



# **Evaluating Greenhouse Gas Emissions as Part of California's Environmental Review Process: A Local Official's Guide**

**September 2011**

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## **Acknowledgments**

Special thanks to the following individual whose expertise contributed to this publication:

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The Institute also thanks these individuals who served as peer reviewers for this publication:

- Charity Shiller and Fernando Avila, Best, Best and Krieger
- Betsy Strauss, Attorney at Law
- Daniel Doportto, Jarvis, Fay, Doportto & Gibson, LLP
- Kathleen Faubion and Tim Cremin, MeyersNave
- Thomas Jex and Matthew Visick, Burke, Williams & Sorensen, LLP
- Bruce Rich and Tiffany Batac, Parsons Brinckerhoff
- Jesse Langley, Southern California Edison
- Chris Stephens, County of Ventura
- Heidi Von Blum and Keith Bauerle, City of San Diego
- Pete Parkinson, County of Sonoma
- Cecilia Aguiar-Curry, City of Winters
- Owen Newcomer, City of Whittier
- Ginger Coleman, Town of Apple Valley



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ATTORNEYS AT LAW

*The Institute thanks the law firm of Best Best & Krieger for its technical and generous financial support in preparing this guide.*

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## Table of Contents

<b>I. Introduction</b>	<b>1</b>
A. About This Guide	1
B. Overview of Key CEQA Requirements Related to Greenhouse Gas Emissions	2
a. Analyze of a Project’s Greenhouse Gas Emissions	2
b. Require Mitigation if a Project’s Greenhouse Gas Impact Is Significant	3
c. Consider a Long-Range Plan for the Reduction of Greenhouse Gas Emissions and Streamlining of Analysis for Individual Projects	3
<b>II. Analyzing a Project’s Greenhouse Gas Impacts</b>	<b>4</b>
A. Determining if A Project’s Greenhouse Gas Emissions are Significant	4
Step 1: Estimating or Calculating Greenhouse Gas Emissions from the Project	5
Step 2: Factors to Consider in Determining the Significance of Greenhouse Gas Emissions	5
Factor 1: Does the Project Increase or Decrease Greenhouse Gas Emissions?	6
Factor 2: Is an Applicable Threshold of Significance Available?	6
Factor 3: Is the Project Consistent with Applicable Regulations or Plans?	7
<b>III. Mitigation Measures to Address Impacts of Greenhouse Gas Emissions</b>	<b>9</b>
A. Key Factors in Selecting Mitigation Measures to Reduce Greenhouse Gas Emissions to Below Levels of Significance	9
B. Types of Measures to Mitigate Greenhouse Gas Emissions from a Project	9
1. Measures Identified in an Existing Plan or Program	10
2. Project Design Features	10
3. Off-Site Mitigation Measures	10
4. Storing Greenhouse Gas Emissions (Carbon Sequestration)	11
5. Mitigation Measures Implemented on a Project-Specific Basis	11
C. Two Additional Considerations When Selecting Mitigation Measures	12
D. Using a Statement of Overriding Considerations	12

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<b>IV. The Importance of Long-Range Planning</b> .....	<b>13</b>
A. Overview .....	13
B. Using Climate Action Plans.....	13
1. Planning Ahead to Make Sure Climate Action Plans Meet CEQA Requirements.....	13
a. Quantify Greenhouse Gas Emissions in the Plan Area.....	13
b. Determine the Level of Emissions from Plan Activities that Would Not be Considered Significant.....	14
c. Estimate Greenhouse Gas Emissions from Plan Activities .....	14
d. Identify Specific Measures to Reduce Emissions to Below the Anticipated Level.....	14
e. Include Provisions for Monitoring and Amendments if Necessary ....	14
f. Adopt Plan Using a Public Process Following Environmental Review .....	15
2. Streamlining the Analysis for a Project that Complies with a Qualified Climate Action Plan.....	15
C. Specific Streamlining Opportunities for Transit Priority Projects .....	16
1. General Eligibility for Streamlined Review.....	16
2. Eligibility for Complete Exemption.....	16
3. Eligibility for Partial Exemption.....	17
<b>V. Additional Considerations for Evaluating Greenhouse Gas Emissions</b> .....	<b>19</b>
A. Overview of the CEQA Checklist (Appendix G).....	19
B. Analysis of Energy Impacts (Appendix F) .....	19
<b>VI. Conclusion</b> .....	<b>20</b>
<b>Appendix A. Understanding CEQA through the CEQA Guidelines</b> ....	<b>21</b>
<b>Appendix B. Text of Selected Sections of CEQA Guidelines Related to Considering the Impacts of a Project’s Greenhouse Gas Emissions</b> .....	<b>24</b>
<b>Appendix C. Resources to Learn More</b> .....	<b>30</b>
<b>Endnotes</b> .....	<b>32</b>

## I. Introduction

### A. About this Guide

This guide explains how to analyze the greenhouse gas emissions from a project and adopt mitigation measures as of the part environmental analyses that state and local agencies prepare under the California Environmental Quality Act (often referred to by the acronym “CEQA” – pronounced “See-qwa”). Following adoption of an executive order by the Governor in 2005 and enactment of legislation setting near- and long-term goals for reducing statewide greenhouse gas emissions,<sup>1</sup> the California Resources Agency and the Governor’s Office of Planning and Research amended the CEQA Guidelines to include guidance about how to analyze and mitigate greenhouse gas emissions as part of the CEQA process. The CEQA Guidelines<sup>2</sup> are regulations that provide an orderly process for environmental review of projects.<sup>3</sup>

This guide, “Evaluating Greenhouse Gas Emissions as part of California’s Environmental Review Process” provides information for the busy local official audience and others seeking a plain language explanation of requirements to analyze greenhouse gas emissions as part of CEQA. It includes endnotes for those who want more detailed information or references to the law. A key goal of the Institute is to translate complex and technical concepts into understandable terms. In the course of so doing, certain technical and legal nuances may be omitted. Thus, the materials in this guide should not be relied on as complete statements of the concepts described and these materials are not legal advice. In addition, the law can and does change over time. Officials are encouraged to consult with staff and other technical experts for up-to-date information and guidance on how the concepts in this guide apply in specific situations.

The guide specifically covers:

- Analyzing the greenhouse gas impacts of a project.
- Identifying measures to mitigate the impacts of a project on the environment by reducing the project’s greenhouse gas emissions.
- Streamlining the CEQA analysis using an appropriate plan that mitigates greenhouse gas emissions on a programmatic level.

The guide also includes three appendices that provide:

- An overview to understand CEQA.
- The text of key sections of the CEQA Guidelines that address greenhouse gas emissions and climate change.
- Resources to learn more.

## What are Greenhouse Gas Emissions

Greenhouse gases are gases that cause and contribute to climate change. "Greenhouse gas" is a term that refers to all of the following types of gases: carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.<sup>4</sup> Greenhouse gases vary in their potency (or potential to cause climate change) and are often measured in tons or million metric tons of carbon dioxide equivalents. Transportation is the largest source of California's greenhouse gas emissions, followed by electricity generation and natural gas used in buildings.<sup>5</sup>

## Understanding CEQA

For those less familiar with how CEQA works, Appendix A provides an overview. Another resource to understand CEQA is the Institute's publication, "Understanding the Basics of Land Use Planning" (pages 31-36) available at: [www.ca-ilg.org/planningguide](http://www.ca-ilg.org/planningguide).

## B. Overview of Key CEQA Requirements Related to Greenhouse Gas Emissions

The environmental review process<sup>6</sup> begins with an Initial Study prepared by the local or state agency to determine whether the project may have a significant effect on the environment. If there is substantial evidence indicating that a project *may* cause such an effect, the lead agency must prepare an environmental impact report (EIR) to further study that impact and to identify any feasible mitigation and project alternatives.<sup>7</sup>

If, on the other hand, the Initial Study demonstrates that there is no possibility that the project would cause a significant environmental impact, the lead agency can prepare a Negative Declaration. If the Initial Study finds that an impact on the environment could be significant, but that changes in the project would reduce all such impacts to a level that is clearly less than significant, the lead agency may adopt a Mitigated Negative Declaration.

The concepts and requirements related to the analysis and mitigation of greenhouse gas emissions apply to all environmental documents, including EIRs, Mitigated Negative Declarations and Negative Declarations. For simplicity, however, this guide refers primarily to EIRs. Additional description of this general CEQA process is provided in Appendix A in this guide.

### a. Analyze a Project's Greenhouse Gas Emissions

As part of the environmental review process, local agencies must investigate project-related sources and the amounts of greenhouse gas emissions and then determine whether those emissions cause a significant impact on the environment.<sup>8</sup> The CEQA Guidelines do not establish a statewide threshold of significance for greenhouse gas emissions – that is, a specific level of emissions that would normally be considered significant (i.e., harmful to the

environment).

### **b. Require Mitigation if a Project's Greenhouse Gas Impact Is Significant**

If a project's greenhouse gas emissions have a significant impact on the environment, then the local agency must consider measures to mitigate this impact.<sup>9</sup> Local agencies have discretion to determine the most appropriate and feasible types of mitigation measures provided they comply with CEQA and the determination that the mitigation measure will mitigate the impact is supported by substantial evidence.

### **c. Consider a Long-Range Plan for the Reduction of Greenhouse Gas Emissions and Streamlining of Analysis for Individual Projects**

Local agencies may develop broad, long-range solutions in program-level plans such as general plans and climate action plans to address greenhouse gas emissions. Local agencies that prepare coordinated, long-range plans for the reduction of greenhouse gas emissions may streamline the analysis and provide certainty in the mitigation requirements for later individual projects.<sup>10</sup>

#### **Key Things to Remember About Analyzing Greenhouse Gas Emissions as Part of CEQA**

- Analysis of greenhouse gas impacts are part of the traditional CEQA framework and all traditional CEQA principles apply.<sup>11</sup>
- CEQA requires a local agency to evaluate the significance of greenhouse gas emissions on the environment as part of the environmental review process. If the project's greenhouse gas emissions might be significant, an EIR (or Mitigated Negative Declaration) must be prepared.
- If the greenhouse gas emissions from the project itself will not be significant, an EIR must nevertheless be prepared if the greenhouse emissions from the project, combined with the greenhouse emissions from other projects, will have a significant impact. This is called a "cumulatively considerable" impact.<sup>12</sup>
- If the project will comply with a previously adopted long-range plan for mitigating the impacts of greenhouse gas emissions that meets specified requirements, then CEQA says that the project will not have a "cumulatively considerable" impact, and EIR need not be prepared.<sup>13</sup>

## II. Analyzing a Project's Greenhouse Gas Impacts

A public agency's consideration of a project's greenhouse gas emissions impacts follow the traditional environmental review procedures. Specific procedures that apply in the context of the analysis and mitigation of greenhouse gas emissions are described below.

