

March 8, 2013

Clerk of the Board

California Air Resources Board

1001 I Street

Sacramento, CA 95814

**RE: Cap-and-Trade Auction Proceed Investment Plan – Comments from the California Airports Council**

Dear Chairwoman Nichols and Board Members:

On behalf of the California Airports Council, we welcome the opportunity to provide comments relating to the development of a statewide investment plan for auction proceeds from the Cap-and-Trade program.

The California Airport Council (CAC) comprises the 30 commercial service airports in California who collectively account for over 13% of all commercial aviation activity within the United States. California airports are among world leaders in environmental protection practices and have in fact advanced well beyond basic levels of regulatory compliance in many environmental sectors.

California airports have implemented measures and practices to significantly reduce their carbon footprint and minimize the emission of green house gases from airport operations. Among the many measures taken by California airports:

* Conversion to alternative fuel ground equipment, shuttles, and ground transportation providers. Some airports offer parking and airport access fee incentives for ground transportation providers operating low emission vehicles. Some have used grants to finance the acquisition of low or zero emission vehicles for ground transportation service providers.

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* Airports increasingly provide ground power for aircraft while parked at gates to minimize the use of aircraft engines for power and pre-conditioned air to climatize jetways.
* Installation of on-airport clean energy generation, including solar panels.
* Construction of on-airport central power plants utilizing best available technologies.
* The majority of new capital project construction at California airports meets either LEED Gold or Silver green building standards and the majority of demolition materials are recycled.

As the commercial aviation sector in California expands both passenger and cargo activity, we believe further GHG reductions can be achieved. The cost to airports to pursue these measures is, however, significant. Airports, of course, have differing sizes and activity levels, leading them to implement GHG reduction measures as resources permit. Our Council strongly believes that auction revenues derived from fuels within the transportation sector should be used to improve the transportation sector’s implementation of AB 32. All of which will benefit the improved health of California communities in and around commercial airports.

California airports have moved far ahead to lead the way for airports worldwide to serve as very responsible environmental stewards. We highlight many of these accomplishments on our website: <http://www.calairportscouncil.org/going-green/>. Much more can be accomplished and we believe airports should be recipients of Cap-and-Trade auction revenues to continue to expand our efforts going forward.

We look forward to working with the Air Resources Board and other stakeholders to develop the investment plan for the Cap-and-Trade auction proceeds. We thank you for the opportunity to comment.

Sincerely,

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Jim Lites

Executive Director

Copies: Ana Matosantos, Director, Department of Finance

Brian Kelly, Interim Secretary, California Business Transportation and Housing Agency