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California Air Resources Board

Improved Program Measurement Would Help California Work More Strategically to Meet Its Climate Change Goals

Background

Over the past 15 years, California has enacted laws and directives and set ambitious goals intended to reduce greenhouse gas (GHG) emissions—the primary source of air pollution linked to climate change. The California Air Resources Board (CARB) is at the forefront of the State's climate change goals, which will require the State to reduce GHG emissions by more than 40 percent over the next decade. Among the major sources of GHGs are emissions produced by various transportation sectors, which include passenger vehicles, heavy-duty trucks, buses, and freight. CARB has set forth key objectives—such as increasing the number of zero-emission vehicles (ZEVs)—for reducing GHG emissions from transportation sources, and it has used some of its more than $2 billion allocated from the State's Greenhouse Gas Reduction Fund (cap-and-trade fund) to implement both regulatory and incentive programs that contribute to meeting those objectives.

Key Recommendations

To best help the State achieve its GHG emission reduction goals, CARB should improve its ability to measure and demonstrate its programs' effectiveness by doing the following:

- By February 2022, establish a process to formally identify the overlap between its incentive programs and other programs that share the same objectives and develop metrics to demonstrate the socioeconomic benefits that result from each of the incentive programs.
- By August 2021, develop a method to define, collect, and evaluate data on the behavioral changes that result from each of its incentive programs.
- Refine in its annual reports to the Legislature its GHG emission reductions estimates for incentive programs and the funding plans its board approved.
- Make funding and program design recommendations based on which programs produce socioeconomic benefits and at what cost.

Key Findings

- Although it is reasonable to have both regulatory and incentive programs that aim to achieve the same objective, CARB has not done enough to measure and, thus has overstated, the GHG emissions reductions its individual transportation programs and incentive programs achieve.
  - » It does not formally acknowledge the potential overlap with regulatory programs, nor does it account for that overlap in its incentive programs and regulatory programs.
  - » It does not collect and measure data for passenger and heavy duty vehicles in a way that allows it to assess the extent to which clean vehicle manufacturing and sales—and therefore GHG emission reductions—exceed the reductions that its regulatory programs require.
  - » It has not determined the effects its incentive programs have on consumers' behavior and thus, does not know how often many of its incentive payments influence consumers to purchase a cleaner vehicle than they otherwise would have purchased.
- Although required to use its cap-and-trade funds to maximize economic benefits and foster job creation to environmentally disadvantaged and low- and moderate- income communities, CARB has done little to measure the specific benefits.
- CARB has been slow to measure the jobs its programs create or support, and it has done little to measure the benefits of the job-training despite explicit funding guidelines that require programs to report outcomes of training.