### A. Determining if A Project's Greenhouse Gas Emissions are Significant

Local agencies must follow several steps to determine whether a project's impact on the environment is significant. The determination of whether a project's greenhouse gas emissions are significant involves a two-step process.

- First the agency must calculate or estimate the overall magnitude of the project's emissions from direct and indirect sources of greenhouse gases.
- Second, the agency must consider several factors to determine whether those emission levels are significant.

#### What Does Significant Impact Mean?

In a CEQA analysis, significant impact refers to a substantial adverse change in the environment that is caused by a project. The CEQA Guidelines define "significant effect on the environment" as "a substantial, or potentially substantial, adverse change in any of the physical conditions within the area affected by the project, including land, air, water, minerals, flora, fauna, ambient noise, and objects of historic or aesthetic significance."<sup>14</sup>

Agencies sometimes rely on a concept called "threshold of significance" to determine whether or not a project's impact is "significant." Simply put, a threshold of significance generally creates a dividing line that can help in determining significance: above the line, the impact is normally considered significant and below the line an impact is normally considered to be less-than-significant

Several regional air districts have developed numeric "thresholds of significance" for greenhouse gas emissions. A local agency may adopt other agencies' thresholds of significance as long as the threshold used is supported by substantial evidence.

While the impact of a single project's emissions may not be significant, the cumulative impact of many projects may be significant.<sup>15</sup>



## **Step 1: Estimating Greenhouse Gas Emissions from the Project**

The first step in deciding whether a project's greenhouse gas emissions are significant is to estimate the amount of emissions that the project would create. Depending on the nature of the project, a lead agency may choose either a qualitative or quantitative approach, or a combination of both, as appropriate.<sup>16</sup> It is possible to quantify emissions from many types of projects using the same models and techniques commonly used to quantify other air pollutants.<sup>17</sup> Quantifying emissions helps the lead agency and public understand what the project's sources of emissions are and how they can be mitigated.<sup>18</sup> Regardless of which approach is chosen, it must reflect the lead agency's "careful judgment" and "good faith effort" to identify greenhouse gas emissions resulting from the project.<sup>19</sup>

Where quantification is not possible, a lead agency also may perform a qualitative evaluation.<sup>20</sup> Though not as precise as quantification, qualitative analyses must be based on "scientific and factual data."<sup>21</sup> In providing background commentary related to the provisions of the CEQA Guidelines related to analyzing the greenhouse gas emissions impacts from a project, the Natural Resources Agency's Statement of Reasons provided two examples of when a quantitative or a qualitative approach might be appropriate. A qualitative analysis might be appropriate for a small habitat restoration project, for example, while emissions from a large commercial development should be quantified.<sup>22</sup>

Besides quantitative and qualitative evaluations, a local agency may also use performance standards to assess a project's impact by examining certain project characteristics rather than directly calculating a project's greenhouse gas emissions.<sup>23</sup>

When relying on any form of analysis, all emissions from a project must be addressed. For example, an office building that meets established green building standards will have fewer emissions from energy use, but the greenhouse gas emissions associated with the individuals traveling to and from the building would remain unchanged.

Again, the purpose of using a quantitative or a qualitative analysis is to estimate the magnitude of a project's greenhouse gas emissions so that the agency can (1) make a determination of significance; and (2) if the impacts are significant, develop appropriate mitigation measures.

## **Step 2: Factors to Consider in Determining the Significance of Greenhouse Gas Emissions**

Once a proposed project's emissions have been estimated or calculated, the lead agency must then determine whether the level of greenhouse gas emissions will have a significant effect on the environment. An agency should consider three factors, among others.<sup>24</sup>

Factor 1. Does the project increase or decrease greenhouse gas emissions?

Factor 2. Does the project exceed an applicable threshold of significance?

Factor 3. Does the project comply with applicable regulations, plans or policies that reduce greenhouse gas emissions?

The environmental review should address each of the three factors<sup>25</sup> and other factors may also be appropriate given the project's nature. The three factors are discussed below.

### **Factor 1: Does the Project Increase or Decrease Greenhouse Gas Emissions?**

A primary question in an analysis of greenhouse gas emissions is whether the project will increase or decrease emissions compared to the existing environmental setting (that is, the environmental baseline)<sup>26</sup> and whether or not the increase is significant.<sup>27</sup> A lead agency must examine *all* greenhouse gas emissions from a project, including direct emissions (such as construction equipment used in building the project) and indirect emissions (such as vehicle trips that the project will generate once it's built).<sup>28</sup>

Two examples illustrate the concept of a change in net greenhouse gas emissions.

#### **Example 1: Power Plant Retrofit**

A project to replace two old boilers with one more efficient may still result in emissions; however, those emissions may be lower than the existing baseline.

#### **Example 2: Energy-Efficient Housing**

A residential housing project that exceeds the state's energy efficiency standards may be very energy efficient, but unless the new housing is replacing existing housing, the project could still cause a net increase in greenhouse gas emissions.

### **Factor 2: Does the Project Exceed an Applicable Threshold of Significance?**

Local agencies must ask whether a project's emissions exceed "a threshold of significance that the lead agency determines applies to the project."<sup>29</sup> Even if an agency has not adopted its own threshold, it may, at its discretion, look to other agencies' determinations.<sup>30</sup> For example, several air districts have adopted their own thresholds of significance that may be appropriate for consideration.<sup>31</sup> However, local agencies should avoid suggestions to use a threshold that is *least* likely to result in a finding that a project's emissions are significant. This is because if there is substantial evidence that a project's environmental impact may be significant, despite compliance with a threshold, an environmental impact report must be prepared.<sup>32</sup>

### What Does “Substantial Evidence” Mean?

Many of the decisions related to CEQA analyses are based upon a standard that requires the agency's decision to be based upon “substantial evidence.” Substantial evidence is a legal term that generally means information in the entire record before a lead agency, not bare conclusions or assumptions that are purely hypothetical, speculative or based upon conjecture.

As used in the CEQA Guidelines, substantial evidence means “enough relevant information and reasonable inferences from the information provided that a fair argument can be made to support a conclusion, even though other conclusions might also be reached. Whether a fair argument can be made that the project may have a significant effect on the environment is to be determined by examining the whole record before the lead agency. Argument, speculation, unsubstantiated opinion or narrative, evidence which is clearly erroneous or inaccurate, or evidence of social or economic impacts which do not contribute to or are not caused by physical impacts on the environment does not constitute substantial evidence.”<sup>33</sup>

### Factor 3: Does the Project Comply with Applicable Regulations, Plans or Policies?

The last factor that must be considered is whether the project complies with regulations or requirements (such as a plan or policy adopted for the purpose of reducing greenhouse gas emissions). For example, a project might comply with regulations implementing California's climate change laws, such as those related to management of solid waste landfills to reduce greenhouse gas emissions. Another point of reference could be policies, such as those in a local climate action plan, to reduce greenhouse gas emissions at the local level. The regulation or requirement must address the type and extent of emissions resulting from the project, and must include binding requirements that will result in actual reductions in greenhouse gas emissions.

Importantly, the regulation or requirement itself, such as a binding policies in a climate action plan, must have been subject to environmental review. (A more detailed discussion of the elements required by the CEQA Guidelines for using a climate action plan to determine if a project's impacts are significant is provided in Section IV on page 13.) It is important to remember, however, that compliance with regulations or requirements is just one factor to use in determining significance. If the Initial Study, which is the study conducted to determine whether a project's environmental impacts are significant, demonstrates that there is substantial evidence that an impact may be significant, despite compliance with the regulation or requirement, an environmental impact report still must be prepared.<sup>34</sup>

## Summary: Determining Significance

Determining the significance of a project's greenhouse gas emissions involves careful judgment based on scientific and factual data. To help agencies make that judgment, the CEQA Guidelines create a two-step process.

1. An agency must calculate or estimate the project's greenhouse gas emissions.
2. Once emissions have been estimated, an agency must consider at least three factors in determining whether the emissions are significant. These include
  - ✓ Whether the project will cause a net increase in emissions;
  - ✓ Whether the project's emissions will comply with any applicable threshold of significance; and
  - ✓ Whether the project will be consistent or inconsistent with plans, policies or rules regulating greenhouse gas emissions.

### **III. Mitigation Measures to Address Impacts of Greenhouse Gas Emissions<sup>35</sup>**

As discussed in previous sections, if the Initial Study conducted by the lead local agency determines that a project's greenhouse gas emissions may be "significant", the agency must prepare either a mitigated negative declaration<sup>36</sup> or an Environmental Impact Report (also known as an EIR).<sup>37</sup> A mitigated negative declaration is appropriate if revisions can be made to the project that would clearly avoid or mitigate the significant impacts.<sup>38</sup>

If an EIR is prepared and finds that a potential impact will be significant, the agency must adopt feasible mitigation measures to lessen the impact to a level of insignificance or avoid that impact.<sup>39</sup> If the agency cannot mitigate or avoid the impacts, the lead agency must adopt a "statement of overriding conditions"<sup>40</sup> in order to approve the project. (More about a statement of overriding considerations appears on page 12.)

#### **A. Key Factors in Selecting Mitigation Measures to Reduce Greenhouse Gas Emissions to Below Levels of Significance**

Key factors to remember in selecting any mitigation measures, regardless of whether they are used in a mitigated negative declaration or an Environmental Impact Report, include the following. These factors are consistent with traditional environmental review conducted under CEQA.

1. Lead agencies may choose the most appropriate form of mitigation for the project.
2. Substantial evidence must support the lead agency's determination that the mitigation measure will reduce impacts.
3. The mitigation measure must be feasible, enforceable, and subject to monitoring and reporting requirements.<sup>41</sup>

In addition to these factors, local agencies may use several additional categories of mitigation measures that may be appropriate to lessen or avoid greenhouse gas emissions. Public agencies may also consider mitigation measures that are not specifically listed in the CEQA Guidelines.<sup>42</sup>

#### **B. Types of Measures to Consider to Mitigate Greenhouse Gas Emissions from a Project**

The three factors in selecting mitigation measures described above (the lead agency may choose the mitigation measure, it must be supported by substantial evidence, and it is feasible, enforceable and capable of being monitored) should be kept in mind when considering and selecting mitigation measures for greenhouse gas emissions from a project. The following suggests five general types of mitigation measures related to greenhouse gas emissions that may be considered by local agencies and are included in the CEQA Guidelines.

