Comment 1 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: The
Last Name: Undersigned
Email Address: theundersigned@gmail.com
Affiliation:

Subject: Combination of fees and rebates deserves more attention
Comment:

Here's an alternative that is worth considering. It could be referred to as feebates, since it calls for a combination of fees and rebates, which I believe works most effectively. Rather than prescribing feebates, though, the proposed overall alternative allows its implementation to a large extent to be decided locally.

1. Fees are imposed on polluting products, as a percentage added to the price paid by the consumer. Obvious products are gasoline, electricity produced from fossil fuel, vehicles and equipment that (comparatively) cause a lot of emissions. Such fees could be collected by the Board of Equalization or by a Fund to be set up for this purpose.

2. The revenues of these fees are then distributed back to the city, county or district where they were collected, provided the respective area manages to reduce emissions locally by a certain percentage, set equally across the state for all areas.

3. Where an area fails to meet the target percentage reduction, part of the revenue will default to the state in accordance with the gravity of the failure. In such cases, revenues will be used for state-wide programs aimed at reducing greenhouse gases.

4. Areas that exceed targets will also be offered the (optional) opportunity to collect fees locally, e.g. as part of feebate programs that make vehicles registration more expensive for the most polluting vehicles and less expensive for the cleanest vehicles.

The provision under 2. will survive under 4., to encourage that revenues are used for effective local programs to electrify transport and offer rebates on clean energy facilities, feed-in tariffs, etc. State-wide set target percentages could be reviewed regularly, say annually. Areas that exceed the target can use their surplus toward their target the following year.

Feebates are most commonly known in the vehicle sector, but they can be equally applied in other sectors. Feebates are attractive because they can be implemented by changing the existing sales tax system, rather than by introducing new taxes. The combination of fees and rebates minimizes leakage. Feebates can also be implemented on a budget-neutral way.

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-06-22 01:30:09

No Duplicates.

Comment 2 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Edward
Last Name: Casey
Email Address: ed.casey@alston.com
Affiliation: Alston & Bird

Subject: Comment Letter
Comment:

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Attached please find my comment letter
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/2-letter_to_carb_re_supplement_to_ab_32.pdf

Original File Name: Letter to CARB re Supplement to AB 32.pdf

Date and Time Comment Was Submitted: 2011-07-01 14:46:44

No Duplicates.

Comment 3 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Kenneth
Last Name: Johnson
Email Address: kjinnovation@earthlink.net
Affiliation:

Subject: Price Floor
Comment:

```
Please see my attached comments regarding the supplemental FED.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/3-comments_fed_supplement.pdf

Original File Name: Comments_FED_Supplement.pdf

Date and Time Comment Was Submitted: 2011-07-05 17:39:41

No Duplicates.

Comment 4 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Mike
Last Name: Sandler
Email Address: mike@carbonshare.org
Affiliation:

Subject: Cap & Dividend
Comment:

```
Dear ARB,

Please see the attached comment letter describing how carbon market
design elements could address certain groups' specific objections.
Instead of giveaways, CARB could auction 100% of permits. Instead
of unlimited offsets, CARB can limit them. Regarding inequality in
the use of allowance value, a Cap & Dividend , or Carbon Share ,
approach addresses this directly.

These comments are my own and do not reflect those of any
organization with which I am affiliated.  Thank you for your
consideration.

Sincerely,

Mike Sandler
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/4-comment_on_supp_to_scoping_plan7-6-11.doc

Original File Name: Comment on Supp to Scoping Plan7-6-11.doc

Date and Time Comment Was Submitted: 2011-07-07 22:14:13

No Duplicates.

Comment 5 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Frank
Last Name: Lossy
Email Address: ftlossy322@comcast.net
Affiliation: physician in private practice in CA

Subject: Better alternatives to current proposals re Carbon Permits
Comment:

```
Dear CARB,

Specific carbon market designs can address objections raised by
certain groups.  Instead of giveaways, CARB could auction 100% of
permits. Rather than unlimited offsets, CARB can limit them.

Inequities in the use of allowance value can be addressed with a
Cap & Dividend or Carbon Share approach that returns revenues back
to all Californians equally.  Please incorporate these elements
into the environmental analysis.

Sincerely,

Frank T. Lossy, M.D. and Barbara Steinberg, LCSW
```

_____

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-07 23:45:44

No Duplicates.

Comment 6 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Marshall
Last Name: Saunders
Email Address: mlsaun@aol.com
Affiliation: Citizens Climate Lobby

Subject: AB32 Cap and Trade
Comment:

Dear CARB,

In 2006, I became alarmed about the climate and warming of the globe. In 2007, I began to be a strong proponent of Cap and Trade, urging my friends and partners in Citizens Climate Lobby to write to the Congress of the United States in support of Cap and Trade. I had not thought it through at that time and I was trusting "Big Green", that is to say, Environmental Defense Fund, Natural Resources Defense Council and Union of Concerned Scientists. However, the more I studied Cap and Trade, the more I began to realize that it is an unworkable scheme and I even believe it to be unfixable. It would create volatility in energy prices, would be complex, difficult to administer, and wide open for fraud and manipulation. I have read widely about Cap and Trade over the last four years and I'm convinced that especially the offset portion would be a shell game for big polluters and Wall Street traders. I have a strong fear that if California adopts a Cap and Trade scheme, other states would follow (trusting as I did) and real solutions to the climate crisis would be postponed a decade or more, time we certainly do not have.

