



California Energy and Environment Update
March 21, 2011

Judge puts AB 32 implementation on hold

On Thursday a Superior Court Judge halted the implementation of California's landmark climate law, AB 32, until the California Air Resources Board (CARB) more thoroughly explains why the cap and trade mechanism was selected for curbing greenhouse gases. The law, the strictest in the nation, requires the state to use a combination of rules and market mechanisms to reduce greenhouse gas emissions by a quarter. In the absence of a federal climate law, environmentalists look at AB 32 as a crucial backstop.

But the implementation of the law was not adequate for a coalition of environmental justice advocates, who argued that a cap-and-trade system would disproportionately and negatively impact air quality in poor and minority neighborhoods, where many petroleum refineries are located. The group of environmentalists argued that a cap-and-trade regime would impose less of a burden on large emitters like refineries.

The judge chastised CARB for not considering other policy mechanisms like a carbon tax and for not completing the necessary CEQA studies before implementing the policies.

The plaintiffs, who stressed their support for AB 32, have said they will work with CARB to improve the implementation of the law.

Berkeley study predicts tight market for green economy jobs through 2020

A recent UC Berkeley study projects that California's market for jobs in the energy efficiency sector will remain tight through 2020 despite carbon-cutting regulations and over \$10 billion in investments. The report suggests that the state should focus on training existing workers to install demand-reducing technologies and urged "great caution" before funding training programs for new workers.

The report predicts that the efficiency industry will need about 52,000 new workers by 2015 and 78,000 workers five years later. Both are large increases from the 27,000 jobs researchers estimated were generated in 2010 from efficiency policies and investments. However, researchers predicted that any newly trained workers will run into stiff competition from underemployed existing workers in this space.

"The quantitative analysis shows that, at least through 2020, concerns about shortages of new workers for energy efficiency and related work are unwarranted, particularly for the most prominent energy efficiency occupations," the report said. "In contrast, concerns about shortages of *jobs* for graduates from education and training programs are real and likely to persist through 2020, particularly for those with less than four years of college."

The full study is available here:

http://www.irle.berkeley.edu/vial/publications/WE&T_NeedsAssessment_ExecutiveSummary.pdf

Energy Upgrade California expands to LA

Homeowners in Los Angeles County can now take advantage of rebates and incentives for home improvements under the Energy Upgrade California program. Homes are eligible for up to \$4,500 such upgrades as insulation and tankless water heaters. Los Angeles County expects the program will retrofit 18,000 homes with an average energy usage reduction of 20 percent. The county hopes the program will create 2,000 jobs.

Kennedy leaves CARB for World Resources Institute

Kevin Kennedy, CARB's assistant executive officer in charge of climate change, will join the World Resources Institute next month as head of its U.S. climate team, overseeing domestic climate and energy strategy at the institute's Washington, D.C., office.