## **1. Measures Identified in an Existing Plan or Program<sup>43</sup>**

The first category of mitigation measures are those measures that were previously identified in an existing plan (such as a climate action plan) or program to reduce greenhouse gas emissions. Thus, if the hard work of figuring out how to reduce greenhouse gas emissions on a local level has already been done, the first place to look for mitigation could be in an existing plan or program, such as a general plan that includes policies designed to reduce greenhouse gas emissions.

For example, such a plan might require that all new construction in the jurisdiction must exceed California's energy efficiency standards (also known as Title 24<sup>44</sup>) by 20 percent. The plan imposes that requirement on an individual project and the lead agency may consider it as a greenhouse gas mitigation measure. As discussed later on page 13, a qualified climate action plan or greenhouse gas reduction plan must include binding measures designed to reduce emissions to a target reduction level<sup>45</sup> to be used in a CEQA analysis.

## **2. Project Design Features<sup>46</sup>**

The second category of mitigation measures consists of changes in a project to reduce its greenhouse gas emissions. Such reductions may be possible through changes in project design and project features. For example, agencies might encourage project proponents to design the project to include transit facilities or require inclusion of bicycle and walking paths in the design, or that the development take advantage of sun or shade or incorporate energy- and water-efficient elements into the design.<sup>47</sup> Incorporating solar photovoltaic systems as part of the project and planting significant numbers of trees are other on-site features that could mitigate greenhouse gas emissions from the project.

## **3. Off-Site Mitigation Measures<sup>48</sup>**

The third category of mitigation measures includes measures done at a different location from the project, or "off-site." That is, if the project itself cannot be changed to reduce emissions, a lead agency might consider ways to reduce greenhouse gas emissions that occur elsewhere. Examples of off-site mitigation measures might include community energy retrofit programs, or a program to plant a significant number of trees in the community.

Off-site mitigation measures may also include purchase of greenhouse gas emission offsets as part of an emissions trading system, such as an emissions cap and trade system.<sup>49</sup> The term "offset" generally refers to a reduction in emissions achieved in order to compensate for new emissions elsewhere, usually related to a program or contract. Development of carbon based offset programs (so-called cap and trade programs) is ongoing.

When evaluating including a carbon offset as a mitigation measure, local agencies should carefully review the most recent procedures adopted by state or federal agencies for that particular type of offset. Further, when considering using carbon dioxide offsets as a mitigation measure, local officials should be aware of the requirement that the offsets "not [be] otherwise

required”.<sup>50</sup> This means those using the offset may not take mitigation credit under CEQA for greenhouse emission reductions that result from meeting requirements in existing law or that would occur with or without the mitigation measure imposed. For example, methane emissions from a landfill that are captured and used to generate electricity could not be used to obtain greenhouse gas emissions offsets if the methane capture project was done to comply with existing law related to air quality and landfill operations. It could only be eligible as a carbon offset if the activity went beyond what is already required in law.

The key for local agencies using off-site mitigation measures is to document the anticipated reduction in greenhouse gas emissions or carbon offsets with substantial evidence and to ensure that the reductions are, in fact, real and enforceable. Careful attention to monitoring requirements and contingency plans may be appropriate.

#### **4. Storing Greenhouse Gas Emissions (Carbon Sequestration)<sup>51</sup>**

The fourth category of mitigation measures consists of storing greenhouse gas emissions, also known as carbon sequestration. The terms “sequestration” and “carbon storage” refer to the process of removing carbon dioxide from the atmosphere and storing it in a “carbon sink” which generally are soils, oceans or plants. Carbon sinks store more carbon than they release.<sup>52</sup> For example, since trees absorb and store one type of greenhouse gas, carbon dioxide, forestry is recognized as a method of carbon storage or sequestration.<sup>53</sup>

Even if a project results in a net increase in emissions, those emissions might be partially offset or mitigated through sequestration. However, because carbon sequestration technology and regulatory measurement procedures are still under development, including whether the sequestration must occur in California or not, a lead agency should carefully document its reasons and evidence supporting reliance on such technology if it is used in a CEQA analysis.

#### **5. Plan-Level Mitigation Measures to be Implemented on a Project-Specific Basis<sup>54</sup>**

If the project under consideration is a planning level document, mitigation could include the identification of policies and requirements that will be implemented on a project-by-project basis. For example, a general plan could require new housing developments to exceed existing requirements for energy and water use efficiency or to include solar photovoltaic systems. The general plan could also require new housing developments to include “complete streets”. Complete streets are streets designed to accommodate all modes state travel and enable safe access for all users. Pedestrians, bicyclists, motorists and bus riders of all ages and ability are able to safely move along and across a complete street.<sup>55</sup> All of these could be considered as project specific mitigation measures.

## C. Two Additional Considerations When Selecting Mitigation Measures

Consistent with traditional CEQA procedures, local agencies should be aware of two additional issues when considering mitigation measures to reduce greenhouse gas emissions.

1. A valid mitigation measure must be precisely formulated and capable of implementation when it is included in the environmental document. Deferring development or design of greenhouse gas mitigation measures until after project approval does not comply with CEQA.<sup>56</sup>
2. Local agencies should carefully document the greenhouse gas emissions reductions expected from implementing the proposed mitigation measure.<sup>57</sup>

## D. Using a Statement of Overriding Considerations<sup>58</sup>

If a project will cause significant impacts that cannot be mitigated to a less than significant level, a lead agency may still approve the project, but only after adopting a statement of overriding considerations.<sup>59</sup> A statement of overriding considerations contains the lead agency's reasons for approving a project with significant impact because the local agency determines that the benefits of the project outweigh its adverse environmental impacts. This option is available if an environmental impact report is prepared.

For example, local agencies may consider a project's region-wide or statewide environmental benefits to justify adoption of a statement of overriding conditions.<sup>60</sup> This might include an infill project that generates traffic, but nevertheless results in a regional reduction of greenhouse gas emissions while providing affordable housing. A statement of overriding considerations may be necessary even for projects that have environmental benefits if the project would otherwise also have significant impacts. Local agencies also have the authority to consider such environmental benefits in making a statement of overriding considerations. Because a statement of overriding considerations must be supported by substantial evidence,<sup>61</sup> an agency relying on environmental benefits must point to the evidence to demonstrate the benefit.

### Summary: Mitigation of Greenhouse Gas Emissions

Local agencies may use several categories of measures that may be appropriate for mitigating greenhouse gas emissions. Those categories include incorporating measures from a plan into a project, altering project design to reduce emissions, implementing off-site measures to reduce emissions elsewhere, capturing and storing emissions, and, if the project itself is a plan or policy, identifying measures that will be implemented on a project level.



## IV. The Importance of Long-Range Planning

### A. Overview

As described in Section II above, for each project under review, an agency is generally required to estimate greenhouse gas emissions, evaluate those emissions in light of several specific factors, and determine appropriate mitigation for that project. Agencies may skip those steps, however, if the project complies with a plan (such as a climate action plan), referred to in the CEQA Guidelines as “Plans for the Reduction of Greenhouse Gas Emissions.”<sup>62</sup> Such a plan analyzes and mitigates greenhouse gas emissions on a broader level. In order to use a climate action plan as part of a CEQA analysis, the plan must satisfy a set of criteria listed in the CEQA Guidelines. Those criteria are described below

### B. Using Climate Action Plans

Climate action plans analyze and mitigate greenhouse gas emissions on a broader level.<sup>63</sup> When relying on such a plan as part of the CEQA analysis, the local agency should explain how implementing the particular requirements in the plan ensure that the project's incremental contribution to the cumulative effect is not cumulatively considerable.<sup>64</sup> In order to use a climate action plan as part of a CEQA analysis, the plan must satisfy a set of criteria listed in the CEQA Guidelines.<sup>65</sup> Those criteria are described below.

#### 1. Planning Ahead to Make Sure Climate Action Plans Meet CEQA's Requirements

Many local agencies prepare climate action plans to lay out a strategy to reduce greenhouse gas emissions. In order to be used in a CEQA analysis, a climate action plan must satisfy five criteria<sup>66</sup> and follow CEQA's existing public review process.<sup>67</sup> A climate action plan must:

- a) Quantify greenhouse gas emissions in the plan area.<sup>68</sup>
- b) Determine the levels below which greenhouse gas emissions from plan activities would not be considered significant.<sup>69</sup>
- c) Estimate future greenhouse gas emissions from plan activities.<sup>70</sup>
- d) Identify specific measures to reduce emissions to below the estimated level.<sup>71</sup>
- e) Include provisions for monitoring and making any necessary amendments.<sup>72</sup>
- f) Be adopted a public process following environmental review.<sup>73</sup>

##### a. Quantify Existing Greenhouse Gas Emissions in the Plan Area<sup>74</sup>

The first criterion is quantification of existing and future emissions from within the plan area. A city, for example, would likely quantify existing and projected emissions within its city limits and a county within the unincorporated area of the county. This quantification establishes the

emissions “baseline” against which the reductions from the greenhouse reduction plan may be measured.

**b. Determine the Level of Emissions from Plan Activities that Would Not be Considered Significant<sup>75</sup>**

The second criterion is to determine the levels at which emissions from all future plan activities would not be considered significant. Since climate change results from the accumulation of greenhouse gases in the atmosphere over time, climate action plans often include not just one greenhouse gas emissions reduction target, but a series of reduction goals that show greater emissions reductions (and associated policies) over time.<sup>76</sup>

Determining reduction targets could present challenges similar to those of setting a numeric threshold of significance (which is a specific quantity at which an impact is considered significant). However, several possible approaches exist.<sup>77</sup> A lead agency has discretion to determine what targets are appropriate, based on the circumstances of the local community and in light of the overarching environmental objective.

**c. Estimate Future Greenhouse Gas Emissions from Plan Activities<sup>78</sup>**

In addition to quantifying existing emissions, the plan also needs to quantify anticipated emissions that could result from actions or categories of actions within the geographic area covered from the plan. The purpose of making this projection of future emissions is to determine whether future emissions would meet the reduction targets. The same methods used to determine baseline emissions can also be used to project out future emissions. Consistent with other types of analysis prepared under CEQA, some reasonable degree of forecasting will be required. Assumptions used to develop future emissions projections should be clearly stated and justified in the plan or technical materials supporting the plan.