I urge you to employ a much simpler system of reducing greenhouse gases. That is to say, a Fee and Dividend whereby producers of fossil fuel, for example, would be charged a fee when the fossil fuel comes out of the ground or through a port of entry into California. All the revenue would be given to citizens of California. This would allow them to pay for increased energy costs. Fee and Dividend has the additional advantages of simplicity, comparative ease of administration, fairness, return of the increased energy prices to the people not the polluters, and the avoidance of an invitation for fraud.

Sincerely,
Marshall Saunders

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-13 12:40:50

No Duplicates.

Comment 7 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Barry
Last Name: Vesser
Email Address: bvesser@climateprotection.org
Affiliation: Climate Protection Campaign

Subject: Comment on CEQA for AB 32
Comment:

Equity and disproportionate impact issues have been raised by the environmental justice community. Specific carbon market designs can address many of these legitimate objections to the Cap and Trade rule as it was adopted in December of 2010. Instead of giveaways to polluting industries, CARB could auction 100% of permits. Rather than unlimited offsets, CARB can strictly limit the number of offsets to a minimum. Inequities in the use of allowance value can be addressed with a Cap & Dividend approach that returns revenues back to all Californians equally. Please incorporate these elements into the environmental analysis.

Thanks for your work on this important issue.

Barry Vesser
Climate Protection Campaign

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-13 15:20:47

No Duplicates.

Comment 8 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Mark
Last Name: DeBacker
Email Address: landmarc@sonic.net
Affiliation: Architect, Preservationist, Energy Audit

Subject: Oppose AB32 Cap and Trade provisions
Comment:

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Please do not let Cap and Trade Provisions move forward.
```

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-14 11:29:39

No Duplicates.

Comment 9 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Kristin
Last Name: Thigpen
Email Address: kristint@sonic.net
Affiliation:

Subject: AB 32
Comment:

Dear CARB,
I want you to know that I care deeply about this subject. We need Cap and Dividend to move California forward on GHG reduction on a scale and speed that makes a difference. Specific carbon market designs can address objections raised by groups critical of the impacts of AB 32′s Cap & Trade program. We must stop giving passes to polluting industries. CARB should auction 100% of permits. Rather than unlimited offsets, CARB can strictly limit them. Inequities in the use of allowance value can be addressed with a Cap & Dividend approach that returns revenues back to all Californians equally. It's time for action. Please incorporate these elements into the environmental analysis.

Sincerely,

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-14 11:29:27

No Duplicates.

Comment 10 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Cassandra
Last Name: Lista
Email Address: clista@sonic.net
Affiliation:

Subject: Cap & Trade
Comment:

```
Dear CARB,
Specific carbon market designs can address objections raised by
groups critical of the impacts of AB 32&#8242;s Cap & Trade
program.  Instead of giveaways to polluting industries, CARB could
auction 100% of permits. Rather than unlimited offsets, CARB can
strictly limit them.  Inequities in the use of allowance value can
be addressed with a Cap & Dividend approach that returns revenues
back to all Californians equally.  Please incorporate these
elements into the environmental analysis.

Sincerely,
```

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-14 13:32:35

No Duplicates.

Comment 11 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Rose
Last Name: Roberts
Email Address: rose@farmstewards.com
Affiliation:

Subject: AB 32 Cap & Trade
Comment:

Dear CARB,

There are problems with the Cap & Trade program as described in AB 32. Please take this opportunity to make changes that will improve this program, making it more transparent, equitable, and effecive, and address objections raised by groups (on both sides of the political divide) that are critical of the impacts of AB 32•Œs Cap & Trade program.

Please consider making the following changes:
1) Instead of giveaways to polluting industries, CARB could auction 100% of permits. The goal is to reduce emissions, not facilitate them!
2) Rather than unlimited offsets, CARB can strictly limit them. The goal is reduction of GHG emissions!
3) Inequities in the use of allowance value can be addressed with a Cap & Dividend approach that returns revenues back to all Californians equally. Instead of choosing which competing special interest groups should receive the revenue, return it to all Californians, which will raise trust & support for the measure and stimulate local economies.

Please incorporate these elements into the environmental analysis.

Sincerely,

Rose M. Roberts

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-15 08:29:14

No Duplicates.

Comment 12 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Joan
Last Name: Linney
Email Address: joan_linney@ymail.com
Affiliation:

Subject: Cap and Dividend plan satisfies objections
Comment:

```
 reBoard Item ceqa-sp11
Cap and Dividend can most certainly be designed to address the
objections raised by groups concerned about the effects of AB 32.
It will still help us meet California's greenhouse gas reduction
goals and make the transition away from costly, dwindling fossil
fuel sources to renewable energy which is much less expensive in
the long run.
1) Start by auctioning 100% of permits for fossil fuel pollution at
the source. This is the lowest cost method for the state-no
loopholes to monitor, way less costly paperwork.

2) Return 100% of the revenue to taxpayers equally--empowering
everyone to cope with inevitable rises in energy prices in the way
that makes the most sense for each individual.

I hope you'll incorporate "Tax and Dividend" into the environmental
analysis.
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Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-15 12:53:38

No Duplicates.

Comment 13 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Michael
Last Name: Alcantar
Email Address: mpa@a-klaw.com
Affiliation: Alcantar& Kahl

Subject: Comments by CAC/CCC/EPUC
Comment:

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Attached are the Comments of the Joint CHP Parties' (CAC/CCC/EPUC)
to CARB's Supplement to Scoping PLan Functional Equivalent Document
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/14-epuc-cac-ccc_-letter_to_carb_7.19.11.pdf

Original File Name: EPUC-CAC-CCC -letter to CARB 7.19.11.pdf

Date and Time Comment Was Submitted: 2011-07-19 14:50:50

No Duplicates.

