

Engineering and Operations Committee

Item #6c

Subject: AB32 Implementation Update

Purpose: To provide an update on the implementation of AB32 – the California Global Warming Act of 2006

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Summary

This presentation provides an update on the implementation of AB-32, the California Global Warming Solutions Act of 2006, and how it affects Metropolitan.



AB32 Implementation Update

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July 11, 2011

AB 32 – California Global Warming Solutions Act of 2006

- Reduce greenhouse gas (GHG) emissions to 1990 levels by 2020
- Under jurisdiction of California Air Resources Board (CARB)
 - Scoping plan
 - Renewable energy
 - Cap and Trade
- Metropolitan impacts
 - Energy – Retail and wholesale
 - Water – WETCAT

Status

- 33% renewable energy for retail loads by 2020
 - State legislation SB 2X signed April 13
- Administrative fee to support CARB's activities
 - Self-funded program, no general fund impact
 - All entities reporting emissions contribute
 - Metropolitan paid \$8,063 for 2008
- Legal challenge to Cap and Trade
 - Lawsuit claimed CARB did not follow CEQA
 - CARB filed an appeal
 - CARB permitted to proceed during appeal process
 - Ruling on the appeal may take over a year

Status (Con't)

- Legislative and Regulatory efforts
 - AB 333 –delay to 2013, failed in committee June 27
 - Senate Informational hearing on June 29
 - CARB workshop July 15
 - CARB decision August 24
- State Water Contractors working with DWR
 - Metropolitan assisting
 - Meeting with CARB staff and Board
- Metropolitan continues to explore options
 - Meetings with CARB
 - Develop alternative compliance methods

Next Steps

- Continue discussions with CARB regarding Cap and Trade
- Monitor judicial, regulatory, and legislative developments
- Participate in ongoing regulatory activities
- Work with other water entities in development of WETCAT water initiatives

