California Standards on Carbon Intensity of Fuels Move Forward: Court Rules in State’s Favor on Climate Protection Effort

Sacramento, CA--Today, the 9th Circuit Court of Appeals reversed a lower court’s decision, allowing the state to move forward with new standards that will limit carbon pollution from fuels sold in California.

In 2009 the state adopted low carbon fuel standards that limit the amount of carbon in fuels. The oil and ethanol industries challenged the rule on Constitutional grounds, alleging that they discriminate against out-of-state commerce and are preempted by federal law. A federal district court ruled in December 2011 siding with the industries. The State of California, along with the Sierra Club and other public interest groups appealed that decision.

In its decision today, the 9th Circuit court ruled that this regulation does not discriminate against out-of-state commerce or disadvantage out-of-state ethanol or crude producers. However, the District Court will have another opportunity to review certain provisions of the regulation to determine whether any incidental effect the regulation has on commerce will outweigh the statewide benefits of reducing carbon pollution and the impacts of climate disruption.

Sierra Club California Director Kathryn Phillips released the following statement:

“California is leading the nation in combating climate disruption by looking at the amount of carbon pollution created by fuels produced and burned in the state. This program creates an incentive for high-carbon fuel producers to reduce carbon pollution from their products or buy credits that will still allow them to participate in the California market. It’s fair, it’s flexible, and most importantly it will reduce the carbon intensity of fuels sold in the state.

“The Court today provided a strong endorsement of the State’s efforts to innovate and apply creative solutions to carbon pollution and create a pathway for other states facing similar challenges.”

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Sierra Club California is the legislative and regulatory advocacy arm of the Sierra Club’s 13 chapters and more than 380,000 members and supporters in California.