Comment 14 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Brian
Last Name: Carr
Email Address: brian.carr21@verizon.net
Affiliation:

Subject: A Fee and Dividend Plan Deserves Serious Consideration
Comment:

I urge the Board to give more than perfunctory consideration to a fee & dividend plan as a means of implementing AB 32. There are many reasons, but I will note just two, neither of which was considered in the Supplement to the Scoping Plan.

Unlike a cap and trade plan, fee and dividend will not have a negative impact on the state's economy. Cap and trade acts like a tax on energy and could have a depressive effect on an economy that is already in a precarious state. A fee and dividend plan that rebates all of the fees collected to the people avoids this problem, and gives consumers the freedom to spend their dividends as they wish. We can expect that many will opt for alternative forms of energy that will become more affordable as investors direct their funds to less expensive alternative technologies. The advantages of fee and dividend over cap and trade to the economy are compelling and should not be ignored in a state with high unemployment and uncertain economic prospects.

The second point is that fee and dividend is far more politically viable than cap and trade. Because it is revenue neutral and rebates the fees to the people, politicians who on principle oppose a cap and trade tax, will be open to a plan that will put a check in every voter's mailbox. Cap and trade has failed in Congress, and there is no reason to believe its future chances are any brighter. By adopting fee and dividend, California could be a model for other states, and, eventually, the nation. We all understand that AB 32 will not work if the idea does not spread to other states and countries. Fee and dividend has the best chance of being adopted elsewhere, and therefore, of achieving our goal.

Unfortunately, it appears CARB has not seriously considered a fee and dividend approach where gradually increasing fees on fossil fuels are rebated, 100%, to the people of California . It deserves that consideration.

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-19 16:07:36

No Duplicates.

Comment 15 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Daniel
Last Name: Richter
Email Address: darichter@gmail.com
Affiliation:

Subject: Revenue-Neutral Fee and Dividend.
Comment:

Abstract:
The goal of the cap and trade system in the ARB scoping plan is to reduce our greenhouse gas (GHG) emissions. The ARB must now attempt to lower our emissions during tough economic times. An incrementally increasing, revenue-neutral carbon fee assessed upstream with 100% of proceeds returned evenly to Californians as a monthly check can lower our emissions less expensively than cap-and-trade while simultaneously helping the economically vulnerable. Seeing such a "green check" arrive in the mail each month also holds the potential to precipitate a paradigm shift in the way the Californian public views and acts with regard to the causes of climate change. For all these reasons, I urge the ARB to implement such a revenue-neutral fee and dividend in the place of cap and trade.

Effectiveness of a carbon fee vs. cap and trade:
In a 2008 study (1), the Congressional Budget Office (CBO) found that a carbon tax was more efficient (i.e. achieved the same reductions in emissions at a lower cost) than any iteration of a cap-and-trade system considered ("Summary Table 1" in this document is particularly helpful). This included an inflexible cap system, and various iterations of a flexible cap with a safety valve. True, this analysis was made for the United States as a whole. But since California accounts for 12% of the US population (2) and a roughly comparable portion of US GDP (3), I make the assumption that lessons applicable to the US are also applicable to California.
Salient highlights from this report include:

- A tax could achieve a long-term emissions targets at roughly a fifth the cost of an inflexible cap.
- A tax is comparatively simple to implement, as it could build on already existing infrastructure for levying and collecting existing taxes.
- A tax avoids year-to-year fluctuations in price, significantly aiding businesses in long-term planning.
- Because it has a single price in any given year, a tax is simpler to harmonize internationally, or to assess at our borders for interstate or international commerce.

The next most efficient incarnation in this report, a cap-and-trade system with a price ceiling and a price floor, is essentially a tax. If there is a high price limit, and a low price limit, why not take the average price and skip all the bureaucracy associated with setting up, monitoring, and regulating the exchange?

Benefits of returning the proceeds evenly to all Californians:

It is widely acknowledged that the poor spend a higher percentage of their income on fossil carbon, but less than the rich on carbon overall (4, 5, 6). Indeed, this makes intuitive sense. The poor tend to take public transportation more often, travel by air less, and tend to own fewer Hummers. This means the poor would be disproportionately affected by a price on carbon. In other words, a carbon price on its own is regressive. It is a good idea at any time to make sure that our most vulnerable citizens do not bear the brunt of a price on carbon. It is especially true in these tough economic times with bloated unemployment numbers and cuts to government safety nets. It is therefore desirable that any carbon pricing mechanism be progressive, not regressive.

If we accept that a price on carbon should be progressive and not regressive, what is the best way to do this? Of 5 policies considered, Butraw (4) found 3 policies progressive (expansion of the Earned Income Credit, and direct return of the money as taxable or non-taxable income) and 2 regressive (reducing income or payroll taxes). The CBO (5) found similar results. The Carbon Tax Center (6) has a readable and relatively condensed analysis of this with thought-provoking numbers.

