# AB 2083: Modernizing Industrial Manufacturing Act

# Industrious LabsEARTHJUSTICE

# California needs a plan to accelerate zero-emissions industrial manufacturing for clean air, a healthy climate and good jobs.

# CALIFORNIA'S MANUFACTURING INDUSTRIES

California has long been a leader in industrial manufacturing, contributing to its status as the world's fifth largest economy. Manufacturing employs more than 1.3 million Californians and makes up 10% of the state's GDP. Industrial manufacturing encompasses a wide range of processes ranging from food and beverage manufacturing to paper, glass, medicine, steel, cement and concrete production. These facilities and the people who work there are the backbone of the economy and our daily lives.

# POLLUTION FROM MANUFACTURING FACILITIES IN CALIFORNIA

Unfortunately, emissions from this sector make up 23% of California's greenhouse gas footprintthe second largest source behind transportation. Pollution from industry disproportionately harms the health and safety of lower-income communities and communities of color in California. In 2020, 63% of nitrogen oxide ( $NO_x$ ) emissions, 21% of sulfur dioxide ( $SO_2$ ) and 51% of particulate matter (PM) emissions in California were from industrial facilities in these communities. Many of these facilities are clustered in regions like the San Joaquin Valley,



There are over 35,000 manufacturing firms in California that produce products we use every day. The majority of these facilities rely on toxic fossil fuels to power their industrial heat processes. We must clean up manufacturing by transitioning to zero-emission energy solutions that are available today.



Industrial manufacturing accounts for 23% of California's greenhouse gas emissions. Climate and criteria air pollution from manufacturing industries are heaviest in the San Joaquin Valley, Los Angeles County and Inland Empire, where air pollution is the worst in the nation.<sup>3</sup>

#### ZERO-EMISSIONS SOLUTIONS ARE READY AND AVAILABLE

While it is often assumed that the dominant tools to reduce emissions from industry will be carbon capture, hydrogen, or biomethane, the vast majority of California's industrial manufacturing sector is well-suited for electrification. From industrial heat pumps to electric ovens and thermal storage, technology exists today to electrify industrial production and eliminate emissions in the main sectors of California's industrial manufacturing. Clean energy technologies are gaining momentum given recent incentives from the Inflation Reduction Act, the Infrastructure Investment and Jobs Act, and the California Industrial Decarbonization (INDIGO) program.

#### AB 2083-MODERNIZING INDUSTRIAL MANUFACTURING ACT

Modernizing California's nation-leading industrial manufacturing sector to protect our climate and communities is feasible and achievable with existing zero-emission technologies. AB 2083 will ensure California develops a plan to cut air and climate pollution from thousands of industrial facilities that have no clear strategy to transition to zero-emission. Many of these facilities produce the things we love: snacks, bread, and coffee. The bill will help the state invest in and modernize California businesses, provide market certainty for zeroemission technology, create and maintain good jobs for workers, and improve air quality for the communities that need it most.

# WHAT DOES AB 2083 DO?

This bill directs the California Energy Commission (CEC) to create a plan to assess key strategies to cut industrial sector emissions by July 1, 2026. The plan will identify:

- Highest pollutant reduction opportunities in environmental justice communities
- Opportunities and challenges associated with reducing GHGs through decarbonization of manufacturing processes
- Industrial sectors with greatest readiness for transition to zero-emission technologies
- Opportunities for economic growth by accelerating zero-emission industrial manufacturing in California
- Potential impacts on ratepayers, construction costs, and grid reliability
- Policies, incentives, and programs needed to support the clean up and modernization of industrial manufacturing.
- Workforce targets to ensure we maintain and grow this strong employment base

# WHY AB 2083 NOW?

California is falling behind on meeting its 2030 emissions targets, and manufacturing is responsible for a hefty share. Californians shouldn't have to wait any longer for better air quality and greenhouse gas reductions. Now is the time to enhance our state's resilience by cutting our dependence on fossil fuels given that zero-emission solutions for manufacturing are competitive and available now.

Furthermore, businesses need market certainty to secure long-term economic success, and a plan will provide guidance for how the manufacturing sector can meet emissions reductions goals. California needs to plan to achieve zero-emission manufacturing starting this legislative session and cannot afford any delay.

#### WHAT LONG-TERM BENEFITS WOULD RESULT FROM THIS LEGISLATION?

- Clean up our air and protect our climate.
- Maximize benefits for communities bearing the brunt of industrial pollution.
- Retain and expand good manufacturing jobs.
- Grow California's leadership in both manufacturing and climate policy.
- Keep our businesses competitive.

# Join us! Endorse the bill, lobby your legislators, share on social media, and get involved in modernizing California's industrial manufacturing sector for clean air, good jobs and a healthy economy!

Asian Pacific Environmental Network (APEN) · Breathe California Sacramento Region · California Environmental Voters (CEV) Center for Biological Diversity (CBD) · Center for Community Action and Environmental Justice (CCAEJ) · Central California Asthma Collaborative (CCAC) · Central Coast Alliance United for a Sustainable Economy (CAUSE) · Clean Coalition · CleanEarth4Kids.org · Climate Action California · The Climate Center · Climate Reality Project · CA Coalition · Climate Reality Project - LA Chapter · Climate Reality Project · Orange County Chapter · Climate Reality Project - Silicon Valley Chapter · Coalition for Clean Air · Community Dreams · Community Environmental Council · Elder's Climate Action · NorCal Chapter · Elder's Climate Action · SoCal Chapter · Environment California · Natural Resources Defense Council (NRDC) · NextGen California · San Francisco Bay Physicians for Social Responsibility · Santa Cruz Climate Action Network · Sierra Club California · SoCal 350 · Stand.earth · Sunflower Alliance · Watts Clean Air and Energy Committee · Vote Solar · 350 Bay Area Action

- 1. Current California GHG Emission Inventory Data https://ww2.arb.ca.gov/ghg-inventory-data
- 2. US EPA, National Emissions Inventory (2020). https://www.epa.gov/air-emissions-inventories/2020-national-emissions-inventory-nei-data
- 3. Source: EPA's Greenhouse Gas Reporting Program 2022 https://www.epa.gov/ghgreporting/ghgrp-reported-data

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