



Climate Policy in the States: California

Failure at the federal level to address the threat of global warming is leading states to act on their own. California is helping lead the charge in creating templates for national action by setting important targets for reducing heat-trapping emissions and instituting strong policies to meet those goals. California's efforts also carry global significance. As one of the largest economies in the world (ranked 6th in 2003), California is the world's tenth largest emitter of carbon dioxide (CO₂), the chief heat-trapping gas responsible for global warming.

"I say the debate is over. We know the science. We see the threat. And we know the time for action is now."

— Governor Arnold Schwarzenegger, 6/1/05

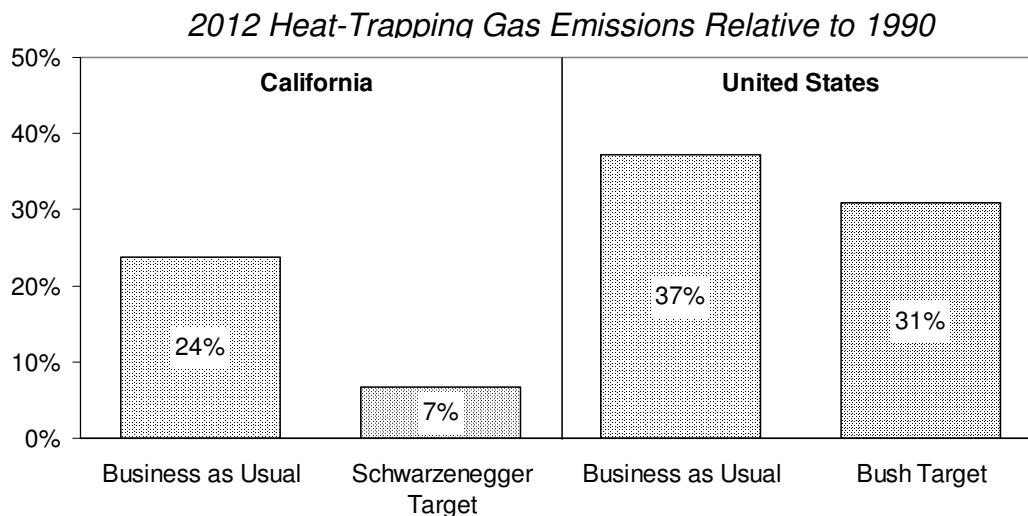
Targets

On June 1, 2005 Governor Schwarzenegger signed Executive Order S-3-05 committing the state to the following targets for limiting the heat-trapping gases that cause global warming:

- By 2010, California emissions will be reduced to 2000 levels;
- By 2020, California emissions will be reduced to 1990 levels;
- By 2050, California emissions will be reduced to 80% below 1990 levels.

The Schwarzenegger Administration's targets are in stark contrast to those of the Bush Administration. Compared to 1990 emission levels, the Schwarzenegger targets limit emissions growth to 7 percent by 2012, more than two-thirds lower than the 24 percent growth expected under business as usual conditions. The Bush climate targets would permit emissions nationally to grow 31 percent by 2012.

Schwarzenegger v. Bush Targets



Sources: California emissions are interpolated values for 2012 based on the Governor's targets and Tellus Institute. Turning the Corner on Global Warming Emissions. July 28, 2004. Bush target emissions based on the Administration's Climate Change Policy Book. <http://www.whitehouse.gov/news/releases/2002/02/addendum.pdf> and EPA. US Inventory of Greenhouse Gas Emissions and Sinks. April 2005. Emissions include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.

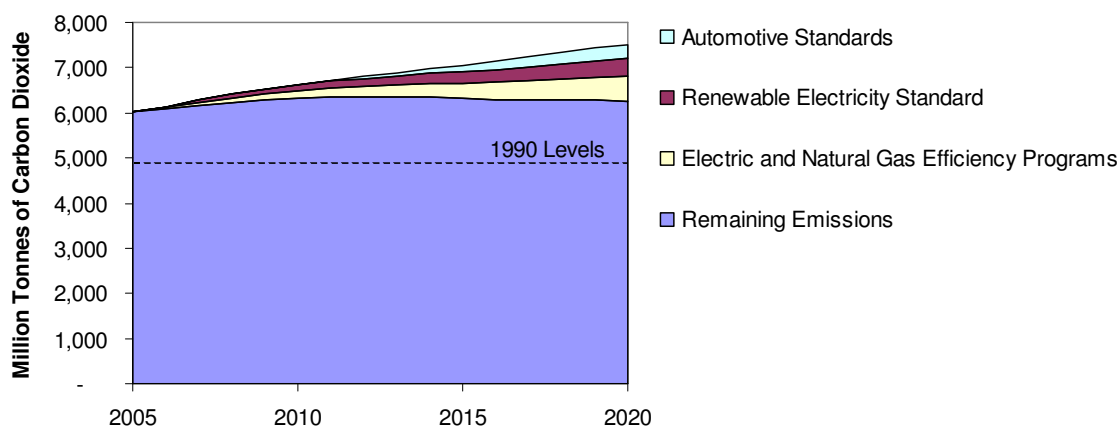
Policies

The transportation and electricity sectors account for over two-thirds of California's heat-trapping emissions, making them the first targets for policy action. Key state policies include:

- Automotive standards. The first-ever standards to limit heat-trapping emissions from automotive tailpipes take effect in 2009, ultimately requiring a 30 percent reduction from new cars and light trucks by 2016.
- Renewable electricity standard. Large utilities are required to increase purchases of renewable energy by 1 percent of their total electricity use each year, reaching 20 percent by 2017. The Governor and Legislature have proposed accelerating the compliance date to 2010 and are evaluating increasing the requirement to 33 percent by 2020.
- Efficiency programs. According to the California Public Utility Commission, the state's electric and natural gas efficiency programs will reduce electricity use by an average of 1 percent per year and consumer natural gas use by 0.5 percent per year.

Not only do California's policies reduce emissions and benefit the state's consumers, they create valuable precedents for national progress. By adopting California's landmark policies at the national level, total US heat-trapping emissions would be 17 percent lower than business as usual by 2020, and the US would be half of the way towards reducing emissions to 1990 levels. Deeper reductions are needed to protect the climate and are achievable with additional measures, but California's current policy suite is an excellent first step.

Carbon Dioxide Emission Savings of Extending California's Policies Nationally



Sources: UCS analysis of national automotive standards for model year 2009-2016; a 1%/year increase in renewable electricity of existing levels nationwide, reaching 20% by 2020; and energy efficiency programs implemented at the levels adopted by California. Emissions include carbon dioxide only.

Because the use of renewable electricity and energy efficiency helps reduce natural gas prices and automotive requirements reduce drivers' fuel costs, consumers benefit from these carbon policies. By 2020, drivers would save \$26 billion per year if California's automotive standards were implemented nationally. A national renewable electricity standard by itself would save consumers \$49 billion cumulatively by 2020 and create 157,500 more jobs. A 2001 UCS study that analyzed a 20 percent national renewable standard and stronger efficiency policies than adopted thus far by California found that consumers could save \$105 billion per year by 2020.

With scientists worldwide suggesting we must act now to avert dangerous levels of climate change, the Bush administration's inaction is dangerous. Fortunately, California (along with many other states) is demonstrating that significant reductions in heat-trapping emissions are both achievable and economically beneficial.