**d. Identify Specific Measures to Achieve the Specified Emissions Levels<sup>79</sup>**

After determining the anticipated level of emissions, and projecting out future plan-related emissions, the agency should determine whether future emissions will exceed the plan's reduction targets. If so, the plan needs to identify specific measures that would reduce emissions to achieve the plan's targets.

Such measures could include adopting ordinances or other binding regulations to exceed existing energy efficiency standards required by state law, developing land use patterns to reduce automobile use, adopting energy efficiency retrofit programs, or devising other ways to reduce future greenhouse gas emissions from the project.

**e. Include Provisions for Monitoring and Making Necessary Amendments to Achieve Results<sup>80</sup>**

A qualified climate action plan should provide for monitoring to gauge plan performance at

regular intervals. This is necessary to ensure that the plan actually achieves the intended emissions reductions and provides a reliable basis for determining that individual project emissions are not significant (and thus not subject to additional environmental review for greenhouse gas emissions). The plan should also include provisions for amendment if monitoring reveals that adjustments will be necessary to achieve the reduction targets.

#### **f. Adopt Plan in a Public Process Following Environmental Review<sup>81</sup>**

Local officials should remember that the plan should be adopted in a public process following environmental review that is consistent with existing requirements in CEQA related to adopting plans in a public process. Because a plan that includes binding regulations or land use changes will likely fall within the definition of a “project” under CEQA<sup>82</sup>, some level of environmental review would likely be required.

### **2. Streamlining the Analysis for a Project that Complies with a Qualified Climate Action Plan**

In general, once a climate action plan meeting the criteria discussed above is in place (including the required environmental review of the plan), the greenhouse gas emissions from a project that is consistent with and complies with the requirements included in that plan will not be considered to cause a significant impact with regard to its greenhouse gas emissions.<sup>83</sup> In that case, the Initial Study for the project would: (a) demonstrate that the project is consistent with the plan, and (b) explain how implementing the plan reduces the environmental impact of the project.

#### **Summary: Using a Qualified Climate Action Plan**

The analysis of a project's greenhouse gas emissions can be simplified if a plan is in place that mitigates those emissions on a broad, programmatic level. Once a qualified climate action plan is in place, in many cases, the lead agency would not need to analyze the emissions of the project using the process described in Section II, or develop individual mitigation as described in Section III.

Instead, the lead agency would need to demonstrate that the project complies with the plan's requirements, and that the requirements actually address the project's greenhouse gas emissions. A plan creating that streamlined process must include emissions inventories and projections, set reduction targets, and specify measures to achieve those targets. The plan also must contain provisions for regular monitoring and for making any necessary revisions in order to stay on target, and must be adopted in a public process following environmental review.

## **Environmental Review Complete But Project Not Started: What if an Existing Environmental Impact Report Did Not Address Greenhouse Gas Emissions?**

What should be done if a project's original environmental review did not address greenhouse gas emissions? If the project requires additional discretionary approvals by state or local agencies<sup>84</sup> the same rules that apply to any other project subject to CEQA would apply to this situation.

CEQA provides that additional environmental review is required when a project would require additional discretionary approval and substantial changes are proposed in the project or new information becomes available.<sup>85</sup>

If the project requires further discretionary review and the original CEQA analysis did not address climate change or greenhouse gas emissions from the project, then additional consideration of the greenhouse gas impacts from the project may be appropriate.<sup>86</sup>

Consulting with the agency's attorney is critical in making the determination of whether additional review is necessary to consider greenhouse gas emissions.

### **C. Specific Streamlining Opportunities for Transit Priority Projects**

#### **1. General Eligibility for Streamlined Review<sup>87</sup>**

Under existing law, The Sustainable Communities and Climate Protection Act of 2008<sup>88</sup> (also known as SB 375), certain housing development projects with access to public transit are eligible for partial or full California Environmental Quality Act exemptions.<sup>89</sup> SB 375 refers to these projects as "transit priority projects" (sometimes referred to by the acronym TPPs).<sup>90</sup>

In order to qualify as a transit priority project, the project must be consistent with an "accepted" sustainable communities strategy or alternative planning strategy.<sup>91</sup> "Accepted" means that the Air Resources Board has accepted the metropolitan planning organization's determination that the strategy would achieve the region's greenhouse gas emission reduction targets.<sup>92</sup>

The transit priority projects must also be at least 50 percent residential and must have a net density of at least 20 units per acre and be located within one-half mile of a major transit stop or high quality transit corridor.<sup>93</sup>

#### **2. Eligibility for Complete Exemption**

To be entirely exempt from California Environmental Quality Act review, the "transit priority project" must meet numerous requirements. These include but are not limited to:

- Being adequately served by existing utilities;

- Meeting certain stringent energy efficiency and water conservation standards;
- Not impacting wetland or wildlife habitats;
- Not impacting historic resources;
- Includes affordable housing in the project or pays an in lieu fee; or provides public open space equal to or greater than 5 acres per 1,000 residents;
- Not exceeding eight acres or 200 residential units.<sup>94</sup>

A transit priority project that meets these criteria (and others specified in SB 375) is called a “sustainable communities project.”<sup>95</sup> Such a project may proceed through the project review process without further environmental review under the California Environmental Quality Act.

### 3. Eligibility for Partial Exemption

If a transit priority project does not meet the detailed standards to qualify as a “sustainable communities project,” (and hence is not eligible for a complete CEQA exemption), the project may still be eligible for streamlined environmental review, called a “sustainable communities environmental assessment”. To be eligible for such streamlined review, the project must incorporate all feasible mitigation measures, performance standards, or criteria set forth in prior applicable environmental review documents.<sup>96</sup>

A lead agency may prepare a "sustainable communities environmental assessment" for this type of transit priority project under the new process created by SB 375.<sup>97</sup> The initial study for a sustainable communities environmental assessment must identify any cumulative effects that have been adequately addressed and mitigated in prior applicable EIRs.<sup>98</sup> Where the lead agency determines that a cumulative effect has been adequately addressed and mitigated, then that cumulative effect in and of itself does not require an EIR be prepared for the project.

Unlike a full environmental analysis, a sustainable communities environmental assessment need *not* include an analysis of the following aspects of the project:

- The project's growth-inducing impacts;
- Cumulative or project-specific impacts from car and light-duty truck trips on greenhouse gas emissions or the regional transportation network; or
- Reduced residential density alternatives to address such project impacts.<sup>99</sup>

The new “sustainable communities environmental assessment” is similar to CEQA’s mitigated negative declaration. However, the California Environmental Quality Act’s requirement to evaluate the cumulative or project-specific impacts from passenger cars on greenhouse gas emissions may make it challenging to adopt a mitigated negative declaration.<sup>100</sup> The “sustainable communities environmental assessment” addresses this challenge by relying on the project’s

consistency with the region's sustainable communities strategy or alternative planning strategy and bypasses this hurdle. This may create an incentive for project consistency.

The agency relying on a sustainable communities environmental assessment must:

- 1) Adopt findings that all potentially significant or significant effects required to be identified in the initial study have been identified and analyzed; and
- 2) With respect to each significant effect, find that changes or alterations have been required in or incorporated into the project that avoid or mitigate the significant effects to a level of insignificance.<sup>101</sup>

It is important to remember, though, that the partial exemption that may apply to transit priority or mixed use projects applies *only* to the greenhouse gas impacts from cars and light duty trucks. This is because the "sustainable communities strategies" or "alternative planning strategies" address the transportation related greenhouse gas emissions, not other types of greenhouse gas emissions. Other potential sources of greenhouse gas emissions from a project, such as energy and water use, still must be analyzed.<sup>102</sup>

## V. Additional Considerations and Tools for Evaluating Greenhouse Gas Emissions

### A. Overview of the CEQA Checklist (Appendix G)

The CEQA Guidelines include a checklist<sup>103</sup> to help a lead agency determine whether or not a project may have significant impacts on the environment. It includes sample questions about various environmental issues. The checklist is often used in the preparation of the local agency's Initial Study. Local agencies may modify the CEQA checklist to suit the lead agency's needs and to address the particular circumstances of the project under consideration.<sup>104</sup>

At the same time the CEQA Guidelines were updated to include consideration of greenhouse gas emissions, the CEQA checklist (found in Appendix G of the CEQA Guidelines) was updated in three areas to evaluate to help local agencies determine whether a project's greenhouse gas emissions impacts are significant: forest resources, greenhouse gas emissions, and transportation.<sup>105</sup> In addition, Appendix F now includes guidance on how to evaluate a project's energy related greenhouse gas emissions impacts.<sup>106</sup>

### B. Analysis of Energy Impacts (Appendix F)<sup>107</sup>

The CEQA Guidelines (Appendix F) now includes updated guidance that requires analysis of energy impacts. Thus, agencies must analyze and mitigate the significant energy impacts of a project. The analysis of energy impacts should include (but is not limited to) the following:

1. A project's energy demands and conservation measures.
2. Existing energy supplies and availability and the effect of the project on those supplies.
3. The project's projected transportation energy use requirements and its overall use of efficient transportation alternative.
4. Potential mitigation measures and alternatives that would reduce a project's energy demands.<sup>108</sup>

Energy use (and efficiency) is an important indicator of its greenhouse gas emissions. Project design may achieve energy savings through inclusion of mitigation measures related to water use (such as the energy use related to pumping, delivery and heating of water) and solid waste disposal. Other possible mitigation measures identified in Appendix F<sup>109</sup> that may be useful in this energy analysis include reductions in energy use through project location, orientation and design, use of alternative fuels, and recycling.<sup>110</sup>

## **VI. Conclusion**

Evaluation of a project's greenhouse gas emissions and their potential environmental impacts is a relatively new requirement that local agencies must address as part of their responsibilities under the California Environmental Quality Act. The requirements governing analysis of greenhouse gas emissions are the same as those that govern all other types of analysis under CEQA. The primary responsibilities of lead agencies are to: (1) investigate the potential impact, and (2) if the potential impact is significant, to require mitigation measures to address the impact,

In meeting those responsibilities, local agencies may use the procedures included in the CEQA Guidelines, as well as tools adopted by other agencies, as appropriate. Unlike other areas of CEQA analysis, the science and practice related to analysis of greenhouse gas emissions continues to evolve rapidly. Thus, it is important to refer to the resources in Appendix C of this guide to be sure the most current information is being used.



