



April 17, 2014

Ms. Mary Nichols  
Chair, California Air Resources Board  
1001 I St.  
Sacramento, CA 95814

**RE: AB 32 Scoping Plan Draft Proposed First Update**

Dear Chair Nichols:

The Rural County Representatives of California (RCRC) represents thirty-four rural counties statewide and our Board of Directors is comprised of one Supervisor from each of those counties. Because of the far-reaching implications on the regulated community, including local governments and their constituents alike, RCRC has been actively involved in the implementation of AB 32 since it was signed into law in 2006. Once again, we appreciate this opportunity to provide input on the AB 32 Scoping Plan Draft Proposed First Update and its effect on counties, related agencies, and rural communities. We offer the following comments on the Draft Update:

Energy

While RCRC has no specific comments regarding energy proposals in the Draft Update, we would caution that any proposed regulatory or legislative efforts in the energy sector not impede on the responsibility, authority, or jurisdiction of local government.

Transportation

The transportation system is one of the most significant sources of greenhouse gas (GHG) and criteria pollutant emissions. The Draft Update targets this sector as the area with the greatest needs for emissions reductions through improved vehicle and fuels technologies, regional and local land use planning to reduce vehicular GHG emissions and provide more transportation options, and an improved transportation system. RCRC stresses that during development of all future regulations to accomplish these goals, Air Resources Board (ARB) needs to broaden its economic analysis to consider the financial impacts to individuals, businesses, and local agencies on a regional basis to account for the challenges faced by different areas. RCRC agrees that for successful implementation of these goals, the State has a role to provide ongoing support through financial resources, incentives, and technical assistance.

### Agriculture

Agriculture is a major industry for California - second only to tourism. With 88,000 farms and ranches, California agriculture is a \$44 billion industry that generates \$100 billion in related economic activity. Agriculture also plays a number of other vital and diverse roles in the California landscape. California agriculture provides for much needed open space in an ever increasing urban California, such as national security through the raising of our own fruits and vegetables, meat, poultry and other agricultural products, residual products for biomass to create a clean alternative energy source, science based research and development through major universities, agri-tourism, preservation of habitat, and the reduction of greenhouse gases.

Much of the state's agriculture is rooted in California's rural counties and it is imperative that policies affecting the industry such as water, land use, taxation, and numerous others create an environment that will allow farmers and ranchers to continue to provide the safest and most nutritious products that feed not only our State, but the world, as well as the additional critical benefits of California agriculture.

Due primarily to costs and scientific uncertainty in measuring GHGs in many agricultural systems, RCRC agrees with the Draft Update that any steps to reduce GHG emissions in this sector should be voluntary rather than regulatory. RCRC strongly opposes, however, any mandatory requirements for installing anaerobic digesters at dairies and finds this language contradictory with the language in the preceding paragraph. As stated in the Draft Update on page 66, the recent economic recession, increased feed and fuel prices, lack of sufficient financial incentives, and insufficient utility contracts have made it very difficult for dairies to voluntarily install methane digesters and a mandate would only serve to severely burden an already struggling industry. RCRC does agree with providing strong incentives for methane digesters and would support the state exploring different methods to encourage participation in the program.

RCRC also agrees with the Draft Update's statement that conservation of croplands and rangelands is vital to meeting California's long-term climate goals. RCRC would strongly recommend ARB support reinstating Williamson Act subvention payments to counties to help preserve agricultural land. The Williamson Act is one of the most effective on-the-ground tools for the preservation agricultural land, open space, the preservation of habitat, and the reduction of greenhouse gases. The program has not only served to preserve and protect agricultural lands, but has also served as an excellent planning tool at the local level in the development of the General Plan and has significantly reduced leap frog development through the preservation of contiguous areas of agricultural land.

Finally, RCRC supports the production of biofuels in both the Agriculture and Natural and Working Lands sectors, and encourages ARB to explore and identify funding methods to initiate sustainable biofuels projects.

### Water

RCRC has strong concerns with the omission of local agencies from the policy discussion in the water sector, particularly the last sentence and corresponding bullet points in the fifth paragraph on page 72 of the Draft Update. As stated on page 73, water rates are set at the local level, and are not the jurisdiction of the state. The management of groundwater is also under the jurisdiction of local agencies, and is being successfully accomplished through AB 3030 groundwater management plans, among other programs.

Additionally, RCRC has strong concerns with the mention of the state's California Water Action Plan proposal for a comprehensive groundwater policy to reduce overdraft and energy-intensive pumping from deep underground without also mentioning the need to include local agencies in any such policy. RCRC would recommend that any proposed plan that may become policy in the water sector specifically include a collaborative effort with the local agencies that have jurisdiction over those areas.

