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June 22, 2016

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## **ICYMI: *Sacramento Bee*: Jerry Brown's vow to slash oil use in California's cars in trouble**

(SACRAMENTO)—In a series of columns exploring the uncertainties of the state's cap-and-trade auction program, *Sacramento Bee* columnist Dan Walters opined today on the auction's questionable future. Even with the program surrounded by legal controversy, the administration continues to push for an extension of the cap-and-trade auction beyond 2020.

### ***Sacramento Bee*: Jerry Brown's vow to slash oil use in California's cars in trouble**

The meltdown of California's cap-and-trade system of reducing carbon emissions has not only thrown its climate change crusade into disarray but caused collateral damage.

One victim is Gov. Jerry Brown's \$3.1 billion plan to spend auction proceeds, now on indefinite hold. It not only affects a \$500 million allocation for Brown's bullet train project, but another \$500 million for "low carbon transportation and fuels."

The latter is a centerpiece of Brown's very ambitious drive to reduce petroleum use in auto travel – the largest single source of California's carbon emissions – by 50 percent by 2030 even though the Legislature indirectly rejected that goal last year.

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The "regulatory regime" includes cap-and-trade and an Air Resources Board program called the "Low-Carbon Fuel Standard," which is supposed to reduce the amount of petroleum in vehicular fuel by 10 percent by 2020 and, if Brown has his way, by 50 percent by 2030.

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When Brown vowed to achieve the 50 percent petroleum reduction without legislative approval, he was implying that the LCFS, the cap-and-trade system and other anti-carbon programs could continue past 2020 by decree even though the original 2006 legislation, Assembly Bill 32, specifically set 2020 goals.

After he made the vow, however, the Legislature's legal office opined that AB 32's authority expires in 2020 and Brown now implies that he now wants legislative permission to continue anti-carbon programs beyond that date.

Thus, the same legal and political uncertainty that surrounds cap-and-trade – and is a major factor in the collapse of auctions – also applies to LCFS.

The two programs are not only entwined financially and legally, but there's an idea kicking around the Capitol to, in effect, merge the two by allowing the unsold glut of carbon emission allowances to be swapped for LCFS credits.

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