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## Appendix A. Understanding CEQA through the CEQA Guidelines

The CEQA Guidelines provide a useful overview of CEQA's purpose, requirements and processes.<sup>111</sup> The text below is taken from the CEQA Guidelines beginning with section 15002.

(a) **Basic Purposes of CEQA.** The basic purposes of CEQA are to:

- (1) Inform governmental decision makers and the public about the potential, significant environmental effects of proposed activities.
- (2) Identify ways that environmental damage can be avoided or significantly reduced.
- (3) Prevent significant, avoidable damage to the environment by requiring changes in projects through the use of alternatives or mitigation measures when the governmental agency finds the changes to be feasible.
- (4) Disclose to the public the reasons why a governmental agency approved the project in the manner the agency chose if significant environmental effects are involved.

(b) **Governmental Action.** CEQA applies to governmental action. This action may involve:

- (1) Activities directly undertaken by a governmental agency,
- (2) Activities financed in whole or in part by a governmental agency, or
- (3) Private activities which require approval from a governmental agency.

(c) **Private Action.** Private action is not subject to CEQA unless the action involves governmental participation, financing, or approval.

(d) **Project.** A "project" is an activity subject to CEQA. The term "project" has been interpreted to mean far more than the ordinary dictionary definition of the term.<sup>112</sup>

(e) **Time for Compliance.** A governmental agency is required to comply with CEQA procedures when the agency proposes to carry out or approve the activity.<sup>113</sup>

(f) **Environmental Impact Reports and Negative Declarations.** An environmental impact report (EIR) is the public document used by the governmental agency to analyze the significant environmental effects of a proposed project, to identify alternatives, and to disclose possible ways to reduce or avoid the possible environmental damage.

- (1) An EIR is prepared when the public agency finds substantial evidence that the project may have a significant effect on the environment.<sup>114</sup>

(2) When the agency finds that there is no substantial evidence that a project may have a significant environmental effect, the agency will prepare a "Negative Declaration" instead of an EIR.<sup>115</sup>

(g) **Significant Effect on the Environment.** A significant effect on the environment is defined as a substantial adverse change in the physical conditions which exist in the area affected by the proposed project.<sup>116</sup> Further, when an EIR identifies a significant effect, the government agency approving the project must make findings on whether the adverse environmental effects have been substantially reduced or if not, why not.<sup>117</sup>

(h) **Methods for Protecting the Environment.** CEQA requires more than merely preparing environmental documents. The EIR by itself does not control the way in which a project can be built or carried out. Rather, when an EIR shows that a project could cause substantial adverse changes in the environment, the governmental agency must respond to the information by one or more of the following methods:

- (1) Changing a proposed project;
- (2) Imposing conditions on the approval of the project;
- (3) Adopting plans or ordinances to control a broader class of projects to avoid the adverse changes;
- (4) Choosing an alternative way of meeting the same need;
- (5) Disapproving the project;
- (6) Finding that changes in, or alterations to, the project are not feasible.
- (7) Finding that the unavoidable, significant environmental damage is acceptable as provided in Section 15093.

(i) **Discretionary Action.** CEQA applies in situations where a governmental agency can use its judgment in deciding whether and how to carry out or approve a project. A project subject to such judgmental controls is called a "discretionary project."<sup>118</sup>

- (1) Where the law requires a governmental agency to act on a project in a set way without allowing the agency to use its own judgment, the project is called "ministerial," and CEQA does not apply.<sup>119</sup>
- (2) Whether an agency has discretionary or ministerial controls over a project depends on the authority granted by the law providing the controls over the activity. Similar projects may be subject to discretionary controls in one city or county and only ministerial controls in another.<sup>120</sup>

(j) **Public Involvement.** Under CEQA, an agency must solicit and respond to comments from the public and from other agencies concerned with the project.<sup>121</sup>

(k) **Three-Step Process.** An agency will normally take up to three separate steps in deciding which document to prepare for a project subject to CEQA.

(1) In the first step the lead agency examines the project to determine whether the project is subject to CEQA at all. If the project is exempt, the process does not need to proceed any farther. The agency may prepare a notice of exemption.<sup>122</sup>

(2) If the project is not exempt, the lead agency takes the second step and conducts an initial study<sup>123</sup> to determine whether the project may have a significant effect on the environment. If the initial study shows that there is no substantial evidence that the project may have a significant effect, the lead agency prepares a negative declaration.<sup>124</sup>

(3) If the initial study shows that the project may have a significant effect, the lead agency takes the third step and prepares an EIR.<sup>125</sup>

(l) **Certified Equivalent Programs.** A number of environmental regulatory programs have been certified by the Secretary of the Resources Agency as involving essentially the same consideration of environmental issues as is provided by use of EIRs and negative declarations. Certified programs are exempt from preparing EIRs and negative declarations but use other documents instead. Certified programs are discussed in Article 17 and are listed in section 15251.

(m) This section is intended to present the general concepts of CEQA in a simplified and introductory manner. If there are any conflicts between the short statement of a concept in this section and the provisions of other sections of these guidelines, the other sections shall prevail.

## **Appendix B. Text of Selected Sections of CEQA Guidelines Related to Considering the Impacts of a Project's Greenhouse Gas Emissions**

The CEQA Guidelines related to considering greenhouse gas emissions impacts are provided below. The full text of the CEQA Guidelines is available at

[www.ceres.ca.gov/ceqa/docs/2010\\_CEQA\\_Statutes\\_and\\_Guidelines.pdf](http://www.ceres.ca.gov/ceqa/docs/2010_CEQA_Statutes_and_Guidelines.pdf)

### **Section 15064. Determining the Significance of Environmental Effects Caused by a Project.**

(h)(3) A lead agency may determine that a project's incremental contribution to a cumulative effect is not cumulatively considerable if the project will comply with the requirements in a previously approved plan or mitigation program (including, but not limited to, water quality control plan, air quality attainment or maintenance plan, integrated waste management plan, habitat conservation plan, natural community conservation plan, plans or regulations for the reduction of greenhouse gas emissions) that provides specific requirements that will avoid or substantially lessen the cumulative problem within the geographic area in which the project is located. Such plans or programs must be specified in law or adopted by the public agency with jurisdiction over the affected resources through a public review process to implement, interpret, or make specific the law enforced or administered by the public agency. When relying on a plan, regulation or program, the lead agency should explain how implementing the particular requirements in the plan, regulation or program ensure that the project's incremental contribution to the cumulative effect is not cumulatively considerable. If there is substantial evidence that the possible effects of a particular project are still cumulatively considerable notwithstanding that the project complies with the specified plan or mitigation program addressing the cumulative problem, an EIR must be prepared for the project.

### **Section 15064.4. Determining the Significance of Impacts from Greenhouse Gas Emissions.**

(a) The determination of the significance of greenhouse gas emissions calls for a careful judgment by the lead agency consistent with the provisions in section 15064. A lead agency should make a good-faith effort, based to the extent possible on scientific and factual data, to describe, calculate or estimate the amount of greenhouse gas emissions resulting from a project. A lead agency shall have discretion to determine, in the context of a particular project, whether to:

(1) Use a model or methodology to quantify greenhouse gas emissions resulting from a project, and which model or methodology to use. The lead agency has discretion to select the model or methodology it considers most appropriate provided it supports its decision with substantial evidence. The lead agency should explain the limitations of the particular model or methodology selected for use; and/or

(2) Rely on a qualitative analysis or performance based standards.

(b) A lead agency should consider the following factors, among others, when assessing the significance of impacts from greenhouse gas emissions on the environment:

(1) The extent to which the project may increase or reduce greenhouse gas emissions as compared to the existing environmental setting;

(2) Whether the project emissions exceed a threshold of significance that the lead agency determines applies to the project.

(3) The extent to which the project complies with regulations or requirements adopted to implement a statewide, regional, or local plan for the reduction or mitigation of greenhouse gas emissions. Such requirements must be adopted by the relevant public agency through a public review process and must reduce or mitigate the project's incremental contribution of greenhouse gas emissions. If there is substantial evidence that the possible effects of a particular project are still cumulatively considerable notwithstanding compliance with the adopted regulations or requirements, an EIR must be prepared for the project.

#### **Section 15064.7. Thresholds of Significance.**

(c) When adopting thresholds of significance, a lead agency may consider thresholds of significance previously adopted or recommended by other public agencies or recommended by experts, provided the decision of the lead agency to adopt such thresholds is supported by substantial evidence.

#### **Section 15126.4. Consideration and Discussion of Mitigation Measures Proposed to Minimize Significant Effects.**

(c) Mitigation Measures Related to Greenhouse Gas Emissions.

Consistent with section 15126.4(a), lead agencies shall consider feasible means, supported by substantial evidence and subject to monitoring or reporting, of mitigating the significant effects of greenhouse gas emissions. Measures to mitigate the significant effects of greenhouse gas emissions may include, among others:

(1) Measures in an existing plan or mitigation program for the reduction of emissions that are required as part of the lead agency's decision;

(2) Reductions in emissions resulting from a project through implementation of project features, project design, or other measures, such as those described in Appendix F;

(3) Off-site measures, including offsets that are not otherwise required, to mitigate a project's emissions;

(4) Measures that sequester greenhouse gases;

(5) In the case of the adoption of a plan, such as a general plan, long range development plan, or plans for the reduction of greenhouse gas emissions, mitigation may include the identification of specific measures that may be implemented on a project-by-project basis. Mitigation may also include the incorporation of specific measures or policies found in an adopted ordinance or regulation that reduces the cumulative effect of emissions.

### **Section 15093. Statement of Overriding Considerations.**

(a) CEQA requires the decision-making agency to balance, as applicable, the economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project against its unavoidable environmental risks when determining whether to approve the project. If the specific economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered "acceptable."

### **Section 15183.5(b). Plans for the Reduction of Greenhouse Gas Emissions.**

Public agencies may choose to analyze and mitigate significant greenhouse gas emissions in a plan for the reduction of greenhouse gas emissions or similar document. A plan to reduce greenhouse gas emissions may be used in a cumulative impacts analysis as set forth below. Pursuant to sections 15064(h)(3) and 15130(d), a lead agency may determine that a project's incremental contribution to a cumulative effect is not cumulatively considerable if the project complies with the requirements in a previously adopted plan or mitigation program under specified circumstances.

