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December 4, 2008

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

Subject: Comments on CARB's Proposed Scoping Plan

Dear Ms. Nichols:

The Western Riverside Council of Governments (WRCOG) staff wishes to commend the California Air Resources Board for its hard work on developing a statewide blue print to achieve the greenhouse gas emissions reductions mandated under AB 32.

WRCOG staff is providing the attached comments to the Proposed Scoping Plan. Please note that these comments have not been reviewed or endorsed by WRCOG's Executive Committee.

If you have any questions, please do not hesitate to contact me at (951) 955-8313 or by e-mail at spoonhour@wrcog.cog.ca.us.

Sincerely,

Barbara Spoonhour

Barbara Spoonhour
Program Manager

Enclosure: Comments on CARB's Proposed Scoping Plan

Cc: Jeff Stone, WRCOG Chair
Robin Lowe, WRCOG Vice-Chair
Gary Christmas, WRCOG TAC Chair
John Terell, WRCOG Planning Director TAC Chair

General Comments

While the Proposed Scoping Plan (Plan) outlines what is necessary for California to do to reduce greenhouse gas emissions to 1990 levels, the Plan is confusing to follow. WRCOG recommends that ARB could bring specific information from the appendices to the main document. While it is important to show the expected emission reductions, information on the overall economic and health impacts of each measure recommendation are equally important. ARB should consider including a column for overall economic and health impacts to each of the Measure Recommendation Tables and then reference that additional information is located in the Appendices.

Specific Comments

II. Recommended Actions: The Role of State Governments:

The Plan recommends that "ARB and CEC should direct alternative fuel infrastructure funds to locations with the highest amount of State use to make the fueling of the State's alternative fuel vehicles as easy and convenient as possible."

> **Comment:** WRCOG staff does not agree that alternative fuel infrastructure funding should necessarily be directed to areas with high concentrations of state facilities. This recommendation would make it unfair to those areas that have high alternative fuel needs or are subject to rules from local air districts to purchase alternative vehicles and provide adequate infrastructure. Funding for these types of facilities should continue to be a competitive process.

The Plan calls for an immediate action "to convene a taskforce of federal, state, and local regulatory agencies to design and implement a "one-stop-shop" for the permitting of alternative fuel manufacturing and distribution infrastructure."

> **Comment:** WRCOG staff is supportive of this recommendation and requests that the fire departments are part of the taskforce. Among the many issues that arise when a fueling station is being built and questions are about fire codes and tank set backs. WRCOG staff recommends that standard set back and tank allowances for sites be developed.

The Plan states that "a recent analysis of the 2004 California GHG inventory estimated that buildings represent approximately 25 percent of the total 480 MMTCO2E generated in 2004."

> **Comment:** Throughout the Plan there are a number of recommendations regarding new construction, but little that addresses existing buildings. WRCOG staff recommends that ARB staff examine additional quantifiable measures that would be cost effective for improving existing buildings, in recognition of the significant emissions reductions that can be gained.

The Scoping Plan states "A prime example of the influence the State can generate is as an investor. Through its two largest pension systems, the State has an investment portfolio in excess of $400 billion. These funds can be leveraged to support companies, programs, and projects that reduce GHG emissions. Public Employees Retirement System (PERS) and State Teachers Retirement System (STRS) should continue to examine their real estate portfolio for opportunities to increase energy savings, invent in energy efficient buildings, and / or devote a great portion of the Clean Technology Investment Portfolio to advanced energy efficiency/green technologies."

> **Comment:** WRCOG questions whether it is appropriate for ARB to be recommending the use of retirement funds as investment monies for start up companies, programs, or projects.

PERS and STRS should continue to invest these monies in areas that, in their view, will provide the best return.

II. Recommended Actions: The Role of Local Government:

The Plan states it "encourages cities and counties to develop a collaborative, comprehensive approach to reducing GHG emissions and address climate change within their own communities."

Comment: Clarification is needed as to whether the Plan's recommendation for local governments to adopt an ordinance to reduce their emissions by 15% will remain a voluntary activity for local governments or will become a requirement.

Throughout the document local governments are recognized as playing an important part in the implementation of most of the recommended measures. However, there continues to be no economic analysis to determine what the anticipated costs will be to local jurisdictions for the implementation of measures. WRCOG recommends that ARB completes an economic analysis for local governments before it moves forward with any type of requirements for local governments.

