

CALIFORNIA AIR RESOURCES BOARD

NOTICE OF PUBLIC MEETING TO CONSIDER A STATE PLAN TO INCREASE THE USE OF ALTERNATIVE TRANSPORTATION FUELS IN CALIFORNIA

The Air Resources Board (ARB or Board) will conduct a public meeting at the time and place noted below to consider the **State Alternative Fuels Plan (Plan)**. Assembly Bill 1007 (AB 1007), Pavley, Chapter 371, Statutes of 2005, directs the State Energy Resources Conservation and Development Commission (Energy Commission) and ARB to develop a plan to increase the use of alternative transportation fuels. The statute requires the Plan to include an evaluation of alternative fuels on a full fuel-cycle basis (e.g., well-to-wheels); to recommend fuel use goals for the milestone years 2012, 2017, and 2022; and to make recommendations for policies to ensure the goals are attained. To ensure consistency with the goal of Executive Order S-3-05 to reduce greenhouse gas (GHG) emissions to 80 percent below 1990 levels by the year 2050, two additional milestone years of 2030 and 2050 were added to the Plan.

DATE: November 15, 2007

TIME: 9:00 a.m.

PLACE: California Environmental Protection Agency
Air Resources Board
Byron Sher Auditorium, Second Floor
1001 I Street
Sacramento, California 95814

This item will be considered at a one-day meeting of the Board, which will commence at 9:00 a.m. on Thursday, November 15, 2007. The agenda for the meeting will be available at least 10 days before November 15, 2007.

For individuals with sensory disabilities, this document is available in Braille, large print, audiocassette or computer disk. Please contact the ARB's Disability Coordinator at (916) 323-4916 by voice or through the California Relay Services at 711, to place your request for disability services. If you are a person with limited English and would like to request interpreter services, please contact the ARB's Bilingual Manager at (916) 323-7053.

BACKGROUND

Assembly Bill (AB) 1007 requires the Energy Commission, in partnership with ARB, and in consultation with the State Water Resources Control Board, the Department of Food and Agriculture, and other relevant State agencies, to develop and adopt a plan to increase the use of alternative transportation fuels in California.

As required by Assembly Bill 2076 (AB 2076), Shelly, Chapter 936, Statutes of 2000, the Energy Commission and ARB previously established transportation petroleum reduction goals in 2003 to reduce on-road petroleum consumption by 15 percent below 2003 demand levels by 2020, and to increase the use of alternative fuels to 20 percent of on-road transportation fuels by 2020 and to 30 percent by 2030. Executive Order S-06-06 established targets for the State to produce a minimum of 20 percent of its biofuels within California by 2010, 40 percent by 2020, and 75 percent by 2050. In response to Executive Order S-06-06, the Energy Commission and ARB adopted the BioEnergy Action Plan for California in 2006.

Transportation accounts for over 40 percent of the GHG emissions in California. Reducing GHG emissions from the use of transportation fuels is vital to meeting the goals of the Global Warming Solutions Act of 2006 (AB 32), Nunez, Chapter 488, Statutes of 2006. Understanding this challenge, the Governor signed Executive Order S-01-07 on January 18, 2007, which established the Low Carbon Fuel Standard (LCFS). Among other directives, the Executive Order requires the Energy Commission to include a draft compliance schedule for the LCFS in the Plan. The Executive Order also requires the Board to consider the LCFS as part of its list of discrete early action items for AB 32. The Board approved the LCFS as a discrete early action item on June 21, 2007.

In developing the Plan, Energy Commission and ARB staff considered the requirements and objectives of AB 1007, the goals of AB 32, Executive Order S-01-07, the petroleum reduction goals established under AB 2076, and the BioEnergy Action Plan for California. The Energy Commission and ARB staff evaluated the alternative fuels on a full fuel cycle basis; and recommended alternative fuel use goals of 9 percent by 2012, 11 percent by 2017, and 26 percent by 2022. Additionally, Energy Commission and ARB staff identified policies and actions needed to achieve the alternative fuel use goals. The plan recommends the adoption of the LCFS to help achieve the transportation sector's proportional share of the greenhouse gas reductions, and to provide a durable framework for the use of low-carbon alternative fuels and to stimulate technology innovation.

