesman for the California Air Resources Board. The agency is in charge of implementing the 2006 law.

The Obama proposal, unveiled by the Environmental makes multiple references to California's leadership role in reducing greenhouse gases.

The 2006 state law, signed by former Gov. Arnold Schwarzenegger, established a "cap-and-trade" market that requires power plants and other carbon polluters to gradually ratchet down their emissions. Separately, the state's renewable energy standard forces utilities to generate at least one-third of their power from renewable sources by 2020.

The state's goal is to cut overall carbon emissions30 percent by 2020. The Obama plan, focusing solely on power plants, says states must achieve a 30 percent cut in emissions by 2030.

"We are well on our way to meeting the standards," said Derek Walker, an associate vice president with the Environmental Defense Fund."California doesn't have to start from scratch."

Gov. Jerry Brown, in a prepared statement, said, "Clean energy policies are already working in California, generating billions of dollars in energy savings and more than a million jobs."

California’s fight against carbon isn’t universally loved. The California Chamber of Commerce and other business groups have said the cap-and-trade program amounts to an unconstitutional tax of more than $1 billion a year, sapping the state’s economy. These groups have launched court challenges in an attempt to overturn the requirement that California businesses pay for a portion of their cap-and-trade allotments.

On Monday, business lobbyists heaped similar scorn on the Obama plan. “Today’s regulations issued by EPA add immense cost and regulatory burdens on America’s job creators,” said Tom Donohue, president of the U.S. Chamber of Commerce, in a prepared statement.

California’s main tool for fighting carbon is the cap-and-trade market, which imposes a slowly declining ceiling on overall emissions. Affected companies can choose to scale back their emissions or buy more carbon credits. State officials say this market-based approach gives companies the flexibility and financial incentive to comply with the law as efficiently as possible, and will encourage the development of new technologies to scrub smokestacks clean.

The Obama plan encourages states to collaborate with one another on regional cap-and-trade programs. So far, only one other jurisdiction belongs to California’s carbon market, the Canadian province of Quebec. But Oregon, Washington state and British Columbia have signaled their interest in working with California.

California believes a multi-state approach will lead to “a more comprehensive reduction” in emissions, Young said.

Obama’s plan wouldn’t take effect until about a year from now, but is likely to face legal challenges. The attorney general of Oklahoma has already indicated he might take the White House to court to block the program.

Although California’s global warming law, AB 32, sets emissions targets only through 2020, state officials said they will continue reducing greenhouse gases well beyond that date.

“We need a 2030 goal … and a plan to get there,” said Robert Weisenmiller, chairman of theCalifornia Energy Commission.

Weisenmiller said the main thrust of Obama’s proposal is to get coal-fired power plants retired. California received 10 percent of its electricity from coal plants in 2010, according to the Energy Commission, much of it from out-of-state plants. The California utilities that rely on coal are mostly in Southern California and have already been taking steps to wean themselves off of it, Weisenmiller said.

Pacific Gas and Electric Co. and the Sacramento Municipal Utility District both issued statements applauding the Obama proposal. Both utilities have shifted significant portions of their portfolios to hydropower and other renewable sources.