

Proposed Pathways for the Cap-and-Trade HIA

CAT Public Health Workgroup Meeting
December 17, 2009

California Department of Public Health



Meeting Objectives

- Overview of Cap-and-Trade Proposed Draft Regulation
- Overview of initial thoughts on scope, pathways, and research questions for HIA
- Discussion of HIA questions
- Record stakeholder comments/recommendations



Health Impact Assessment (HIA)

1. Screening
2. Scoping
3. Analysis
 - Profile existing baseline conditions
 - Impact analysis
 - Identification of cap-and-trade policy levers to maximize positive health outcomes
4. Reporting
5. Monitoring

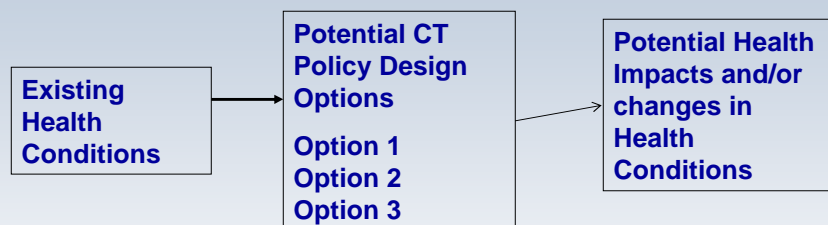
Today's Questions

- Is the proposed scope reasonable and feasible?
 - Should we include all covered sectors or limit to stationary large emitters?
 - How to deal with climate change health impacts?
- What about the draft health pathways?
 - Additional pathways?
 - Pathways that seem less important?
- What about the draft research questions?
 - Additional research questions?
 - Research questions that seem less important?

What Health Impacts to Include?

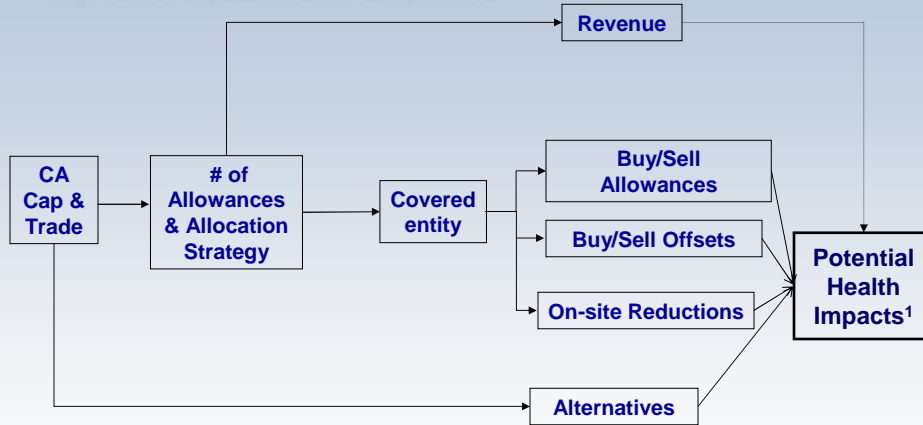
- Examples identified through literature review and expert consultation
- Examples of health impacts:
 - Air pollution (criteria air pollutants, toxics), land use and related health impacts, ecological impacts, traffic, employment, noise, economic impacts, heat, etc.
- Final non-air related impacts to include will be based on:
 - Impacts of highest public health significance

Health Impact Assessment: Proposed Cap-and-Trade Program



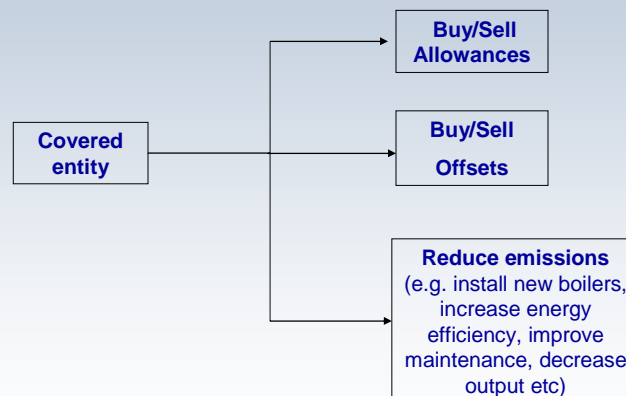
Proposed HIA focuses on the potential impacts of the proposed Cap-and-Trade program design on the health of people in California, through multiple pathways, with particular attention to vulnerable and already impacted communities.