Of these progressive options, I urge the ARB to adopt returning 100% of the proceeds as either a taxable or non-taxable dividend each month directly to California households. Firstly, a monthly dividend will save poorer Californians from having to bear the costs of higher carbon prices the entire year before getting relief. Instead, they would be able to keep up with the higher bills, and have some extra money left above their costs. Extra money in the hands of the poor is more likely to generate revenue than money put in the hands of the rich, as it is more likely to be spent on things such as clothes and food rather than saved. It may be considered a type of unemployment insurance, which generates $1.62 in economic activity for every dollar spent (7). Thus, not only will returning the proceeds from the fee in this way help the poor while reducing our emissions at minimal cost to the government, it may also stimulate the economy.

Eliciting a paradigm shift:

What may prove to be the most important piece of this proposal is the potential of this monthly "green check" to precipitate a paradigm shift in the way Californians think and make decisions about their own carbon emissions. When people see that check every month, they will very quickly realize that by changing their behavior, they can "get under" the fee. That is, by embracing lower-carbon activities, they will be making money.

This monthly check thus adds a carrot to the end of the stick that is higher carbon prices. Recall the significant change in behavior we all witnessed during the gas price spikes of 2008. The high gas prices were all stick and no carrot, but still people made significant changes in the way they acted and what they purchased. The carrot of more money in their pocket on top of the higher carbon prices that we know can change behavior can only speed our journey to lower carbon emissions.

Conclusions:

In summary, an incrementally increasing, revenue-neutral carbon fee assessed upstream with 100% of proceeds returned evenly to Californians as a "green check" is a superior policy to cap-and-trade. Due to its price stability and ability to piggy-back on top of existing government infrastructure, it imposes lower costs on businesses and government for the same emissions

reductions. It helps the poor at a time when they need all the help they can get. By putting money in their hands, it is likely to actually stimulate the economy while still cutting carbon. Finally, by returning the money as a monthly "green check", it offers every Californian "carrot" incentives to change their habits on top of the "stick" incentives imposed by any price on carbon. Perhaps more than anything, this will place California in the lead both in the nation and in the world in the race to regain a stable climate.

Thank you for reading my comment.

References:
1. Congressional Budget office. "Policy options for reducing CO2 emissions". 2008. URL: http://www.cbo.gov/ftpdocs/89xx/doc8934/02-12-Carbon.pdf
2. United States Census Bureau. "State and County QuickFacts". Last accessed: 7/24/11. URL: http://quickfacts.census.gov/qfd/states/06000.html
3. EconPost. "California Economy Ranking in the World". Posted 2/3/11. Last accessed: 7/25/11. URL: http://econpost.com/californiaeconomy/california-economy-ranking-among-world-economies
4. D. Butraw, R. Sweeney and M. Walls. "The Incidence of U.S. Climate Policy: Where You Stand Depends on Where You Sit". 2008. Resources for the future. URL: http://www.rff.org/documents/RFF-DP-08-28.pdf
5. The Congressional Budget Office. "Trade-Offs in Allocating Allowances for CO2 Emissions". 2007. Economic and Budget Issue Brief. URL: http://www.cbo.gov/ftpdocs/80xx/doc8027/04-25-Cap_Trade.pdf
6. The Carbon Tax Center. "Demographics". Last updated: 3/22/11. Last accessed: 7/24/11. URL: http://www.carbontax.org/issues/softening-the-impact-of-carbon-taxes/
7. The Economist magazine. "The Struggle to Eat". Issue: July 14th, 2011.

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-25 12:06:15

No Duplicates.

Comment 16 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Kirsten
Last Name: Schwind
Email Address: kirsten@baylocalize.org
Affiliation: Bay Localize

Subject: Carbon Tax and Site Regulation instead of Cap and Trade
Comment:

Dear CARB,

Bay Localize works to reduce reliance on fossil fuels and build community resilience in the Bay Area. We recognize California's Global Warming Solutions Act, AB 32, as an important step toward addressing climate change. However, when it passed we were disappointed that it included a cap-and-trade program. There are number of serious problems with this model, and we are particularly concerned about the opportunities for the system to be gamed. Due to corporate influence, the European Union's first cap-and-trade system actually produced windfall profits for polluters, and failed to seriously reduce emissions.

A stronger plan would combine two of the approaches identified by CARB:

- Carbon Tax. This is a much more transparent approach to pricing carbon. Also, it creates a steady multi-year revenue stream for the state, which can use it to close the budget gap, re-fund our public transportation systems, schools, and social services, and invest in green energy and climate adaptation.

- Regulate specific pollution sources. We recognize a carbon tax does not guarantee less emissions. That's why we support combining this policy with strict regulation of the biggest polluters, such as oil refineries, making sure to clean up the environment for the communities that live around them.

Thank you for your fair consideration of all perspectives in this decision. We have asked our members to contact you on this issues as well. We look forward to an even stronger AB 32 that truly protects California's air for all communities and funds clean energy solutions.

Sincerely,

Kirsten Schwind
Program Director

Bay Localize
436 14th St, Ste 1216
Oakland, CA 94612
510-834-0420
www.baylocalize.org

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-25 15:33:41

No Duplicates.

