

**Date:** March 16, 2022 **Council Bill:** 21-0161 City Operations – Net-Zero Emissions of Greenhouse Gases **Position:** Favorable with Amendments

Dear Chairwoman McCray and Members of the Committee:

The National Aquarium respectfully requests a favorable report with amendments for Council Bill 21-0161, which sets a net-zero greenhouse gas emissions goal for city government operations.

The 2019 Baltimore Sustainability Plan, developed over more than two years with extensive stakeholder input, recommends that the city commit to being a "Carbon Neutral City" and set an ambitious greenhouse gas emissions reduction target specifically for city government operations. We applaud Mayor Brandon Scott and the City Council for already formally committing the city to carbon neutrality. This legislation is an important next step to codify those goals, meet the emissions reductions recommendations of the 2019 Sustainability Plan, and clearly position city government as a leader and example for the rest of Baltimore City.

Combatting climate change is one of the National Aquarium's three strategic conservation goals. We do this through a holistic, solutions-focused approach, which includes translating ocean and climate science, building resilience through community empowerment, implementing nature-based solutions, and reducing our own carbon footprint. The National Aquarium began reducing our carbon footprint more than a decade ago and is currently charting a course to reach net-zero emissions across our buildings and operations. We expect to exceed the net-zero goal outlined in this legislation.

Based on existing agreed upon standards for emissions reductions as well as our own net-zero journey grounded in best practices, the Aquarium strongly encourages that this legislation be amended to better define net-zero, define and clarify carbon offsets, center climate equity and environmental justice, and ensure appropriate staffing and transparency measures are adopted when implementing the legislation.

## Define Net-Zero

The definition of "net-zero" needs to be strengthened to emphasize emissions reductions and ensure the city does not rely extensively on carbon offsets to meet this goal. Generally speaking, carbon neutrality can be achieved at any time by anyone who is willing and able to pay for enough carbon offsets (credits) to effectively negate the emissions they are putting into the atmosphere. However, best practices state that net-zero emissions is achieved by focusing on permanent reductions in greenhouse gas emissions and limiting offsets only to balance emissions that cannot easily or practically be eliminated.<sup>1</sup> In short, you can pay to be carbon neutral, but you need to reduce emissions to be net-zero. Many of the steps necessary to reduce emissions and achieve net-zero also result in greater energy efficiency and cost savings over time, so it also makes financial sense for the city to emphasize emissions reductions over carbon offsets.

The Greenhouse Gas Protocol for Cities states, "if using carbon credits to offset projects to cancel out residual emissions, the city should define a limit on the maximum quantity of credits used. This is essential for the purposes of prioritizing and maximizing direct reductions in gross emissions."<sup>2</sup> C40 Cities Climate Leadership Group says "the number of credits should be reduced

<sup>&</sup>lt;sup>1</sup> SBTI Corporate Net Zero Standard, <u>https://sciencebasedtargets.org/resources/files/Net-Zero-Standard.pdf</u>, page 8 <sup>2</sup> Global Protocol for Community-Scale Greenhouse Gas Inventories 1.1, <u>https://ghgprotocol.org/greenhouse-gas-protocol-accounting-reporting-standard-cities</u>, p. 147



year over year as the city implements additional greenhouse gas mitigation strategies" and suggests setting a "maximum percentage of base year emissions that can be offset."<sup>3</sup> The Science Based Targets initiative recommends the maximum percentage of offsets should be capped at 10%, meaning there needs to be a minimum 90% reduction in emissions compared to the baseline, leaving no more than 10% that can be negated through strategies like carbon offsets.<sup>4</sup> There are many examples of private organizations and governments who adhere to this best practice definition of net-zero, limiting offsets to no more than 10% and focusing offsets on emissions reductions that are too costly or not achievable with current technology. This includes the National Aquarium, Austin, TX<sup>5</sup>, and Boston, MA<sup>6</sup>. The language used in the amendment is inspired by similar language that has been approved by the city of Austin.

## Define and Clarify Carbon Offsets

Defining carbon offsets, sometimes referred to as carbon credits, ensures the city is using language that adheres to best practices and that carbon offsets are having the maximum possible benefit to the environment. The suggested definition and parameters for carbon offset is adopted from the city of Austin and contains several well-documented principles, including that the offsets be additional, measurable and permanent, and verified by a third-party.<sup>7</sup> In addition to defining these principles, the C40 Cities Climate Leadership Group suggests a non-comprehensive list of standards that can be used to verify carbon offsets, including Carbon Registry, Clean Development Mechanism, Climate Action Reserve, Gold Standard, Verified Carbon Standard, and Verra.<sup>8</sup>

## Implement for Equity and Justice

The remaining requested amendments are concerned with how the legislation is implemented. The city should pay special attention to invest in emissions reductions in communities most impacted by climate change and pollution, especially because these are often the communities who are historically overburdened and underserved.

The city should ensure proper transparency is provided to allow the public to track the city's progress and provide input on how the city is reducing its emissions. Lastly, we hope the city will further examine the staffing needs required to successfully implement this net-zero target.

