

November 26, 2008

Mary Nichols Chair, California Air Resources Board 1001 I Street P.O. Box 2815 Sacramento, CA 95814



RE: City of Merced Comments on AB 32 Proposed Scoping Plan

Dear Ms. Nichols:

On behalf of the City of Merced, thank you for the opportunity to comment on the California Air Resources Board's (ARB) Proposed Scoping Plan (Scoping Plan).

While we are generally supportive of a number of programs and policies outlined in the Scoping Plan, it is crucial for state policymakers take account of the means that will be needed to achieve the goals. AB 32 requires that the ARB to "consider the cost-effectiveness of these regulations" (HSC §38560) for reductions in GHG emissions. The Scoping Plan appropriately allows the SB 375 process to develop regional transportation-related GHG targets. These SB 375 regional planning processes are new, largely untested, and should be given an opportunity to work. The 5 MMT figure, while a place holder, nevertheless sets an appropriate benchmark that helps assure that the state can achieve its overall 2020 goal.

Local governments are faced with critical budget shortages, and additional costs to heavily invest in GHG emission technologies in the next 2 to 3 years may very difficult financially. While local governments can influence development design to a certain extent, the reality is that developers will only build projects that will be purchased by willing customers and that are profitable. In order to effect the desired change, incentives should be provided to the development community and local agencies in order to encourage more development in areas where the reductions in GHG emissions will be the greatest. It is ironic that the State is diverting Redevelopment funds through ERAF at the very time these Redevelopment funds could help communities meet GHG targets.

The City of Merced strongly encourages the ARB to consider these limitations as it moves forward with the Scoping Plan

Mary Nichols, California Air Resources Board November 26, 2008 Page 2

Thank you again for the opportunity to comment.

Sincerely,

Ellie 1000

Éllie Wooten Mayor

CC: City Council League of California Cities, 1400 K Street, Sacramento, CA 95864