Comment 17 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Joshua
Last Name: Pulverman
Email Address: josh_pulverman@dot.ca.gov
Affiliation:

Subject: Notice of Public Availability of a Supplemental to the AB 32 Scoping Plan
Comment:

```
Good afternoon,

Please find attached comments from The California Department of
Transportation (Caltrans) in regards to the Notice of Public
Availability of a Supplement to the AB 32 Scoping Plan Functional
Equivalent Documen (SCH# 2008102060).  A hard copy of this letter
will also be sent.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/22-supplement_to_the_ab_32_scoping_plan_sch__2008102060.pdf

Original File Name: Supplement to the AB 32 Scoping Plan_SCH# 2008102060.pdf

Date and Time Comment Was Submitted: 2011-07-25 15:37:53

No Duplicates.

Comment 18 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Ruby
Last Name: Pap
Email Address: rubyapap@yahoo.com
Affiliation:

Subject: please reconsider carbon tax!
Comment:

```
I support the carbon tax, not the cap and trade system. This will
be much easier to implement for California, and much more likely to
be effective in reaching our climate goals. Thank you.
```

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-25 17:30:08

No Duplicates.

Comment 19 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Mike
Last Name: Wertheim
Email Address: mikew@hyperreal.org
Affiliation:

Subject: forest protocol is flawed
Comment:

```
I believe the ARB should be doing everything possible to safeguard
the state's watersheds.  The current forestry protocols under
cap-and-trade defeat this goal by rewarding clearcutting.
```

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-25 18:09:47

No Duplicates.

Comment 20 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Paul
Last Name: Stoft
Email Address: p.stoft@gmail.com
Affiliation:

Subject: DESTROYING FORESTS
Comment:

Dear Chairman Nichols:

While the ARB is considering alternatives to the cap-and-trade program, please also correct the major flaws in your agency's forestry protocol.

As it stands now with the current cap-and-trade forestry protocol, California will be rewarding timber companies for despoiling the land and emitting large volumes of CO2.

The protocol allows forest clearcuts (a.k.a even-aged management) that can dramatically impair water quality and quantity in affected watersheds. The clearcuts you permit to qualify as "offsets" potentially impact the health and well-being of millions of Californians, as well as future generations.

Please correct the forestry protocol to allow "offset" projects to include only uneven-age forests – which not only sequester CO2 but preserve wildlife habitat and other values.

Sincerely,

Paul Stoft ScD

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-25 18:45:42

5 Duplicates.

Comment 21 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Timothy
Last Name: Makovkin
Email Address: paragon007@comcast.net
Affiliation:

Subject: A.B. 32
Comment:

Dear Chairman Nichols:

As your agency implements the provisions of A.B. 32, the board should be doing everything possible to safeguard the state's watersheds. Unfortunately, the current forestry protocols under cap-and-trade defeat this goal by rewarding forest clearcutting.

While you are considering alternatives to the cap-and-trade program, as required by recent litigation under CEQA, please also correct the major flaws in the forestry protocol.

It appears that the ARB regards California's forests as a net carbon sink, always sequestering more CO2 than they release. But this clearly overlooks the possibility that individual timber companies – especially those doing clearcutting – may be net emitters of CO2 from their forestlands.

Please hold timber companies accountable for the CO2 they release. You can do this by eliminating the provision in the forestry protocol that allows even-aged harvests (i.e. clearcuts) in projects qualifying as "offsets" under cap-and-trade.

Sincerely,

Timothy A Makovkin

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-25 18:43:16

No Duplicates.

Comment 22 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Virginia
Last Name: Mariposa
Email Address: vmariposa@cox.net
Affiliation:

Subject: This shouldn't even have to be proposed!
Comment:

```
We tried to take care of the environmental depredation as far back
as the Nixon administration, and people have chosen to follow their
selfish interests time and time again.  To hell with them!
```

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-25 20:07:53

No Duplicates.

Comment 23 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Marcia
Last Name: Kolb
Email Address: mbkolb@hotmail.com
Affiliation:

Subject: fix cap-and-trade
Comment:

As you reconsider the alternatives to cap-and-trade in meeting the goals of A.B. 32, please also reconsider your board's decision to allow even-aged forest management (i.e. clearcutting) to be allowed in forestry "offset" projects.

The ARB's cap-and-trade program should not reward landowners for clearcutting their forests, directly or indirectly. Clear-cutting is an out-dated forestry practice that is harmful to water-sheds and detrimental to a healthy forest ecosystem. It should not be part of our efforts to control carbon emissions.

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-25 20:14:07

No Duplicates.

Comment 24 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Jeff
Last Name: Cohen
Email Address: jcohen@eosclimate.com
Affiliation: EOS Climate, Inc.

Subject: Supplement to AB 32 FED
Comment:

```
Please see attached file, thanks
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/30-eos_comments_ab_32_fed_july_25_2011.pdf

Original File Name: EOS Comments AB 32 FED July 25 2011.pdf

Date and Time Comment Was Submitted: 2011-07-25 20:50:06

No Duplicates.

Comment 25 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Joe
Last Name: Loree
Email Address: jloree@hotmail.com
Affiliation:

Subject: Please reform the cap-and-trade forestry protocol to ban clearcuts
Comment:

Dear Chairman Nichols,

As you reconsider the alternatives to cap-and-trade in meeting the goals of A.B. 32, please also reconsider your board's decision to allow even-aged forest management (i.e. clearcutting) to be allowed in forestry "offset" projects.

The ARB's cap-and-trade program should not reward landowners for clearcutting their forests, directly or indirectly.

As you know, even-aged management releases enormous quantities of CO2. In essence, the currently adopted forestry protocol gives license to landowners to degrade water quality and reduce its quantity across vast regions of the state while releasing tons of CO2 into the atmosphere.

For the sake of all Californians, and especially for the generations who will be coming of age at a time of increasing climate uncertainty, please fix the forest protocol to prevent clearcutting, including "leakage" of even-aged management practices to areas outside the approved-project boundaries.

