ERIC GARCETTI
MAYOR

March 24, 2016

Ms. Mary D. Nichols
Chair
California Air Resources Board
1001 I Street
Sacramento, CA 95812

Re: California Air Resources Board Draft Aliso Canyon Methane Leak Climate Impact Mitigation Program

Dear Chair Nichols,

Thank you for the opportunity to comment on the Air Resources Board's (ARB) draft Aliso Canyon Methane Leak Climate Impacts Mitigation Program. I am writing on behalf the residents of the city of Los Angeles who continue to experience the damaging impacts of the leak.

On January 27, 2016, I wrote to Governor Brown and laid out three key themes for any greenhouse gas (GHG) mitigation program:

1. Prioritize local investment in Los Angeles;
2. Calculate methane mitigation requirements over a 20-year period; and
3. Maximize co-benefits of any mitigation investment, including benefiting disadvantaged communities and accelerating progress toward a zero-emission and more resilient energy system.

ARB staff have responded positively to all of the points above, and the city of Los Angeles shares the program objectives set out in the proposal. However, I remain concerned that the mitigation efforts as currently framed primarily focus on the agricultural sector in the Central Valley and direct too many resources to waste projects outside the Los Angeles basin.

There are two primary reasons why the mitigation should occur within the City of Los Angeles and the Los Angeles basin:

- The Aliso Canyon methane leak caused significant harm to the people of Porter Ranch and the surrounding neighborhoods, displacing 10,000 residents; and
- The leak not only forced thousands of Los Angeles residents from their homes for months, it has left the energy system that serves Angelenos and the region vulnerable.

It is vital that in addressing the undeniable environmental impact of the leak, we also work to protect the communities it has harmed the most, and prioritize mitigation measures regionally to help reduce energy use, particularly natural gas, in the city of Los Angeles and the Los Angeles basin. This is an idea nearly all stakeholders offering mitigation proposals, including the South Coast Air Quality Management District and more than 450 Porter Ranch residents who have responded to a city of Los Angeles survey on the issue.

Project Criteria Priorities for the Mitigation Plan

We recommend that your project criteria focus on projects that:

1. Reduce short-lived climate pollutants (SLCPs) including black carbon and hydrofluorocarbon (HFCs), not just methane, per the Governor's proclamation;
2. Are located within the city of Los Angeles and the Los Angeles basin, to ensure benefits reach the most heavily impacted communities;
3. Provide crucial grid benefits by increasing efficiency and reducing dependence on natural gas; and
4. Maximize additional co-benefits such as improving disadvantaged communities, enhancing air quality, and supporting technological advancement.

Efforts should only move to other parts of the state if there is a shortage of suitable project areas in Los Angeles and the L.A. basin. However, I am confident that there is no such shortage.

The ARB proposal sets out a rationale for why it believes that the mitigation program must consider emission reduction opportunities across the state. ARB refers to three concerns about focusing on the Los Angeles area:

- Not achieving full mitigation of climate impacts;
- Mitigating climate impacts at excessive cost; and
- Failing to achieve transformative results.

It is important to note that methane is not the only relevant SLCP that meets the requirements of the Governor's Emergency Proclamation. In addition to methane emissions within and near the city of Los Angeles from oil and gas operations and waste sites, the Los Angeles area accounts for a large portion of the state's black carbon emissions, particularly from diesel vehicles such as school buses, drayage trucks and off-road port operations equipment.

To help provide ARB with additional background demonstrating that it is possible to achieve full mitigation within the Los Angeles area at reasonable cost and with transformative and ongoing benefits, the city of Los Angeles has identified several sectors with high greenhouse gas emissions, mainly SLCP emission sources, as well as high-impact, near-term efficiency measures which will cut natural gas demand and alleviate over-reliance on natural gas storage.

Below is a recommended package of measures to mitigate the additional methane emissions from the Aliso Canyon leak within the Porter Ranch and Los Angeles area:

- **Create California's first Net Zero Energy Neighborhood in Porter Ranch** and the surrounding area to set a powerful example of how we can move away from natural gas use. This would be done by combining building upgrades (solar hot water heaters, energy efficiency retrofits, solar panels, battery storage, etc.); installing publicly available EV chargers, prioritizing new zero-emission municipal vehicles on routes serving the area; and building green infrastructure in the public rights of way. Early assessment of the building strategies by Integral Group and BNIM show that we can achieve 29-38 percent energy savings across Porter Ranch and surrounding neighborhoods, reducing strain on the grid. Additionally, given the available roof square footage, almost the entire areas' energy needs can be supplied by rooftop solar.

- **Convert some of the 14,000 drayage trucks used at the Port of Los Angeles to zero-emission**, electric, and/or ultra-low emission alternatives and electrify other Port operations. This sector is responsible for 360,000 metric tons carbon dioxide equivalent (CO2e) annually, mostly in the form of black carbon. There are significant opportunities here to mitigate SLCPs while accelerating the development and roll out of heavy-duty electric vehicles in other fleets across California. These measures would offer significant air quality benefits in some of the most disadvantaged communities as defined by California Environmental Protection Agency (CalEPA).

- **Replacing Los Angeles County Metropolitan Transportation Authority (Metro), Los Angeles Department of Transportation (LADOT), school buses and solid waste collection vehicles with new zero emission technologies**, including EVs. This measure would address significant sources of natural gas and diesel fuel dependence. Currently this sector contributes nearly 300,000 metric tons of CO2e every year and therefore can deliver significant savings, while placing Los Angeles at the forefront of global efforts to electrify city bus fleets, particularly in the case of prevalent diesel school buses, which reduce toxic exposure to school children. In addition, electrification of heavy-duty solid waste collection vehicles that are operating on diesel and/or natural gas and are servicing residents in the Porter Ranch and surrounding disadvantaged Los Angeles communities will result in significant reduction of greenhouse gas emissions (estimated at 700 metric tons

CO2e per truck over its lifetime of 10 years), and zero emissions of criteria air pollutants to local residents.

- **Tackling methane 'hotspots' in the Los Angeles area, including building anaerobic digesters and digester gas utilization at waste sites**, such as at the Central Los Angeles Recycling and Transfer Station and a facility located in Riverside. The business cases for these two projects alone are already well developed and can be implemented relatively quickly with an expected greenhouse gas emissions savings of around 400,000 metric tons CO2e within ten years. It should be noted that our existing infrastructure for wastewater treatment, including the Hyperion Treatment Plant, can readily process the additional tonnage of organic solid waste, and thereby reducing the need to transport the material to distant locations.

- **Promoting sustainable energy infrastructure through additional measures to retrofit and reduce emissions from residential buildings**, including installing multi-family dwelling solar hot water and/or electric hot water systems with demand response capability that are focused on affordable housing and disadvantaged neighborhoods. Such measures will not only benefit the consumer, but also reduce our natural gas dependence in the face of reliability concerns.

While some of these mitigation measures may be more expensive than other options being considered, the city of Los Angeles believes it is vital to consider the larger transformation and co-benefits that these proposals can deliver when they are evaluated. In addition, these investments would be leveraged by other existing funding sources currently allocated and/or being considered for these types of investments. Simply following lowest cost options would be short-sighted given the incredible impact that this event has had on the region.

Thank you once again for the opportunity to comment on the draft ARB proposal. I hope that the information contained in this letter is useful and I would be happy to discuss it with you further. It is clear that your staff have been very dedicated to this effort, both while the leak was ongoing and now as we work to mitigate its impact. We look forward to continue working closely with you over the coming months.

Sincerely,

ERIC GARCETTI
Mayor