

RESOURCE CONSERVATION DISTRICT  
Ventura County

March 8, 2013

Chairman Mary Nichols  
California Air Resources Board  
1001 "I" Street  
Sacramento, CA 95814

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Victor Contreras, Secretary/Treasurer  
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Kevin Cannon, Director  
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Submitted via [Online Comment Submittal Form](#)

Dear Chairman Nichols,

### Cap-and-Trade Auction Proceeds Investment Plan

Thank you for allowing us to offer recommendations concerning the investment of cap-and-trade auction proceeds such that they further the objectives of the California Global Warming Solutions Act of 2006 (AB 32). While the overall goals of AB 32 are necessarily broad in scope, specific objectives involve reducing greenhouse gas (GHG) emissions by funding existing programs that enhance California's economy. As expressed in the California Air Resources Board Cap-and-Trade Auction Proceeds Investment Plan draft concept paper (Plan), budget appropriations from the Greenhouse Reduction Fund (Fund) should include investments that "Provide opportunities for...nonprofits...to participate in...statewide efforts to reduce greenhouse emissions." The Ventura County Resource Conservation District (VCRCD), along with Resource Conservation Districts (RCD's) throughout California, welcomes this directive and would like to provide examples where opportunities for participation exist.

The VCRCD is an independent legal subdivision of the State of California organized under Division 9 of the Public Resources Code. The VCRCD's mission is to collaborate with landowners, government agencies, and other willing partners to facilitate the conservation and restoration of Ventura County's natural resources.

In the near-term, we urge that Fund proceeds be used for agricultural research and to implement agricultural projects that promote sustainable and renewable energy use along with water- and agrichemical-use efficiency. This will lower the immediate atmospheric GHG burden by reducing the energy used to deliver and treat agricultural waters, reducing the energy needed to manufacture and apply fertilizers, and reducing agriculturally-related nitrous oxide release.

In the long-term, we feel it is critical that funds be used to evaluate the role that ecosystem services and landscape complexity plays in tempering the impacts of episodic, climate-induced weather events on rural cropping systems. This will ensure access to local sources of nutritionally balanced foods, reducing transportation and storage needs while also protecting working landscapes. This may also curtail the need for chemical pesticides which are non-sustainable from an expense, energy, and environmental risk perspective.

The suggestions above fall in line with the Plan itself, where eligible investments include projects that "Reduce GHG emissions associated with water use and supply, land and natural resource conservation and management, forestry, and sustainable agriculture." Furthermore, as stated elsewhere in the Plan, an

emphasis is placed on investments in "...existing programs that can be quickly expanded to support additional GHG reduction projects...." The VCRCD applauds this emphasis as we have worked tirelessly to develop working partnerships at the local, regional, and state-wide scale.

These fruitful partnerships include the California Department of Food and Agriculture (CDFA), the Department of Pesticide Regulation, the California Environmental Protection Agency, and the State Water Resources Control Board, among others. It is our view that if agriculturally related state agencies were to receive Fund proceeds to develop GHG reduction-specific grant solicitations, the agricultural sector would be better positioned to help California address the GHG goals for both 2020 and 2050.

Annual GHG emissions can be 70-fold greater on urbanized land than agricultural land (Jackson et. al. 2012). The VCRCD's non-regulatory status creates a unique opportunity whereby it can work closely with agricultural producers for the dual benefit of conserving and protecting natural resources while also keeping agriculture a viable, competitive business in California.

We understand that the State desires to focus the first Plan on funding existing State Agency programs. Below is a list of existing programs that we suggest receive Fund proceeds:

- a. Department of Water Resources' Agricultural Water Use Efficiency program. This program can support operations such as RCD's Mobile Irrigation Laboratories, which evaluates irrigation systems for efficiency and provides technical assistance for irrigation system improvements.
- b. CDFA's Fertilizer Research Enhancement Program (FREP). This Program can lead to the adoption of new Best Management Practices (BMPs) that reduce the amount of petroleum-based fertilizers being applied and reduce the amount of the potent GHG nitrous oxide emissions released after fertilizer application.
- c. CDFA's Specialty Crop Block Grant. These grants are used to enhance the competitiveness of California's specialty crops in domestic and foreign markets, in part through reducing inputs such as fertilizer, pesticides, electricity and water usage as well as diesel-fueled equipment. These types of improvements can make agricultural operations more competitive while also reducing their carbon-footprint.

In addition, the VCRCD can develop or expand several different kinds of programs to address climate change resiliency, adaptation, and GHG reductions on agricultural operations. These programs include: energy efficiency auditing of agricultural operations, education & outreach on the application of compost on orchards, and services to improve water and nutrient use efficiency for crops.

In closing, we recommend that revenue from auction proceeds be used to fund agriculturally and environmentally related competitive grants, such as those administered by existing State agencies, particularly as they relate to agricultural water-use efficiency, agrichemical use reductions, and crop production resiliency.

Sincerely,



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