



Coalition Highlights Greenhouse Gas Program Overspending, Urges Legislature To Analyze Effectiveness

Legislative Analyst's Office and Department of Finance Raising Concerns On Expenditures

FOR IMMEDIATE RELEASE

Contact: Jenny Dudikoff 916.224.9429

May 19, 2016, Sacramento, CA – The [Californians for Affordable and Reliable Energy](#) (CARE) coalition is conducting regional forums with business groups throughout California to discuss Governor Brown's plan to spend over \$3 billion collected from consumers and businesses through the state's Greenhouse Gas (GHG) cap and trade program.

The forums are a follow-up to CARE's [coalition letter](#) to state lawmakers that asked the Legislature to conduct "a full investigation of the effectiveness of the program in reducing greenhouse gas (GHG) emissions, the appropriate use of funding, and the authority of the state to extract billions of dollars from California consumers and business" before approving a plan to spend the money.

"California consumers and businesses are paying billions for clean air but uncertain of what they are getting in return," stated Dorothy Rothrock, member of the CARE coalition and president of the California Manufacturers & Technology Association. "Before the Legislature approves the next expenditure plan, we must understand the effectiveness of every dollar currently spent in the program and allocate our future money wisely," she continued.

Recently, the Legislative Analyst's Office and the California Department of Finance have both been critical of the cost-effectiveness of the state's climate change spending programs. CARB data has also shown that our average spending is 100 times higher than the \$12.80 per ton set by the carbon cap-and-trade market.

###

BY THE NUMBERS

Currently, California residents pay one-third more per gallon for fuel than the rest of the nation and our electricity prices are 43.3% higher than the U.S. average. These higher energy costs are in part due to the state's GHG emission reduction goal set out in AB 32 to reduce GHG emissions to 1990 levels by 2020.

A recent [report](#) by California's non-partisan Legislative Analyst's Office (LAO) flagged serious concerns for both performance and cost effectiveness regarding the billions in expenditures intended to reap GHG reductions, including:

- There are NO additional decreases in emissions despite billions in state spending
- State expenditures on "capped" sources likely have NO NET EFFECT on overall emissions
- The state's attempts to spend monies on "capped" sources increases overall costs

A recent [report](#) by the California Department of Finance raised concern over the program's lack of spending metrics and oversight. They also determined that the actual timeframe for many of the estimated GHG reductions won't be seen until the year 2095 ... 80 years from today.

According to recent analysis of CARB data, the agency spends, on average, \$1,224 per ton of carbon removed from the air – the measure of GHG reduction. The real cost per ton of carbon is \$12.80 – nearly 100 times less than what the state is spending.

Please visit the [CARE website](#) for more information about California's GHG Expenditure Plan.

*Californians for Affordable & Reliable Energy is a non-partisan coalition advocating for a comprehensive energy plan for California, prioritizing affordability, reliability and adequate supply.
Web: CAREaboutEnergy.org | Twitter: @CAREaboutEnergy*