Sincerely,
Joe Loree

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-25 21:15:34

No Duplicates.

Comment 26 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Gareth
Last Name: Loy
Email Address: dgl@garethloy.com
Affiliation:

Subject: cap-n-trade encourages clear cutting forests?
Comment:

I understand that the current cap-and-trade plan was adopted last year by ARB as part of A.B. 32, the Global Warming Solutions Act of 2006, and originally was scheduled to be put into operation in January 2012 but, thankfully, has been delayed.

The delay in implementation to January 2013, which resulted from a court ruling, gives me a chance to impress upon the ARB the need to rectify its cap-and-trade scheme's glaring forest-clearcutting loophole.

The ARB's cap-and-trade program perversely rewards landowners for clearcutting their forests. In essence, the ARB's forest protocol could give money to landowners who degrade and diminish water quality and quantity across potentially vast regions of the state.

Everyone knows that forest clearcuts dramatically impair water quality and quantity in affected watersheds. They potentially impact the resources, amenities and pockebooks of millions of Californians.

Please take this opportunity to do what's best for forests, and the future of California, and sever the linkage between cap-and-trade and clear cutting.

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-25 21:24:47

No Duplicates.

Comment 27 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Wendy
Last Name: Bardsley
Email Address: wendy@mutantfactory.com
Affiliation:

Subject: Global Warming Solutions Act, AB 32
Comment:

```
Hello,

A stronger plan would combine two of the approaches identified by
CARB:

Carbon Tax. This is a much more transparent approach to pricing
carbon. Also, the revenues go to the state, which can use it to
close the budget gap, re-fund our public transportation systems,
schools, and social services, and invest in green energy. We the
People need that money more than Chevron does – make polluters
pay!

Regulate specific pollution sources. A carbon tax makes it more
expensive to pollute, but does not always guarantee less pollution.
That’s why it’s a good idea to combine this policy with strict
enforcement of clean air laws with the biggest polluters, such as
oil refineries, making sure to clean up the environment for the
communities that live around them.
```

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-26 10:22:40

No Duplicates.

Comment 28 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Yinlan
Last Name: Zhang
Email Address: yinlanz@yahoo.com
Affiliation:

Subject: carbon tax over cap and trade
Comment:

Setting aside politics and the heavy lobbying efforts from industry and opportunists aiming to get rich from the carbon trade, your competent and highly trained staff know that the most effective path for meaningful carbon reduction is not cap and trade but a carbon tax. The potential abuses in a cap and trade program are so many and the program would require such significant resources to monitor and enforce that it could be rendered meaningless. However politically unsavory a carbon tax would be, you cannot dispute that it would be the most effective way of achieving the goals of ab32 and the board should not abandon its consideration based on political pressures but should fully evaluate it on its merits alone.

Sincerely

Yinlan Zhang

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-26 10:17:33

No Duplicates.

Comment 29 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: John
Last Name: Allen
Email Address: Johnaallen@gmail.com
Affiliation:

Subject: I prefer a carbon tax
Comment:

```
I prefer a carbon tax
```

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-26 10:44:40

No Duplicates.

Comment 30 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: david
Last Name: schneider
Email Address: ds6956@earthlink.net
Affiliation:

Subject: Safeguard State's Watershed
Comment:

```
 The current forests protocols do not do this.

 They reward clear cutting.

Please safeguard state's watershed
```

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-26 11:04:56

No Duplicates.

Comment 31 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Michael
Last Name: Andrews
Email Address: norcalkook@gmail.com
Affiliation:

Subject: Eliminate Cap and Trade
Comment:

```
A stronger plan would combine two of the approaches identified by
CARB:

Carbon Tax. This is a much more transparent approach to pricing
carbon. Also, the revenues go to the state, which can use it to
close the budget gap, re-fund our public transportation systems,
schools, and social services, and invest in green energy. We the
People need that money more than Chevron does – make polluters
pay!

Regulate specific pollution sources. A carbon tax makes it more
expensive to pollute, but does not always guarantee less pollution.
That’s why it’s a good idea to combine this policy with strict
enforcement of clean air laws with the biggest polluters, such as
oil refineries, making sure to clean up the environment for the
communities that live around them.
```

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-26 11:16:53

11 Duplicates.

Comment 32 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Benjamin
Last Name: Farnum
Email Address: scouterben@sbcglobal.net
Affiliation:

Subject: Flaws in forest protocols
Comment:

```
I would like to strongly urge the ARB to correct the major flaws in
the forest protocols. Thank you, Ben Farnum
```

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-26 11:24:33

No Duplicates.

Comment 33 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Peter
Last Name: Burchard
Email Address: peterdb@sonic.net
Affiliation:

Subject: Stop rewarding clearcutting of forests
Comment:

Dear Air Resources Board,

As someone who lived on the Klamath River for seven years during the height of logging there in the 1970s, I know the devastation of clearcuts to watersheds, the working of nature for overall health of the earth, and beauty. It is simply wrong for your forestry protocols to reward clearcutting under cap-and-trade. Selective logging and crop alternatives to wood could easily eliminate the need for clearcutting. Please do everything possible to safeguard the state's watersheds, a goal undermined by rewarding clearcutting.

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-26 11:24:42

No Duplicates.