(1) Plan Elements. A plan for the reduction of greenhouse gas emissions should:

(A) Quantify greenhouse gas emissions, both existing and projected over a specified time period, resulting from activities within a defined geographic area;

(B) Establish a level, based on substantial evidence, below which the contribution to greenhouse gas emissions from activities covered by the plan would not be cumulatively considerable;

(C) Identify and analyze the greenhouse gas emissions resulting from specific actions or categories of actions anticipated within the geographic area;

(D) Specify measures or a group of measures, including performance standards, that substantial evidence demonstrates, if implemented on a project-by-project basis, would collectively achieve the specified emissions level;

(E) Establish a mechanism to monitor the plan's progress toward achieving the level and to require amendment if the plan is not achieving specified levels;

(F) Be adopted in a public process following environmental review.

(2) Use with Later Activities. A plan for the reduction of greenhouse gas emissions, once adopted following certification of an EIR or adoption of an environmental document, may be used in the cumulative impacts analysis of later projects. An environmental document that relies on a greenhouse gas reduction plan for a cumulative impacts analysis must identify those requirements specified in the plan that apply to the project, and, if those requirements are not otherwise binding and enforceable, incorporate those requirements as mitigation measures applicable to the project. If there is substantial evidence that the effects of a particular project may be cumulatively considerable notwithstanding the project's compliance with the specified requirements in the plan for the reduction of greenhouse gas emissions, an EIR must be prepared for the project.

### **Section 15126.2(a). The Significant Environmental Effects of the Proposed Project.**

An EIR shall identify and focus on the significant environmental effects of the proposed project. In assessing the impact of a proposed project on the environment, the lead agency should normally limit its examination to changes in the existing physical conditions in the affected area as they exist at the time the notice of preparation is published, or where no notice of preparation is published, at the time environmental analysis is commenced. Direct and indirect significant effects of the project on the environment shall be clearly identified and described, giving due consideration to both the short-term and long-term effects. The discussion should include relevant specifics of the area, the resources involved, physical changes, alterations to ecological systems, and changes induced in population distribution, population concentration, the human use of the land (including commercial and residential development), health and safety problems caused by the physical changes, and other aspects of the resource base such as water, historical resources, scenic quality, and public services. The EIR shall also analyze any significant environmental effects the project might cause by bringing development and people into the area affected. For example, an EIR on a subdivision astride an active fault line should identify as a significant effect the seismic hazard to future occupants of the subdivision. The subdivision would have the effect of attracting people to the location and exposing them to the hazards found there. Similarly, the EIR should evaluate any potentially significant impacts of locating development in other areas susceptible to hazardous conditions (e.g., floodplains, coastlines, wildfire risk areas) as identified in authoritative hazard maps, risk assessments or in land use plans addressing such hazards areas.

### **Section 15130. Discussion of Cumulative Impacts.**

(B) A summary of projections contained in an adopted local, regional or statewide plan, or related planning document, that describes or evaluates conditions contributing to the cumulative effect. Such plans may include: a general plan, regional transportation plan, or plans for the reduction of greenhouse gas emissions. A summary of projections may also be contained in an adopted or certified prior environmental document for such a plan. Such projections may be supplemented with additional information such as a regional modeling program. Any such document shall be referenced and made available to the public at a location specified by the lead agency.

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## **Section 15183.5. Tiering and Streamlining the Analysis of Greenhouse Gas Emissions.**

(a) Lead agencies may analyze and mitigate the significant effects of greenhouse gas emissions at a programmatic level, such as in a general plan, a long range development plan, or a separate plan to reduce greenhouse gas emissions. Later project-specific environmental documents may tier from and/or incorporate by reference that existing programmatic review. Project-specific environmental documents may rely on an EIR containing a programmatic analysis of greenhouse gas emissions as provided in section 15152 (tiering), 15167 (staged EIRs) 15168 (program EIRs), 15175-15179.5 (Master EIRs), 15182 (EIRs Prepared for Specific Plans), and 15183 (EIRs Prepared for General Plans, Community Plans, or Zoning).

(b) Plans for the Reduction of Greenhouse Gas Emissions. Public agencies may choose to analyze and mitigate significant greenhouse gas emissions in a plan for the reduction of greenhouse gas emissions or similar document. A plan to reduce greenhouse gas emissions may be used in a cumulative impacts analysis as set forth below. Pursuant to sections 15064(h)(3) and 15130(d), a lead agency may determine that a project's incremental contribution to a cumulative effect is not cumulatively considerable if the project complies with the requirements in a previously adopted plan or mitigation program under specified circumstances.

(1) Plan Elements. A plan for the reduction of greenhouse gas emissions should:

(A) Quantify greenhouse gas emissions, both existing and projected over a specified time period, resulting from activities within a defined geographic area;

(B) Establish a level, based on substantial evidence, below which the contribution to greenhouse gas emissions from activities covered by the plan would not be cumulatively considerable;

(C) Identify and analyze the greenhouse gas emissions resulting from specific actions or categories of actions anticipated within the geographic area;

(D) Specify measures or a group of measures, including performance standards, that substantial evidence demonstrates, if implemented on a project-by-project basis, would collectively achieve the specified emissions level;

(E) Establish a mechanism to monitor the plan's progress toward achieving the level and to require amendment if the plan is not achieving specified levels;

(F) Be adopted in a public process following environmental review.

(2) Use with Later Activities. A plan for the reduction of greenhouse gas emissions, once adopted following certification of an EIR or adoption of an environmental document, may be used in the cumulative impacts analysis of later projects. An environmental document that



relies on a greenhouse gas reduction plan for a cumulative impacts analysis must identify those requirements specified in the plan that apply to the project, and, if those requirements are not otherwise binding and enforceable, incorporate those requirements as mitigation measures applicable to the project. If there is substantial evidence that the effects of a particular project may be cumulatively considerable notwithstanding the project's compliance with the specified requirements in the plan for the reduction of greenhouse gas emissions, an EIR must be prepared for the project.

(c) Special Situations. As provided in Public Resources Code sections 21155.2 and 21159.28, environmental documents for certain residential and mixed use projects, and transit priority projects, as defined in section 21155, that are consistent with the general use designation, density, building intensity, and applicable policies specified for the project area in an applicable sustainable communities strategy or alternative planning strategy need not analyze global warming impacts resulting from cars and light duty trucks. A lead agency should consider whether such projects may result in greenhouse gas emissions resulting from other sources, however, consistent with these Guidelines.

## Appendix C. Resources to Learn More

- California CEQA Guidelines (including Appendices G and F). ([www.ceres.ca.gov/ceqa/docs/Adopted\\_and\\_Transmitted\\_Text\\_of\\_SB97\\_CEQA\\_Guidelines\\_Amendments.pdf](http://www.ceres.ca.gov/ceqa/docs/Adopted_and_Transmitted_Text_of_SB97_CEQA_Guidelines_Amendments.pdf))
- California Environmental Act (CEQA) Statutes and Guidelines. ([hwww.califaep.org/docs/CEQA/CEQAHandbook2011.pdf](http://www.califaep.org/docs/CEQA/CEQAHandbook2011.pdf))
- CEQA Guidelines Final Statement of Reasons. ([www.ceres.ca.gov/ceqa/docs/Final\\_Statement\\_of\\_Reasons.pdf](http://www.ceres.ca.gov/ceqa/docs/Final_Statement_of_Reasons.pdf))
- Governor's Office of Planning and Research. *CEQA and Climate Change: Addressing Climate Change Through the California Environmental Quality Act Review*. Attachment 2: Technical Resources/Modeling Tools to Estimate GHG Emissions (June 2008) ([www.opr.ca.gov/ceqa/pdfs/june08-ceqa.pdf](http://www.opr.ca.gov/ceqa/pdfs/june08-ceqa.pdf))
- California Attorney General's Office. *Addressing Climate Change at the Project Level*. ([www.ag.ca.gov/globalwarming/pdf/GW\\_mitigation\\_measures.pdf](http://www.ag.ca.gov/globalwarming/pdf/GW_mitigation_measures.pdf))
- Institute for Local Government. *Understanding AB 32 and SB 375: A Legal Analysis for Local Officials*. ([www.ca-ilg.org/AB32-SB375LegalAnalysis](http://www.ca-ilg.org/AB32-SB375LegalAnalysis))
- Institute for Local Government. *Understanding the Basics of Land Use and Planning: Guide to Local Planning*. (see especially pages 31-36) ([www.ca-ilg.org/planningguide](http://www.ca-ilg.org/planningguide))
- Institute for Local Government. *Understanding the Basics of Land Use and Planning: Glossary of Land Use and Planning Terms*. ([www.ca-ilg.org/PlanningTerms](http://www.ca-ilg.org/PlanningTerms))
- Institute for Local Government. *The Basics of Climate Change Cap and Trade: An Overview for Local Official's*. ([www.ca-ilg.org/capandtrade](http://www.ca-ilg.org/capandtrade))
- California Air Pollution Control Officers Association. *CEQA & Climate Change: Evaluating and Addressing Greenhouse Gas Emissions from Projects Subject to the California Environmental Quality Act*. (January 2008) ([www.capcoa.org/wp-content/uploads/downloads/2010/05/CAPCOA-White-Paper.pdf](http://www.capcoa.org/wp-content/uploads/downloads/2010/05/CAPCOA-White-Paper.pdf))
- California Air Pollution Control Officers Association. *Quantifying Greenhouse Gas Mitigation Measures*. ([www.capcoa.org/wp-content/uploads/2010/11/CAPCOA-Quantification-Report-9-14-Final.pdf](http://www.capcoa.org/wp-content/uploads/2010/11/CAPCOA-Quantification-Report-9-14-Final.pdf))
- California Air Pollution Control Officers Association. *Model Policies for Greenhouse Gases in General Plans*. (June 2009). ([www.capcoa.org/wp-content/uploads/downloads/2010/05/CAPCOA-ModelPolicies-6-12-09-915am.pdf](http://www.capcoa.org/wp-content/uploads/downloads/2010/05/CAPCOA-ModelPolicies-6-12-09-915am.pdf))

- California Department of Transportation. *Smart Mobility 2010: A Call to Action for the New Decade*. ([www.dot.ca.gov/hq/tpp/offices/ocp/smf\\_files/SmMbilty\\_v6-3.22.10\\_150DPI.pdf](http://www.dot.ca.gov/hq/tpp/offices/ocp/smf_files/SmMbilty_v6-3.22.10_150DPI.pdf))

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A key goal of the Institute is to translate complex and technical concepts into understandable terms. In the course of doing so, certain technical and legal nuances may have been omitted. Thus, the materials in this guide should not be relied on as complete statements of the concepts described. These materials are not legal advice. In addition, the law can and does change over time. Officials are encouraged to consult with staff and other technical experts for up-to-date information and guidance on how these concepts apply in specific situations.