II. Recommended Actions: Cap and Trade:

Comment: WRCOG staff urges ARB staff to seek emission reductions that are not largely dependent upon a cap and trade system. While WRCOG staff is supportive of a cap and trade system it believes that the State should also determine strong reduction measures that will go hand in hand with the program. These industries should have a set of recommended quantifiable measures that are required to be implemented and then additional efforts from these industries could be used for the cap and trade program.

II. Recommended Actions: Transportation: Regional Transportation-Related Greenhouse Gas Targets

The Plan states "Adopt Proven Measures. Pursue proven emission reductions strategies such as indirect source rules that mitigate high carbon footprint development and pricing measures that more accurately reflect the cost of driving and provide people with more transportation choices. All levels of government should adopt and implement feasible strategies, placing a high priority on measure with public health co-benefits."

Comment: WRCOG agrees that feasible strategies with public health benefits should be explored. As for the adopting proven measures, WRCOG staff stresses caution and believes that ARB staff needs to be more specific with this statement. "Proven measures" in northern California may not work for southern California, and measures that may be proven for one jurisdiction or location may not work for its neighboring community. These types of strategies should be left in the hands of local jurisdictions, which are better equipped to determine if a "proven measure" could work in their area given the level of development and future plans.

Additionally, WRCOG staff supports comments provided to you from CALCOG regarding the following:

1. The need to clarify that statewide projections for Emissions Reductions and the regional targets under SB 375 will be based upon realistic information developed within each region and then added together on a region by region basis;

2. The appendices include a statement that the "state bond grant recipients cannot claim credit for state funded projects." We assume that this applies to cap and trade and want it to be clarified it does not apply to state funding for transportation projects. That would not be a practical approach as most projects have multiple funding sources and the way regional plans are prepared requires considering all projects and how all reasonably available funding will be used. It also would not account for recent and proposed state budget cuts in transit funding that offset the contribution of the new funding and reduce the value of all projects.

II. Recommended Actions: Green Building Strategy

The Plan states that "ARB encourages local governments to raise the bar by adopting "beyond-code" green building requirements. To assist in this effort, State government would develop and regularly tighten voluntary standards, written in Green Building Standards Code (GBSC) language for easy adoption by local jurisdictions."

Comment: WRCOG staff feels that additional clarification of these statements needs made. If the GBSC is updated to reflect these changes, then the measure would be a mandate for local jurisdictions and the building communities to follow and not a voluntary approach.

II. Recommended Actions: High Recycling / Zero Waste

The Plan states "a variety of implementation approaches may be needed to increase commercial waste diversion, increase recycling opportunities, and enhance market development to utilize the feed stocks from commercial recycling. Voluntary measures would preserve the potential opportunity of local jurisdictions to pursue recycling that could provide essential economic incentives for local governments in the event that recycling protocols are developed. In contrast, mandated implementation approaches, such as regulations, would realize more immediate results but could disqualify local jurisdictions from voluntary recycling. A hybrid approach may be appropriate."

Comment: WRCOG supports a hybrid approach to increasing recycling rates as long as the full cost of implementation is not placed on local governments. Currently, AB 939 mandates that local jurisdictions meet a 50% diversion rate and this can only be accomplished through a partnership with public and private industries. However, there is a flaw when it comes to larger waste generators, such as school districts, that are not required to recycle and the local jurisdiction has no authority to implement recycling programs on their campuses. If school districts are not willing to participate in the programs, then the local jurisdiction is still held at meeting the 50% diversion and must locate diversion from other sectors.

II. Recommended Actions: High Recycling / Zero Waste

The Plan states "expedite the deployment of GHG reducing technologies by providing funding that assists developers in demonstrating their technology for commercialization of emerging conversion technologies that maximize the front-end recover of materials for recycling, meet strict cross-media performance standards to protect public health, safety and the environment and result in a net reduction in GHG emissions."

Comment: WRCOG staff is supportive of this measure and encourages ARB staff to include more than anaerobic digestion as a conversion technology. These types of facilities are needed, not only to reduce the amount of waste going to the landfills, but to provide an additional renewable energy supply.