

JOHN SANDERS

"I oppose adopting a rule that is still being materially rewritten at the 15-day stage. A supermajority vote is not a substitute for a stable, fully analyzed rule.

In this supplemental notice, CARB is still changing core design choices. It adds an optional one-time delay for independent merchant refineries from November 1, 2027 to November 1, 2029. It creates a Build Up California Reserve Account with 118.3 million allowances for manufacturing decarbonization incentive allocation. It increases industrial cap adjustment factors for most sectors through 2030 while removing the proposed 2031 and 2032-2035 factors to a future rulemaking. It deletes post-2030 EDU allocation from this rulemaking. And in the companion MRR package, CARB reverses the 45-day change for imported LPG and restores the point of regulation to the importer of fuel. That is not housekeeping. That is proof the proposal is still moving.

AB 1207 extended Cap-and-Invest through 2045, but it also told CARB to minimize costs, minimize ratepayer impacts, consider affordability and cost-effectiveness, minimize leakage, and minimize administrative burden. CARB's own 15-day notice also says commenters warned that the gas-supplier-to-EDU transition could increase the burden on low-income natural gas ratepayers, which is why staff added a requirement to use 30 percent of allowance value to primarily benefit low-income residential ratepayers. If those issues were really resolved, CARB would not still be rewriting refinery compliance, leakage protection, utility allocation, and reporting obligations at the last stage of the process.

My request is straightforward: re-notice the substantive changes or extend the comment period; publish a plain-English affordability, leakage, and ratepayer-impact analysis for these late revisions; and do not lock in post-2030 allocation choices until CARB finishes the methodology in a separate rulemaking. Californians can live with a tough rule. They should not be forced to live with a moving target."

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