We applaud the approach of this critically necessary legislation. It is incumbent that governments at every level focus on reducing greenhouse gas emissions rapidly. The city government must lead the way if we are to achieve our citywide emissions reductions goals. We urge the Committee to issue a favorable report with amendments on Council Bill 21-0161.

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10/city of boston 2019 climate action plan update 4.pdf, page 79

https://www.c40knowledgehub.org/s/article/Defining-carbon-neutrality-for-cities-and-managing-residual-emissions-Citiesperspective-and-guidance, pp. 34-35

<sup>&</sup>lt;sup>3</sup> Defining carbon neutrality for cities and managing residual emissions,

https://www.c40knowledgehub.org/s/article/Defining-carbon-neutrality-for-cities-and-managing-residual-emissions-Citiesperspective-and-guidance, p.20

<sup>&</sup>lt;sup>4</sup> SBTI Corporate Net Zero Standard, <u>https://sciencebasedtargets.org/resources/files/Net-Zero-Standard.pdf</u>, p.15

<sup>&</sup>lt;sup>5</sup> Austin Climate Equity Plan, <u>https://www.austintexas.gov/page/austin-climate-equity-plan</u>, p. 45

<sup>&</sup>lt;sup>6</sup> City of Boston Climate Action Plan, <u>https://www.boston.gov/sites/default/files/embed/file/2019-</u>

<sup>&</sup>lt;sup>7</sup> Defining carbon neutrality for cities and managing residual emissions,



## Suggested Amendments for Council Bill 21-0161

- 1. Move up the timeline to 2045 and bring in line with the Carbon Neutral City resolution by setting emission reduction goals of 30% by 2025 and 60% by 2030.
- 2. Change the definition of "net zero emissions" to limit the use of offsets. Suggested language based on <u>Austin's Climate Equity Plan</u>:
  - a. "Net-zero emissions" means all human-made greenhouse gas emissions are removed from the atmosphere through direct reduction and the use of carbon offsets or carbon dioxide removal as needed. For any given year, carbon offsets cannot exceed more than 10% of the city's 2007 GHG emissions baseline level. This 10% should be reserved for sectors where emission reductions are cost-prohibitive or impossible to reduce with existing technology. When carbon offsets are used:
    - i. They should be purchased from projects as close to the Baltimore area as possible.
    - ii. They should be purchased from projects that create additional environmental and equity benefits.
    - Carbon offsets from negative emissions should be prioritized over avoided emissions, and the use of avoided emissions should be phased out by 2040.
- 3. Add a definition of carbon offsets. Suggested language from Austin:
  - a. "Carbon offset" means one metric ton of carbon dioxide equivalent (CO2e) that is kept out of the atmosphere by either preventing the creation of the emissions ("avoided emissions") or sequestering carbon in vegetation, soils, rock, or water ("negative emissions"). The avoided or negative emissions occur outside of Baltimore and compensate for an equivalent amount of greenhouse gas emissions occurring within Baltimore.
- 4. Add parameters for what types of carbon offsets will be accepted:
  - a. "Carbon offsets must adhere to an approved accounting protocol that ensures the carbon offsets are additional, measurable and permanent, and do not create negative environmental or social impacts. The offsets must also be third-party verified and registered."
- 5. Ensure that building upgrades, capital investments, etc associated with this bill are implemented in the communities most impacted by climate change and pollution first. Suggested language:
  - a. On page 3, line 18 after "DEFINED IN CITY CODE ARTICLE 1, § 34-1(E);" add "WHILE ENSURING THAT BUILDING UPGRADES, CAPITAL INVESTMENTS, ETC ASSOCIATED WITH THE NET ZERO TRANSITION ARE PRIORITIZED



TO THE EXTENT POSSIBLE IN THE COMMUNITIES MOST IMPACTED BY CLIMATE CHANGE AND POLLUTION."

- 6. Require the use of key environmental justice indicators to track community environmental health impacts. Suggested language from the Initiative for Energy Justice and Metropolitan Washington Council of Governments:
  - a. On page 4, line 1 before "set criteria and recommend mandatory measures" add "(7) ESTABLISH KEY ENVIRONMENTAL JUSTICE INDICATORS TO TRACK COMMUNITY IMPACTS OF PLAN; AND (8)."
  - b. On page 4, line 5 after "Article 23, § 16-2; and" add "(III) COMMUNITY ENVIRONMENTAL HEALTH METRICS INCLUDING DECREASE IN METRIC TONS OF CRITERIA POLLUTANTS AND THE PARITY OR DISPARITY OF BENEFITS AND BURDENS ACROSS DIFFERENT POPULATIONS; AND (IV)"
- 7. Assess any additional staffing needs required to implement this ordinance.
- 8. Require additional transparency and community-based public participation mechanisms to provide input and track progress of the net zero transition. Suggested language:
  - a. The Office shall develop rules and regulations to require additional transparency and community-based public participation mechanisms to provide input and track progress of the net zero transition.