Big Picture: Cap & Trade HIA Components

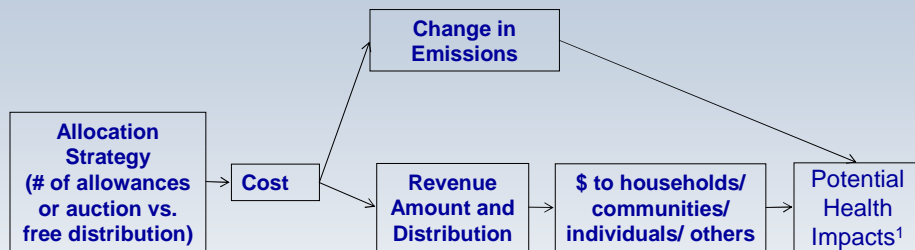


¹Potential health impacts can be positive, negative or neutral

Choices Available to a Covered Entity

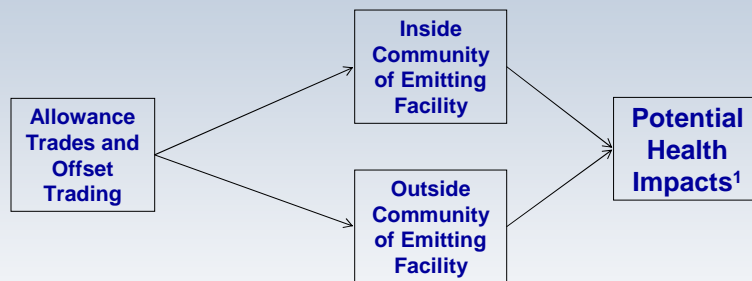


Allowance Allocation Strategy



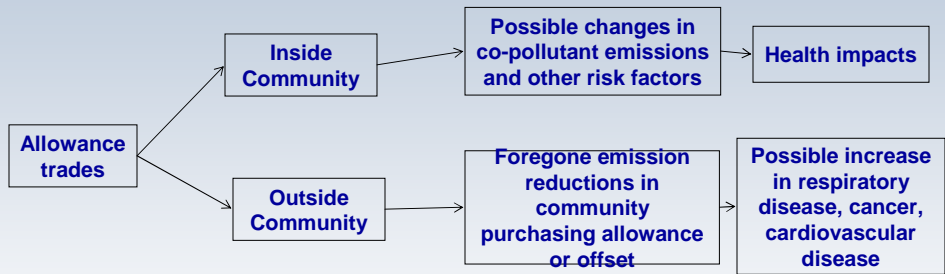
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Allowance & Offset Trading