Comment 34 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Tressa
Last Name: Berman
Email Address: tressa@baylocalize.org
Affiliation:

Subject: Cap and Tax
Comment:

```
While Cap and Trade seems like a good idea, it is really only the
'Cap' part that will help us meet global goals to reduce carbon
emmissions and increase energy efficiency.  Rather than 'trade' to
keep caps constant, it makes more sense to TAX those that pollute,
and re-invest the tax revenues into clean, green energy
alternatives.  I am in favor of strong laws that enforce corporate
polluters, wherever they may be doing business on the planet.
```

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-26 12:41:03

No Duplicates.

Comment 35 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Joseph
Last Name: Sullivan
Email Address: joesully2@prodigy.net
Affiliation: Retired Geological Engineer

Subject: AB-32
Comment:

AB32 Supports a Hoax

In September 2006 Assembly Bill AB32, titled the Global Warming Solutions Act, aimed at reducing greenhouse gas emissions, principally carbon dioxide (CO2), to 1990 levels by 2020, was approved. This stems from a contention of the Intergovernmental Panel on Climate Change that global warming results mainly from burning fossil fuels, pumping carbon dioxide into the atmosphere. However 31,487 scientists, including me, a Geological Engineer for over half a century, petitioned the government to reject that contention, recognizing it as a hoax perpetrated by those who will benefit financially worldwide from expenditures of billions of dollars to reduce carbon dioxide. They depend on the ignorance of the general public regarding historical geology and climatology to foster this hoax. Reducing CO2 will not effect climate change.

Harold Lewis, famous Professor of physics emeritus at the University of California recently resigned from the top professional association for physicists saying “the money flood” has corrupted science and calls global warming a ‘scam’ with the trillions of dollars driving it that has corrupted so many scientists.” “It is the greatest and most successful pseudoscientific fraud I have ever seen in my long life as a physicist.”

The Intergovernmental Panel on Climate Change (IPCC) is the so-called authority on climate change, yet Vice Chair Yurri Izael in April 2007 wrote, “the panic over global warming is totally unjustified;” “there is no serious threat to the climate.” IPPC reports are not those of its scientists, but are policymakers’ summaries produced by a committee of 51 government appointees, many of who are not scientists. Some of its 2500 scientists have resigned in protest against IPPC summaries, in which these political appointees alter their own scientist’s reviews. The latest example of this type activity occurred in 2009 when computer hackers broke into the computers of the British Hadley Institute, hailed for research of global warming, and it was discovered the Institute manipulated data to cover up evidence that went against their beliefs in man-made global warming. Admitted was that we are not seeing global warming, but rather global cooling. The same evidence appears in graphs showing the start of the cooling trend. From 1850 to 1950 CO2 levels increased significantly, but the temperature rose only 0.1 degree Celsius. The earth has been cooling and is likely to do so for the next couple of decades. CO2 makes up only 38 one-hundredth of one percent of the earth’s total

gases in the atmosphere. That 0.038 percent, which Global Warming advocates want to reduce by a smidgen at a cost of trillions of dollars worldwide, is being advocated at a time when the earth is cooling.

The Earth warms and cools in 100,000 year cycles. Our planet has mostly been much hotter and humid than today, with far more carbon dioxide (CO_2) than today. Earth's atmosphere now contains about 380 ppm CO_2 (0.038%). Compared to former geological times, our present atmosphere is CO_2 impoverished. In the last 600 million years only one other geological period witnessed CO_2 levels less than 400 ppm. To the consternation of global warming proponents, the late Ordovician Period 550 million ago was an Ice Age while at the same time CO_2 concentrations were nearly 12 times higher than today, 4400 ppm. According to the greenhouse theory, it should have been exceedingly hot.

What really affects our climate? During Earth's formation it was impacted at a low angle by Theia, a planitodail mass a little smaller than Mars. The impact knocked off part of the earth's forming mantle, which later formed part of the moon. Theia's impact is responsible for the earth's 23.5-degree axial tilt, which created the Earth's seasons. After the impact the remaining mantle fractured, and parts drifting on the earth's semi-molten surface formed tectonic plates. The plates collided with each other many times and the present set, making up our continents, are still in motion. The earth's tilt; changes in the way it orbits the sun; variation of the sun's radiation as it burns up; volcanic eruptions; changes in oceans flows; and melting snow and ice control the earth's climate. Large numbers of earthquakes occur every year, a reminder that earth is a cracked dynamic sphere, whose parts are constantly in motion, and are all involved in climatic conditions. Considering these factors human attempts to control the Earth's climate are a pipe dream

Joe Sullivan
Geological Engineer

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-26 14:14:26

No Duplicates.

Comment 36 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Shelly
Last Name: Sullivan
Email Address: ssullivan@onemain.com
Affiliation: AB 32 Implementation Group

Subject: AB 32 IG FED Comments-July 26, 2011
Comment:

```
Attached please find comments from the AB 32 Implementation Group
regarding the workshop and Supplement to the AB 32 Scoping Plan
FED.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/51-ig_carb_fed_7_26_2011.pdf

Original File Name: IG_CARB_FED_7_26_2011.pdf

Date and Time Comment Was Submitted: 2011-07-26 15:09:41

No Duplicates.

Comment 37 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Tom
Last Name: Frantz
Email Address: tfrantz@bak.rr.com
Affiliation: Association of Irritated Residents

Subject: Comments on the Alternatives to the Scoping Plan
Comment:

```
Please accept the attached comments.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/52-association_of_irritated_residents_comments_on_the_alternatives_analysis_for_ab_32_cap_and_trade.doc

Original File Name: Association of Irritated Residents Comments on the Alternatives Analysis for AB 32 cap and trade.doc

Date and Time Comment Was Submitted: 2011-07-26 15:19:25

No Duplicates.