### Waste Management

Specifically for the solid waste sector, the Draft Update identifies six key recommended actions. The most significant impact to our member counties is the proposal to eliminate disposal of organic materials at landfills. The Draft Update specifically states that if legislation for organics diversion is not enacted this year, ARB is poised to develop regulations under its authority from AB 32.

RCRC staff has been working closely with the public and private sector solid waste industry, the California Department of Resources Recycling and Recovery (CalRecycle), legislative staff, and Californians Against Waste (CAW) to try to address the concerns of all parties involved and craft a workable bill in Assembly Bill 1826 (Chesbro, 2014). We recognize that implementation of any organics recycling goal will take a partnership between the generators, the solid waste industry, and the public sector, both at the local and state level. We are advocating a phased-in approach that has flexibility to take into consideration facility infrastructure capacity and to allow jurisdictions to implement programs that meet local needs and to work within existing infrastructures and resources.

RCRC believes the key to success of organics diversion lies in the State's commitment to the next two recommendations dealing with financing/funding/incentive mechanism for in-State infrastructure and address cross-California agency and federal permitting and siting challenges associated with composting and anaerobic digestion. We support and will be willing partners to the development of these efforts.

RCRC also appreciates the delay in consideration of any additional methane control measures at existing landfills or consideration to moving landfills into the Cap-and-Trade Program, but would prefer it is extended to the next Scoping Plan Update to fully evaluate the effectiveness of the newly established mandatory commercial recycling program and the developing organics diversion requirement.

#### Natural and Working Lands

RCRC applauds ARB staff for the substantial additions to this section after receiving comments on the Discussion Draft, particularly related to forest land. Forested lands present a unique opportunity for ARB to not only reduce carbon emissions and increase sequestration, but to reap co-benefits for watersheds, biomass to energy projects, and reduction of criteria pollutants such as particulate matter when wildfire emissions are reduced. We also commend staff for acknowledging that, when sustainably managed, the potential for this sector to reduce GHG emissions and sequester carbon is significant and vital in reaching California's long-term climate goals.

That said, the converse is also true - if natural and working lands are not sustainably managed, these lands could become the cause of the ultimate failure of California's climate goals, regardless of actions taken in other sectors due to the massive outputs of GHGs and particulates. We feel the Draft Update should include more proactive engagement with the U.S. Forest Service (USFS) to initiate and accomplish sustainable management projects on national forests. Page 4 of The Natural and Working Lands Working Paper states:

To change the status quo, state climate change strategies need to consider federal lands and broader forest health issues that extend beyond ownership boundaries. Since federal forests represent such a large and unfragmented part of the land base the management choices for these lands are critical and represent an enormous opportunity to enhance climate benefits from a public resource.

The paper does a fine job of explaining the importance of national forest lands in California particularly since approximately one-fifth of California's total land is managed by the USFS. The Working Paper also outlines the carbon sequestration potential that is being lost due to wildfire, invasive pests and disease. Despite the recommendations of the Working Paper, the Key Recommended Actions for Natural and Working Lands in the Draft Update do not once mention the USFS, nor do any of the recommendations explicitly mention projects or engagement on national forest lands consistent with the Working Paper.

RCRC is a strong proponent of good stewardship of California's forested and working landscapes. Our organization recognizes the critical importance that fire prevention and forest and wildland health play in our air, water, and resource availability and quality. To that end, RCRC is a member of a coalition of entities representing local

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government, the forestry industry, the environmental community, the agricultural sector, and water providers that have come together to work on forestry and public lands management reforms. RCRC stands ready to work with ARB and the California Natural Resources Agency to identify methodologies and specific projects in order to better manage California's public lands and prevent catastrophic fire disaster. This prevention work protects the forests' carbon sequestration capacity, protects our air quality, and prevents damage to the water capacity and quality of the state's watersheds.

RCRC appreciates your consideration of our comments, and looks forward to working with ARB staff in the future as the Scoping Plan update progresses. Please feel free to contact me with any comments or questions you may have.

Sincerely,

A handwritten signature in black ink, appearing to read "Staci Heaton", written in a cursive style.

Staci Heaton  
Regulatory Affairs Advocate

cc: Matthew Rodriguez, Secretary for Environmental Protection  
Members of the California Air Resources Board  
Richard W. Corey, California Air Resources Board  
RCRC Board of Directors