The Institute welcomes feedback on this resource:

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## Endnotes

<sup>1</sup> See Cal. Health & Safety Code § 38500 and following (known as “The Global Warming Solutions Act of 2006” or “AB 32”) and Executive Order S-3-05.

<sup>2</sup> The CEQA Guidelines are available at [www.ceres.ca.gov/ceqa/docs/2010\\_CEQA\\_Statutes\\_and\\_Guidelines.pdf](http://www.ceres.ca.gov/ceqa/docs/2010_CEQA_Statutes_and_Guidelines.pdf).

<sup>3</sup> See Cal. Pub. Res. Code § 21083.

<sup>4</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15364.5.

<sup>5</sup> See California Air Resources Board, [www.arb.ca.gov/cc/inventory/pubs/reports/staff\\_report\\_1990\\_level.pdf](http://www.arb.ca.gov/cc/inventory/pubs/reports/staff_report_1990_level.pdf). See especially pages 2-8.

<sup>6</sup> Institute for Local Government, *Understanding the Basics of Land Use and Planning: Guide to Local Planning*; see especially pages 31-36 ([www.ca-ilg.org/planningguide](http://www.ca-ilg.org/planningguide)).

<sup>7</sup> Some projects are exempt from CEQA. This Guide assumes that a local agency has determined through the Initial Study process that a project does not qualify for an exemption.

<sup>8</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15064.4.

<sup>9</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15126.4(c).

<sup>10</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15183.5.

<sup>11</sup> See Natural Resources Agency, Final Statement of Reasons for Regulatory Action: Amendments to the State CEQA Guidelines Addressing Analysis and Mitigation of Greenhouse Gas Emissions Pursuant to SB97 (December 2009) (“Final Statement of Reasons”), at 13 (available at [http://ceres.ca.gov/ceqa/docs/Final\\_Statement\\_of\\_Reasons.pdf](http://ceres.ca.gov/ceqa/docs/Final_Statement_of_Reasons.pdf)). Also, because new CEQA guidelines are adopted as regulations, they follow the California Administrative Procedure Act (APA) process. Thus, amendments to the CEQA Guidelines to address greenhouse gas emissions could either enlarge or reduce the scope of the requirements in CEQA or court decisions. See Cal. Pub. Res. Code § 21083(f). The Statement of Reasons is a key document developed as part of the APA process that explains the reasoning of the Natural Resources Agency in developing the CEQA Guidelines, as well as the basis and intent of those Guidelines. Similar to legislative history, courts can look to the Statement of Reasons for aid in interpreting the CEQA Guidelines. (See, e.g., *As You Sow v. Conbraco Industries* (2005) 135 Cal. App. 4th 431, 451-52 (looking to an agency’s Statement of Reasons to discern the meaning of an administrative regulation).)

<sup>12</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15355.

<sup>13</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15064(h)(3).

<sup>14</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15382

<sup>15</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15064(h).

<sup>16</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15064.4(a).

<sup>17</sup> See, for example, Governor’s Office of Planning and Research, *CEQA and Climate Change: Addressing Climate Change Through the California Environmental Quality Act Review*, Attachment 2: Technical Resources/Modeling Tools to Estimate GHG Emissions (June 2008); California Air Pollution Control Officers Association, *CEQA & Climate Change: Evaluating and Addressing Greenhouse Gas Emissions from Projects Subject to the California Environmental Quality Act* (January 2008) (“CAPCOA Whitepaper”), at 59-78. An example of a widely used computer model is the Urban Emissions Model, known as URBEMIS. It estimates levels of pollutants based on project characteristics, such as size, land use type, etc.

<sup>18</sup> See Natural Resources Agency, Final Statement of Reasons, at p. 21.

<sup>19</sup> See California CEQA Guidelines, Cal. Code Regs., tit. 14, §§ 15064(b), 15064.4(a).

<sup>20</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15064.4(a); see also, Final Statement of Reasons, at pp. 20-24

<sup>21</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15064.4(a).

<sup>22</sup> See Natural Resources Agency, Final Statement of Reasons, at p. 23. The first example described in the Statement of Reasons is a small habitat restoration project that involves only a few workers and mechanical tools. The second example involves a large commercial development that would require heavy-duty construction equipment and on-going transportation-related emissions. In the second example, existing computer models are available to estimate the level of emissions that might be associated with such a commercial development. Further, quantification of such emissions would reveal important information about the sources and scale of emissions involved. Therefore, the Natural Resources Agency suggested that quantification of such emissions would be required. In the first project,

models are not readily available to quantify emissions from a habitat restoration project, and even if such emissions could be estimated, it may not reveal information that is relevant to the analysis. Therefore, a qualitative analysis would be more appropriate.

<sup>23</sup> To date, few agencies have developed performance standards that would be relevant in an analysis of greenhouse gas emissions.

<sup>24</sup> See California CEQA Guidelines, 14 Cal. Code of Regs § 15064.4(b).

<sup>25</sup> See California CEQA Guidelines, 14 Cal. Code of Regs § 15005.

<sup>26</sup> See California CEQA Guidelines, 14 Cal. Code of Regs § 15125(a).

<sup>27</sup> This is not intended to imply a “zero threshold” or to suggest that any net increase, no matter how small, is significant. See Natural Resources Agency, Final Statement of Reasons, at 25.

<sup>28</sup> See Natural Resources Agency, Final Statement of Reasons, at 24.

<sup>29</sup> See California CEQA Guidelines, 14 Cal. Code of Regs § 15064.4(b)(2). In adopting its own threshold, a lead agency may rely on thresholds developed by other agencies or experts. Local officials should remember that a threshold is just a tool to help a lead agency to determine whether an impact is significant. What CEQA requires is that the ultimate conclusion be supported by substantial evidence. Therefore, whether the agency is applying a threshold on a case-by-case basis or adopting one for general application, the lead agency must have substantial evidence to support the conclusion that the threshold actually represents that level at which impacts are considered significant. Similarly, even if the impacts fall below the threshold of significance, a project's impacts may still be significant based upon substantial evidence.

<sup>30</sup> The California Air Pollution Control Officers Association paper discusses the benefits and drawbacks of different approaches. It is available at: [www.climatechange.ca.gov/publications/others/CAPCOA-1000-2008-010.PDF](http://www.climatechange.ca.gov/publications/others/CAPCOA-1000-2008-010.PDF).

<sup>31</sup> The South Coast Air Quality Management District has adopted an interim threshold for industrial projects that exceed 10,000 tons of carbon dioxide equivalent emissions for projects where it is the lead agency. (SCAQMD, Interim CEQA GHG Significance Threshold for Stationary Sources, Rules and Plans (2008). [www.aqmd.gov/hb/2008/December/081231a.htm](http://www.aqmd.gov/hb/2008/December/081231a.htm)). The Bay Area Air Quality Management District also has adopted recommended numeric thresholds for commercial, residential projects and mixed-use projects. (BAAQMD, California Environmental Quality Act: Air Quality Guidelines (June 2010). <http://baaqmd.gov/Divisions/Planning-and-Research/CEQA-GUIDELINES/Updated-CEQA-Guidelines.aspx>).

The San Joaquin Valley Air Pollution Control District adopted performance based thresholds for commercial, residential and mixed-use projects and is in the process of identifying best management practices. (SJVAPCD, Guidance for Valley Land-use Agencies in Addressing GHG Emission Impacts for New Projects under CEQA (December 2009). [www.valleyair.org/Programs/CCAP/CCAP\\_idx.htm](http://www.valleyair.org/Programs/CCAP/CCAP_idx.htm)).

<sup>32</sup> *Mejia v. City of Los Angeles*, 130 Cal. App. 4<sup>th</sup> 322, 342 (2005) (finding that, in a case involving a small residential subdivision that fell below the city's threshold of significance for traffic impacts, if there is substantial evidence that a project's environmental impact may be significant, even though the project complies with applicable thresholds, an environmental impact report must be prepared).

<sup>33</sup> See California CEQA Guidelines, 14 Cal. Code of Regs § 15384 and Institute for Local Government, *Understanding the Basics of Land Use and Planning: Glossary of Land Use and Planning Terms* ([www.ca-ilg.org/PlanningTerms](http://www.ca-ilg.org/PlanningTerms))

<sup>34</sup> See California CEQA Guidelines, 14 Cal. Code of Regs § 15064.4(b)(3).

<sup>35</sup> See California CEQA Guidelines, 14 Cal. Code of Regs § 15126.4(c).

<sup>36</sup> See California CEQA Guidelines, 14 Cal. Code of Regs § 21064.5.

<sup>37</sup> See Cal. Public Resources Code, § 21080(d) (“If there is substantial evidence, in light of the whole record before the lead agency, that the project may have a significant effect on the environment, an environmental impact report shall be prepared”)

<sup>38</sup> See California CEQA Guidelines, 14 Cal. Code of Regs § 15064(f)(2).

<sup>39</sup> See Cal. Pub. Resources Code, § 21100(b)(3); California CEQA Guidelines, 14 Cal. Code of Regs § 15126.4(c).

<sup>40</sup> See Cal. Public Resources Code, § 21081; California CEQA Guidelines, 14 Cal. Code of Regs § 15126.4.

<sup>41</sup> To emphasize that existing CEQA rules still apply in the context of greenhouse gas emissions, section 15126.4(c) of the CEQA Guidelines includes a cross-reference to subdivision (a), which contains the general rules applicable to all mitigation.

<sup>42</sup> The lead-in phrase “may include, among others”, clarifies that a lead agency is not limited to only those mitigation measures specifically listed in the new section 15126.4(c).

<sup>43</sup> See California CEQA Guidelines, 14 Cal. Code of Regs § 15126.4(c)(1).

<sup>44</sup> See 24 Cal. Code of Regs, California Building Standards Code ([www.documents.dgs.ca.gov/bsc/Title\\_24/T24TrainingGuide.pdf](http://www.documents.dgs.ca.gov/bsc/Title_24/T24TrainingGuide.pdf)); See also California Health and Safety Code § 1890.

