Greenhouse Gas CEQA Significance Threshold Stakeholder Working Group #5

> August 27, 2008 SCAQMD Diamond Bar, California

# **GHG** Emission Estimates

#### Emission Assessments

- Direct and indirect project emissions
- Life-cycle emissions to be included to the extent technically feasible
- Energy use for water use and electricity to be included
- Constructions to be amortized over a 30-year period
- Six Kyoto GHG pollutants
- Cap-&-trade facilities/sources?

# Proposed Tiered Threshold Approach

- Design improvement for easier integration and use by CEQA practitioners
  Minimum design requirements incorporated
- Interim method until statewide threshold established
- Refinements added

#### **Business-As-Usual**

CAPCOA White Paper BAU definition:

 Projection of GHGs into the future based on current technologies & regulations in the absence of other reductions

Adoption of new GHG reduction regulations, e.g., CARB's Scoping Plan measures, in the future establishes new BAU, i.e., evolves over time

 BAU normally defines CEQA's no project alternative, but does not necessarily form the project baseline

### **Business-As-Usual Definition**

- CAPCOA BAU discussion does not explicitly discuss baseline, however, implies BAU also establishes baseline, e.g.,
  - Power Plant example requires establishing baseline based on current BAU, i.e., current technologies & regulatory requirements
     To determine future BAU emissions from power plant, multiply projected energy throughput by current EF, e.g., BAU

#### **Business-As-Usual Definition**

CAPCOA's definition of BAU does not preclude it from establishing baseline
 Baseline may be identical to no project alternative (§15126.6(e)(1))
 No project alternative is what is reasonably expected to occur in the foreseeable future if the project is not adopted (§15126.6(e)(1))

**Business-As-Usual Definition** No definition of BAU in CARB's Scoping Plan • A brief definition in the 1990 inventory (11/2007) used to project 1990 GHGs to 2020 – BAU is: ✓ GHG emissions estimates in the absence of policies & measures Based on forecasted demographic and economic growth Need more documentation to implement CARB's definition of BAU BAU should be consistent with CARB's definition

### **Business-As-Usual Definition**

#### SCAQMD Staff recommendation for BAU

- Is based on current technologies and regulatory requirements (consistent with CAPCOA & CARB)
- Is used to establish project's baseline (consistent with CAPCOA power plant example)
- Is used to project project's future emissions (consistent with CAPCOA & CARB)
- Is used to establish no project alternative (consistent with CAPCOA & CARB)

# Further Discussion of Screening Level

- Screening level is meant to define small projects that do not contribute appreciably to climate change
  - Initial discussion 900 MT CO2eq/year (equivalent to 90 percent capture rate for land use development CEQA documents)
  - Current staff proposal 6,500 MT CO2eq/year (GHG equivalent to annualized NOx significance threshold with minimum mitigation/design requirements)

New tier 3 – 900 MT CO2eq/year with no minimum mitigation/design requirements

# Further Discussion of Screening Level

- Consideration of separate screening level for land use industrial projects vs. land use/commercial projects
  - Staff recommendation single screening level at this time
  - Tiered approach accommodate different land use projects

Other Screening Level Options

10,000 MT (Cap-and-Trade reporting level)

 25,000 MT (CARB reporting threshold & 90 percent CEQA document capture rate for industrial projects)
 Others? Tier 5 Option #1 – Uniform Percent Emission Reduction Target Objective from BAU

 Consistent with AB32 goals ✓ 30 percent reduction by 2020 to 1990 levels More stringent than AB32 goals ✓ 40 percent reduction Less stringent than AB32 goals Less than 30 percent reduction • Other suggestions?

#### GHG CEQA Threshold Staff Report

 Outline of proposed GHG staff report
 Introduction and executive summary
 Legislative background discussion
 SCAQMD GHG significance threshold development & proposal
 Conclusion & future action items