Briefing Background:

The University of California (UC/University) is committed to action to address the climate crisis and its impact on vulnerable populations. This policy strengthens the University's climate commitments by building on a considerable track record of climate action and replacing the previous carbon neutrality policy target that focused on Scope 1 and 2 emissions. This policy prioritizes direct action, limits the role of carbon offsets, addresses key Scope 3 emission sources, emphasizes specific steps to integrate climate justice, and aligns the UC with key partners in climate action leadership.

As an institution of higher education, the University recognizes the importance of a science-based approach to target setting and policy development. The policy requirements below were informed by input including the following but not limited to, the UC Climate Change Working Group, the UC Global Climate Leadership Council, the UC Sustainability Steering Committee, campus stakeholders working towards a fossil-free UC, the UC faculty senate climate crisis memorial, a detailed review of the Science Based Targets Initiative <u>Net-Zero</u> <u>Standard</u> that is designed to ensure consistency with the science of limiting global temperature rise to 1.5°C¹, and State of California legislation that targets net-zero greenhouse gas emissions by 2045.

New Proposed Policy Language:

III. POLICY

C. Climate Action

For purposes of this section, campuses will include their related health locations in targets, planning and reporting.

- 1. Greenhouse Gas Emissions
 - a. Each location will set climate action targets that chart a path toward a fossil-free UC. These targets will:
 - i. Include Scope 1, 2, and relevant Scope 3 emissions as listed in the procedures Section V.C
 - ii. Reduce emissions to zero or a residual level (at least a 90% reduction from a 2009 baseline year) by no later than 2045.
 - b. Near-Term Targets:
 - Each location will achieve and maintain, at minimum, a near-term emissions reduction of 30% from a 2009 baseline for calendar year 2030, with a stretch goal of 55%. A near-term emission reduction target for 2035 will be codified in this policy at a later date, informed by planned campus decarbonization studies.

¹ SBTi focuses on the private sector and does not directly apply to universities but provides a helpful framework in charting a new course for the University system.

- ii. The UC System will target an aggregate emissions reduction of 50% from a 2009 baseline year for calendar year 2030.
- c. Residual emissions will be neutralized by carbon removal.
- d. Each location will redirect funds that would have been spent on voluntary carbon offsets for calendar years 2025 through 2030 to achieve the previous carbon neutrality policy goal for Scope 1 and 2 emissions on direct emissions reduction as described in the Procedures Section V.C.
- e. Meeting the targets above does not affect the separate need for individual locations to meet applicable regulatory requirements.

V. PROCEDURES

C. Climate Action

For purposes of this section, campuses will include their related health locations in targets, planning, and reporting.

- 1. By January 1, 2025, each UC location will set emission reduction targets meeting the minimum requirements of this policy. These targets include:
 - a. An emissions reduction target for calendar year 2030 and 2035 relative to a 2009 baseline
 - b. A calendar year no later than 2045 to reach a residual level of emissions, not to exceed 10% of baseline emissions.
- 2. Each UC location must prepare a new climate action plan or update an existing plan to achieve emissions reduction targets.
 - a. This plan will be submitted to UCOP no later than January 1, 2026, to begin implementation as soon as possible and no later than the submission date.
 - b. In order to integrate environmental justice, each location will incorporate the "University of California's Framework for Incorporating Environmental & Climate Justice into Climate Action" and its evaluation questions into climate action planning. Climate action plans will also integrate adaptation and resilience into planning documents.
 - c. Climate action plans shall be updated to incorporate new scientific insights and technological advances; and reflect applicable laws and policies, established global commitments, and social and cultural shifts around climate action.
- 3. UC locations will not rely on offsets, with the following exceptions:
 - a. Individual locations may apply regulatory California Carbon Offsets purchased to meet regulatory requirements of the California Air Resources Board against targets. Use of voluntary offsets to meet obligations under the California Environmental Quality Act or the LEED green building certification cannot be applied against policy targets.

- b. In collaboration with faculty researchers, locations may support the development of rigorously verified UC-initiated offsets to meet targets, neutralize residual emissions, meet obligations under the California Environmental Quality Act, or achieve LEED green building certification.
- 5. Policy item III.C.1.c regarding residual emissions removal may be revised as needed based on evolving technologies and regulations.
- 6. The UC will continue to use The Climate Registry (TCR) General Reporting Protocol for GHG accounting, Lawrence Berkeley National Laboratory will continue to use a federally-required GHG accounting protocol. Locations will complete GHG emissions inventories annually. TCR inventories will be verified by a qualified third party. Each campus will maintain individual membership with TCR.
- 7. The purchase of renewable energy certificates may be counted against the emissions associated with electricity consumption in accordance with applicable GHG reporting protocols.
- 8. The UC plans to continue purchasing biomethane. Locations may apply the resulting biomethane certificates against near-term targets. Locations will evaluate the feasibility of meeting long-term targets without using biomethane.
- 9. Locations may pursue the use of hydrogen to reduce reported emissions so long as that hydrogen is produced from renewable sources.
- 10. The UC will include the following Scope 3 emission categories within the greenhouse gas reduction targets: business travel, employee commuting, and waste generated in operations (disposal and treatment of solid waste). The CCWG will continue to evaluate inclusion of additional Scope 3 categories at a future date. Any differences between the boundaries used for Scope 3 reporting and those used for Scope 1 and 2 reporting will be documented. Reporting for the listed Scope 3 emission categories will begin by CY 2024.
- 11. The University will determine a systemwide rate per metric ton in order to estimate the funding that would have been spent on voluntary offsets under the prior policy of carbon neutrality for Scope 1 and 2 emissions during the 2025 through 2030 period. Each location will determine the best mechanism to spend or earmark these additional funds for direct emissions reduction, for example, infrastructure upgrades, and studies supporting those upgrades. Locations will report annual spending and progress to UCOP.
- 12. The Climate Change Working Group (CCWG), under the UC Sustainability Steering Committee and represented on the President's Global Climate Leadership Council, will monitor progress toward reaching the goals for GHG reduction and evaluate suggestions for strategies and programs to reach these goals.
- 13. The CCWG will develop protocols for growth adjustment, data normalization, and accurate reporting procedures, as required.