<sup>45</sup> See California CEQA Guidelines, 14 Cal. Code of Regs § 15183.5(b)(1)(D).

<sup>46</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15126.4(c)(2).

<sup>47</sup> Notably, section 15126.4(c)(2) of the CEQA Guidelines includes a cross-reference to Appendix F of the State CEQA Guidelines. That appendix addresses the analysis of a project's energy use, including ways to reduce that energy use. Although this has been part of the CEQA Guidelines for decades, some have observed that Appendix F has not received the appropriate amount of attention it deserves. Thus, the new cross-reference might be interpreted as a way to redirect attention to consideration of a project's energy efficiency in CEQA documents.

<sup>48</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15126.4(c)(3).

<sup>49</sup> To learn more about carbon dioxide emissions trading (also known as cap and trade systems), see Institute for Local Government Whitepaper “The Basics of Cap and Trade: An Overview for Local Officials” ([www.ca-ilg.org/capandtrade](http://www.ca-ilg.org/capandtrade)).

<sup>50</sup> See Natural Resources Agency, Final Statement of Reasons, at 49.

<sup>51</sup> See California CEQA Guidelines, 14 Cal. Code of Regs § 15126.4(c)(4).

<sup>52</sup> Institute for Local Government, *Understanding the Basics of Land Use and Planning: Glossary of Land Use and Planning Terms* (2010) ([www.ca-ilg.org/PlanningTerms](http://www.ca-ilg.org/PlanningTerms)).

<sup>53</sup> The California Air Resources Board included procedures to calculate greenhouse gas sequestration for forestry and urban forestry projects in its cap and trade regulations that may assist a lead agency in determining the extent to which forestry projects will sequester emissions. Conceptual research is being done on the possibility of storing carbon underground. However, to date, no procedures exist that specifically endorse that technology. Thus a lead agency should carefully document its reasons and evidence supporting reliance on such technology in a CEQA analysis.

<sup>54</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15126.4(c)(5).

<sup>55</sup> Institute for Local Government, *Land Use and Planning: Glossary of Land Use and Planning Terms*.

<sup>56</sup> *Communities for a Better Environment v. City of Richmond* 184 Cal.App.4<sup>th</sup> 70 (2010)

<sup>57</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. §§ 15064(h)(3), 15183.5(b).

<sup>58</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15393.

<sup>59</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15093.

<sup>60</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15093(a).

<sup>61</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15093(b).

<sup>62</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15183.5.

<sup>63</sup> See California SEEC-ICLEI. *Climate Action Template*. <http://californiaseec.org>.

<sup>64</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15064.4(h)(3)

<sup>65</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § Section 15183.5(b)

<sup>66</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. §§ 15064(h)(3), 15183.5(b).

<sup>67</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15183.5(b)(1)(F).

<sup>68</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15183.5(b)(1)(A).

<sup>69</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15183.5(b)(1)(B).

<sup>70</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15183.5(b)(1)(C).

<sup>71</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15183.5(b)(1)(D).

<sup>72</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15183.5(b)(1)(E).

<sup>73</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15183.5(b)(1)(F)

<sup>74</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15183.5(b)(1)(A).

<sup>75</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15183.5(b)(1)(B).

<sup>76</sup> See Final Statement of Reasons, at pp. 4-5 (accumulation of greenhouse gas emissions is expected to increase over time); see also California Air Resources Board, Scoping Plan, at p. 117 (“In order to assess whether implementing

[AB32] achieves the State's long-term climate goals, we must look beyond 2020 to see whether the emissions reduction measures set California on the trajectory needed to do our part to stabilize global climate").

<sup>77</sup> For example, if appropriate, a lead agency could use the goals included in state law, the California Global Warming Solutions Act of 2006 (sometimes referred to as AB 32; California Health and Safety Code, § 38500 and following) of reducing greenhouse gas emissions to 1990 levels by the year 2020 together with the longer term reduction goals of reducing greenhouse gas emissions to 80 percent below 1990 levels by 2050 provided in Executive Order S-3-05 ([www.arb.ca.gov/board/books/2006/101906/06-9-2pres.pdf](http://www.arb.ca.gov/board/books/2006/101906/06-9-2pres.pdf)).

<sup>78</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15183.5(b)(1)(C).

<sup>79</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15183.5(b)(1)(D).

<sup>80</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15183.5(b)(1)(E).

<sup>81</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15183.5(b)(1)(F).

<sup>82</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15378.

<sup>83</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15064(h)(3). The use of plans in a cumulative impacts analysis was expressly upheld in *Communities for a Better Environment v. California Resources Agency*, 103 Cal. App. 4th 98 (2002) ("CBE") (challenging the 1998 amendments to the CEQA Guidelines). The presumption that project will have a less than significant effect if it is consistent with a plan is rebuttable. The court in the CBE case upheld this section because it incorporated the fair argument standard. In other words, if there is substantial evidence supporting a fair argument that despite compliance with the plan or regulation, a project's contribution would still be cumulatively considerable, an EIR would need to be prepared. The CEQA Guidelines also require lead agencies to demonstrate that compliance with the plan or regulation will actually reduce impacts resulting from the project to a less than significant level. According to the Natural Resources Agency's Final Statement of Reasons, this sentence was added to prevent lead agencies from relying on climate action plans that contain only permissive goals instead of binding requirements. This requirement would also prevent agencies from relying on the AB 32 scoping plan adopted by the Air Resources Board in 2008 (which lays out how California will achieve the AB 32 greenhouse gas reduction goals), which does not contain any binding requirements, or other plans that do not actually address the emissions that may result from the project under consideration. The key is for the environmental document to draw the link between binding requirements in a plan and actual reductions in greenhouse gas emissions from the project.

<sup>84</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15378(c).

<sup>85</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15162.

<sup>86</sup> See Cal. Pub. Res. Code § 21166; California CEQA Guidelines, 14 Cal. Code of Regs. § 15162. See also *San Diego Navy Broadway Complex Coalition v. City of San Diego*, 185 Cal. App. 4th 924 (2010) (Where an agency's discretion was limited to aesthetic considerations, subsequent review to analyze climate change could not be required).

<sup>87</sup> See Institute for Local Government publication, "Understanding SB 375: A Local Official's Guide" for a more detailed discussion of SB 375 ([www.ca-ilg.org/SB375LegalAnalysis](http://www.ca-ilg.org/SB375LegalAnalysis)).

<sup>88</sup> The Sustainable Communities and Climate Protection Act of 2008 amended the Government and Public Resources Codes. Specifically it amended sections 65080, 65400, 65583, 65584.01, 65584.02, 65584.04, 65587, and 65588 of, and added sections 14522.1, 14522.2, and 65080.01 to, the Government Code. With respect to the Public Resources Code, it amended section 21061.3 of that code, added section 21159.28 to that code, and added Chapter 4.2 (commencing with Section 21155) to Division 13 of that code.

<sup>89</sup> See Cal. Pub. Res. Code § § 21155.1 and 21155.2.

<sup>90</sup> See Cal. Pub. Res. Code § 21155.

<sup>91</sup> See Cal. Pub. Res. Code § 21155(a).

<sup>92</sup> See Cal. Gov't Code § 65080(b)(2)(J)(ii).

<sup>93</sup> See Cal. Pub. Res. Code § 21155.

<sup>94</sup> See Cal. Pub. Res. Code § 21155.

<sup>95</sup> See Cal. Pub. Res. Code § 21155.1.

<sup>96</sup> See Cal. Pub. Res. Code § 21155.2(a).

<sup>97</sup> See Cal. Pub. Res. Code § 21155.2(b)

<sup>98</sup> See Cal. Pub. Res. Code § 211.55.2(a)

<sup>99</sup> See Cal. Pub. Res. Code § 21155.2.

<sup>100</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15126.

<sup>101</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15074.

<sup>102</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15183.5(c).

<sup>103</sup> The Initial Study Checklist is found in Appendix G of the California CEQA Guidelines. Appendix F is found in the California CEQA Guidelines. Both are available at [www.ceres.ca.gov/ceqa/docs/Adopted\\_and\\_Transmitted\\_Text\\_of\\_SB97\\_CEQA\\_Guidelines\\_Amendments.pdf](http://www.ceres.ca.gov/ceqa/docs/Adopted_and_Transmitted_Text_of_SB97_CEQA_Guidelines_Amendments.pdf).

<sup>104</sup> See California CEQA Guidelines, § 15063(f): As revised, Appendix G states: "NOTE: The following is a sample form and may be tailored to satisfy individual agencies' needs and project circumstances. It may be used to meet the requirements for an initial study when the criteria set forth in the CEQA Guidelines have been met. Substantial evidence of potential impacts that are not listed on this form must also be considered. The sample questions in this form are intended to encourage thoughtful assessment of impacts, and do not necessarily represent thresholds of significance."

<sup>105</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. Appendix G, §§ II, VII and XVI.

<sup>106</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. Appendix F.

<sup>107</sup> See Cal. Pub. Res. Code, § 21100(b)(3); see also California CEQA Guidelines, 14 Cal. Code of Regs.

#### Appendix F.

<sup>108</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. Appendix F. As the energy related elements included in Appendix F are lengthy, local agencies are encouraged to review them carefully.

<sup>109</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15126.4(c); see also Appendix F.

<sup>110</sup> Notably, the term "lifecycle" was removed from Appendix F. In adopting the new CEQA Guidelines and updated Checklist, the Natural Resources Agency explained that it did so because the term "lifecycle," in the context of the energy analysis required in Appendix F, could be misinterpreted to require an analysis of impacts that far exceeds the typical requirements for indirect effects under CEQA. For additional discussion of a "lifecycle" analysis in CEQA documents, see Final Statement of Reasons at 71 and 72.

<sup>111</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15002.

<sup>112</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15378.

<sup>113</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15004.

<sup>114</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15064(a)(1).

<sup>115</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15070.

<sup>116</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15382.

<sup>117</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15091.

<sup>118</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15357.

<sup>119</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15369.

<sup>120</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15268.

<sup>121</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. §§ 15073, 15086, 15087 and 15088.

<sup>122</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. §§ 15061 and 15062.

<sup>123</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. § 15063.

<sup>124</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. §§ 15070 and following.

<sup>125</sup> See California CEQA Guidelines, 14 Cal. Code of Regs. §§ 15080 and following.