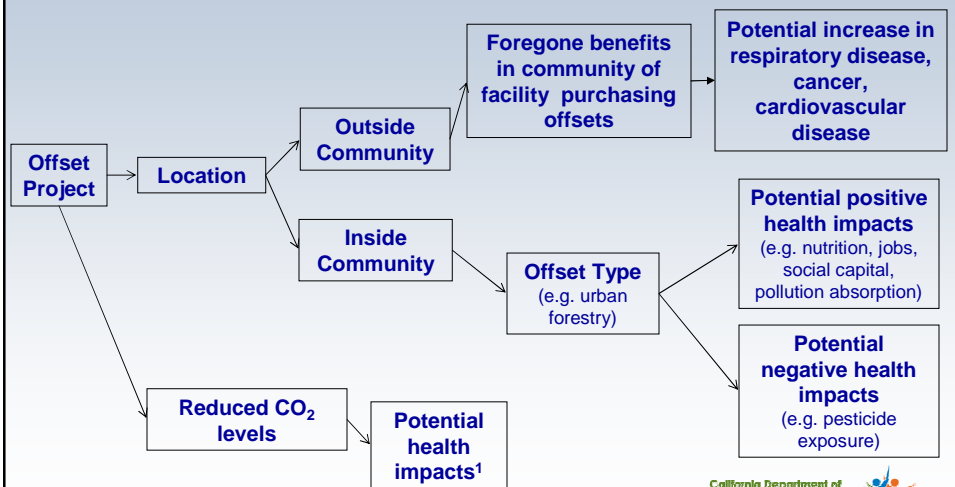


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Example: Allowance Trading

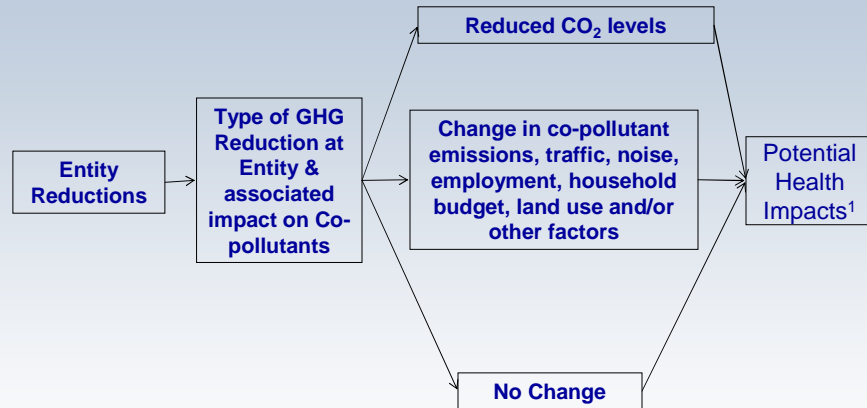


Example: Offset Trading



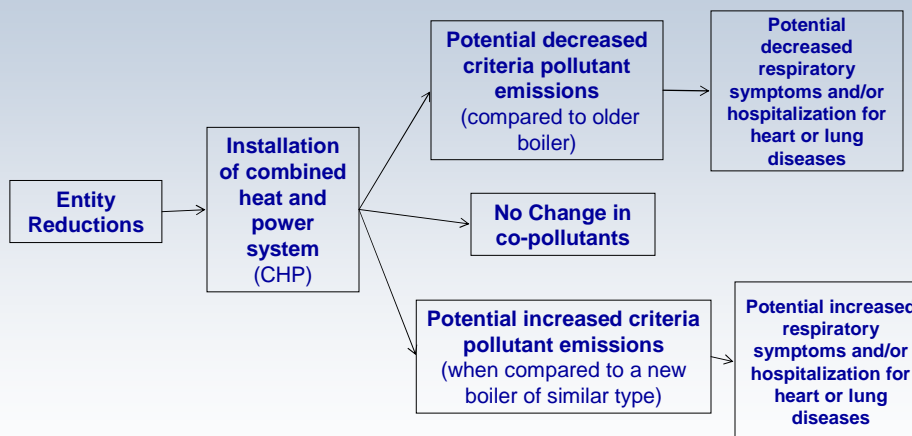
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Entity Reductions



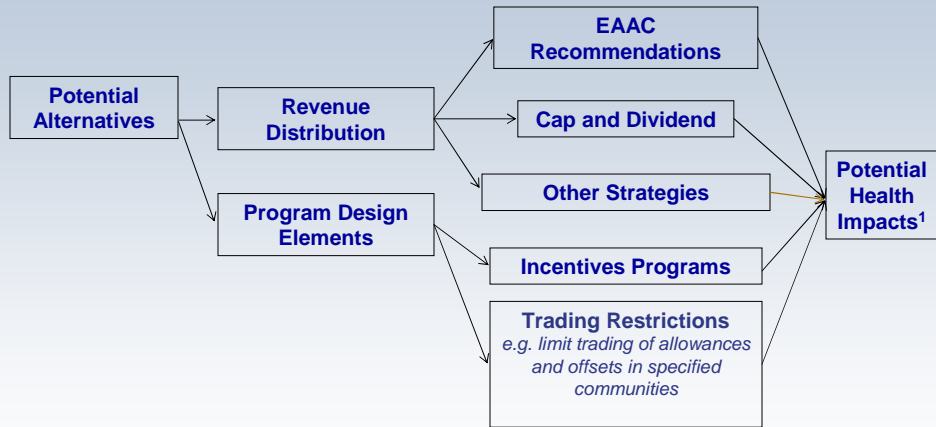
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Example: Entity Reductions



Alternatives

**not applicable to the C&T baseline scenario*



¹Potential health impacts can be positive, negative or neutral

Cap & Trade HIA Questions

Revenue

- How much revenue will there be?
- How can the revenue be used?
e.g. tax rebate, community development
- How will the revenue be distributed? *e.g., how much will go to impacted communities? Will revenue go to all communities in CA?*
- For each use of revenue (with associated amounts and locations), what are the health impacts?
e.g. building a park may lead to PA
- Will different pricing strategies lead to different reductions in emissions? If so, what are the associated health impacts?

Cap & Trade HIA Questions Trading Allowances

- How many allowances can be traded?
- Are trades restricted according to some criteria? e.g., community impact, amount of emissions. What are the likely scenarios for who will trade and where? What are the health impacts of restricting trades based on community or facility characteristics?
- If an allowance is traded out of a community, what are the foregone changes (e.g., AQ, traffic, noise, employment, household budget, etc.) that lead to health impacts? What are the health impacts of each change?
- If an allowance is traded into a community, what are the benefits (e.g., AQ, traffic, noise, employment, household budget, etc.) that lead to health impacts? What are the health impacts of each change?

Cap & Trade HIA Questions Offsets

- How many offsets are allowed? And therefore how much emissions will be reduced?
- What is the impact of not reducing co-pollutants?
- What are the types of offsets?
e.g. urban forestry, forestry, livestock
- Where can offsets be used?
- For each type/location what are the health impacts of the offset?
e.g urban forestry:
 - positive health impact may be PA, job
 - negative health impacts may be pesticide exposure, allergies

Cap & Trade HIA Questions

Entity reductions

- How much will emitters reduce emissions?
- What are the health impacts (long range) of reducing emissions as a result of reduced global warming?
- What are the options for reducing emissions by type of covered entity?
e.g. combined heat and power (CHP)
- How will co-pollutants change?
- What are the health impacts of changes in co-pollutants?
- What are other changes that will result from emission reduction technologies? e.g., traffic, noise, employment, household budget, land use, etc.? What are the health impacts of those changes?