The Plan concludes that meeting the State's long term goal of reducing GHG emissions to 80 percent below the 1990 level by 2050 will require a multi-faceted approach, including increased use of alternative fuels, significant improvements in the energy efficiency of the vehicle fleet, and reducing trips and vehicle miles traveled through changes in travel habits and land management policies.

As part of the Plan's development, Energy Commission and ARB staff conducted an extensive public process. Staff conducted five public workshops in Sacramento on October 16, 2006, March 2, 2007, May 31, 2007, October 9, 2007, and October 24, 2007. Staff also collected information and consulted with stakeholders through numerous working group meetings and individual meetings. The **State Alternative Fuels Plan** was adopted by the Energy Commission on October 31, 2007. The Plan's recommendations and goals for increasing the use of alternative transportation fuels will help meet the GHG emission reduction and petroleum

displacement goals set previously. Documents developed in this process can be obtained from the Energy Commission's website located at:
<http://www.energy.ca.gov/ab1007/documents/index.html>.

DESCRIPTION OF PROPOSED ACTION

ARB staff is recommending that the Board consider the State Alternative Fuels Plan and direct staff to:

Establish the LCFS in a manner that concurrently addresses the state's petroleum reduction, biofuels, and alternative fuels goals and consider the draft compliance schedules identified by the University of California in developing the LCFS.

Consider specific greenhouse gas reduction goals for the transportation sector, as part of the implementation of AB 32.

AVAILABILITY OF DOCUMENTS AND AGENCY CONTACT PERSONS

The Energy Commission and ARB staffs have prepared a draft report titled "**State Alternative Fuels Plan, Committee Report.**" Copies of the report can be downloaded from the Energy Commission's website at:
<http://www.energy.ca.gov/ab1007/documents/index.html>.

Copies of this notice are available on the ARB website at <http://www.arb.ca.gov/fuels/ab1007/ab1007.htm> or from the Public Information Office, Air Resources Board, 1001 I Street, Visitors and Environmental Services Center, 1st Floor, Sacramento, California 95814, (916) 322-2990.

Inquiries concerning this matter may be directed to Ms. Barbara Fry, Chief, Measures Assessment Branch, Stationary Source Division at (916) 322-8024, or by email at bfry@arb.ca.gov, or Mr. Jose Gomez, Manager, Technical Development Section at (916) 324-8033, or by email at jgomez@arb.ca.gov.

SUBMITTAL OF COMMENTS

The public may present comments relating to this matter orally or in writing at the meeting, and in writing or by email before the meeting. To be considered by the Board, written submissions not physically submitted at the meeting must be received **no later than 12:00 noon, November 14, 2007**, and addressed to the following:

Postal mail: Clerk of the Board, Air Resources Board
1001 I Street, Sacramento, California 95814

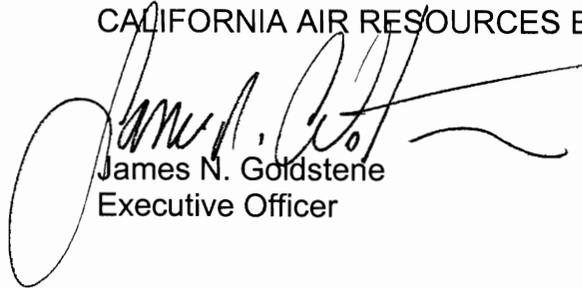
Electronic submittal: <http://www.arb.ca.gov/lispub/comm/bclist.php>

Facsimile submittal: (916) 322-3928

Please note that under the California Public Records Act (Govt. Code Section 6250 et. seq.), your written and oral comments, attachments, and associated contact information (e.g. your address, phone, email, etc.) become part of the public record and can be released to the public upon request. Additionally, this information may become available via Google, Yahoo, and any other search engines.

The Board requests but does not require that 30 copies of any written statement be submitted and that all written statements be filed at least 10 days prior to the hearing so that ARB staff and Board Members have time to fully consider each comment. The Board encourages members of the public to bring to the attention of staff in advance of the hearing any suggestions for modification of the proposed recommendations.

CALIFORNIA AIR RESOURCES BOARD



James N. Goldstene
Executive Officer

Date: November 2, 2007