

CALIFORNIA LEGISLATURE

STATE CAPITOL
SACRAMENTO, CALIFORNIA
95814

Thursday, September 27, 2018

The Honorable Matt Rodriquez, Secretary
California Environmental Protection Agency
1001 I Street
P.O. Box 2815
Sacramento, CA 95812

RE: The Role of the Independent Emissions Market Advisory Committee

Dear Secretary Rodriquez:

We write to affirm the valuable role the Independent Emissions Market Advisory Committee (IEMAC) plays in the ongoing implementation and oversight of California's climate policies, as well as to express concern about the process by which the California Environmental Protection Agency (CalEPA) has engaged the IEMAC's expertise so far.

In particular, the lack of transparency from CalEPA about the IEMAC process unnecessarily detracts from the IEMAC's ability to produce actionable, inclusive analysis for the Air Resources Board (ARB) and the Legislature to consider. We urge CalEPA to implement a timely and transparent mechanism for documenting IEMAC decisions and activities, as well as to establish a clear process for receiving public comment from interested stakeholders.

The process to date has frustrated meaningful engagement from the public and should be improved going forward. Although the first IEMAC meeting was held on June 20, 2018, the transcript and summary of that meeting was made available on CalEPA's website on September 17, 2018—only four days before the IEMAC's second public meeting on September 21, 2018, and two months after these documents were finalized in July.

Furthermore, because no webcast or other recording was made of the June 2018 meeting, neither the public nor the Legislature had any way to be aware of the process the IEMAC has since pursued in developing its annual report to the ARB and the Joint Legislative Committee on Climate Change Policies, as required by AB 398. In turn, the lack of notice deprived

stakeholders of any meaningful opportunity to share information or feedback with the IEMAC. CalEPA's IEMAC website still provides no information on how stakeholders can provide information or feedback to the IEMAC.

We also note that the IEMAC had an incredibly tight timeframe in which to perform its work this year. Partly this reflects the fact that ARB has begun its implementation of AB 398's reforms, with a proposed cap-and-trade rulemaking process that is now in the middle of its 45-day comment period. We understand that at its September 2018 meeting, the IEMAC decided to adopt a process for finalizing its annual report to ARB and the Legislature within this 45-day comment period; we urge CalEPA and the IEMAC to deliver on this agenda so that ARB's final regulations can be informed by the IEMAC's analysis.

It is important to highlight the need for a more substantial and transparent process in future years. ARB's proposed cap-and-trade regulations were made available on September 4, 2018, and we understand that draft IEMAC subcommittee reports were due to CalEPA just six days later, on September 10. However, CalEPA did not post these documents on the IEMAC website until September 17, a full seven days later and just four days before the IEMAC's meeting on September 21. Even within a process that was constrained by the timeline of ARB's formal regulatory proposal, the draft subcommittee reports spent longer in limbo than the public was given to review them or than the subcommittees were given to analyze the proposed regulations in the first place.

We are grateful to the IEMAC members for working under this time pressure and believe that some of their draft results offer important insights that should inform future policy decisions. We also appreciate that the process of setting a new expert advisory committee may present challenges for its host agency, especially at the committee's inception. Nevertheless, to address the procedural shortcomings discussed above, we urge CalEPA to:

1. Continue to webcast and archive recordings of future IEMAC meetings.
2. Publish a clear description of all relevant IEMAC processes, including the subject area and membership of any subcommittees established to conduct work in between public meetings of the full IEMAC.
3. Develop a formal mechanism by which members of the public can submit information to the IEMAC, including in the form of written comments.
4. Commit to the timely web-based publication of IEMAC's decisions, draft results, public comments, and final documents.

Thank you for your attention to this matter. Please contact David Ernest García, consultant to the Senate Environmental Quality Committee, at (916) 651-4108 should you have any questions.

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Page 3 of 3

Sincerely,



Bob Wieckowski, Chair
Senate Environmental Quality Committee



Eduardo Garcia, Chair
Joint Legislative Committee on Climate Change Policies



Al Muratsuchi, Chair
Assembly Natural Resources Committee

cc: Mary D. Nichols, *Chair*, California Air Resources Board
Catalina Hayes-Bautista, *Deputy Legislative Secretary*, Governor's Office of Legislative
Affairs