Comment 38 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Carol
Last Name: Mone
Email Address: cemone@reninet.com
Affiliation:

Subject: Cut polluting emmissions at source!
Comment:

```
The California Air Resources Board should not use forest carbon
projects to offset emissions from California industries. This does
nothing to improve Californians' quality of life and can adversely
affect others such as the Lacandon Indians in southern Chiapas.
Emissions need to be cut at the source. These tradeoff schemes are
very similar to the selling of indulgences, in my opinion.  It does
not solve the problem.
```

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-26 15:30:43

No Duplicates.

Comment 39 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Barbara
Last Name: Mauk
Email Address: kariit@bluebottle.com
Affiliation:

Subject: REDD+ Impacts in Chiapas, Mexico
Comment:

The way the people and communities of Chiapas, Mexico - and in particular the people of Amador Hernandez - are being intimidated and threatened by cutting off medical services is abominable. I demand that the California Air Resources Board not use forest carbon projects to offset emissions from California industries. I demand emissions be cut at the source - where it rightfully should be! And I hope you will do everything in your power to reinstate medical services to the people in Amador Hernandez and anywhere else it has been taken away in that area. For shame!

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-26 16:41:47

No Duplicates.

Comment 40 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Sharon
Last Name: Kulz
Email Address: s_kulz@yahoo.com
Affiliation:

Subject: AB32
Comment:

```
The incremental reduction and capping of pollution is a positive
step. However, skip the trading credits. Trading pollution credit
is tantamount to selling indulgences (as in Middle Ages church)
whilst re-arranging the chairs on the Titanic.

I support AB32 WITHOUT the Trading.
```

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-26 19:21:59

No Duplicates.

Comment 41 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Jack
Last Name: Guelff
Email Address: jguelff@yahoo.com
Affiliation:

Subject: Why carbon credits?
Comment:

```
It seems to me that the carbon credits set up a system to kick the
can down the street.
Why not a system of solar credits, where the polluter pays a fee
that is used to rebate the residence or business that installs a
solar energy system that either directly supplies energy in raw
form (to heat) or converts it to electricity (to use for cooling,
etc.)
Sample out of the stack or immediate area to determine pollution
level and levy fee accordingly.
```

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-27 06:12:20

No Duplicates.

Comment 42 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Mayoor
Last Name: Steinberg
Email Address: whitnyb@aol.com
Affiliation:

Subject: We need alternatives to Cap and Trade
Comment:

Dear Board,
as a California voter I am hoping that you will consider alternatives to cap and trade. It is great that the State is looking at how to decrease greenhouse gases, but my concern is that cap and trade has not worked in Europe and the offsetting leaves openings for scams that create incentives for false offsets. My fear is that cap and trade will not actually reduce emissions overall, but create a false distraction that make it seem like we are tackling the problem, when we are not.
Please consider a Carbon Tax that will be open and direct in pricing carbon. Also, the revenues of this should come to the State to create a green economy and close our budget gap.
I am also concerned that cap and trade will continue the injustice to residents of areas close to the big polluters such as Chevron in Richmond. We need stricter enforcement of the Clean Air laws, and a way to clearly make the polluters pay for the cleanup of the environment in the areas where they are located. thank you.

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-27 09:10:53

No Duplicates.

Comment 43 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Kathy
Last Name: Labriola
Email Address: anarchofeminist@yahoo.com
Affiliation: Bay Area Community Land Trust

Subject: No Cap and Trade!
Comment:

```
Dear Board,
I am outraged that the recent bill included a Cap and Trade
Program. This is a scam the gives polluters windfall profits and
just allows more and more pollution rather than solving the
problem. Please eliminate this cap and trade option and put some
real controls on polluters!
```

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-27 09:46:01

No Duplicates.

Comment 44 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: James
Last Name: Tansey
Email Address: james.tansey@offsetters.ca
Affiliation: Offsetters Clean Technologies

Subject: Commentary CEQA-SP11
Comment:

```
Please find the attached commentary.  Thank you for your
consideration.

James Tansey
CEO, Offsetters Clean Technologies, Inc.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/62-ceqa-sp11_commentary__offsetters_.doc

Original File Name: ceqa-sp11 commentary (Offsetters).doc

Date and Time Comment Was Submitted: 2011-07-27 09:51:50

No Duplicates.

Comment 45 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Janet
Last Name: Schwind
Email Address: janschwind45@cruzio.com
Affiliation:

Subject: Cap and Trade policy
Comment:

```
I urge the board to concentrate on alternatives to a cap and trade
policy that will little or nothing to reduce the emission of
greenhouse gasses. Please consider first and foremost, measures to
conserve energy use and secondly, the creation of local clean
energy sources.
```

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-27 12:01:20

No Duplicates.

Comment 46 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Alice
Last Name: Kaswan
Email Address: kaswan@usfca.edu
Affiliation: USF School of Law

Subject: Supplemental FED comments
Comment:

```
Comments attached
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/64-kaswan_supplemental_fed_commentes.docx

Original File Name: Kaswan Supplemental FED commentes.docx

Date and Time Comment Was Submitted: 2011-07-27 13:45:35

No Duplicates.

Comment 47 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Brenda
Last Name: Coleman
Email Address: brenda.coleman@calchamber.com
Affiliation: California Chamber of Commerce

Subject: CalChamber's Comments on the Supplement to the AB 32 Scoping Plan FED
Comment:

```
Please see attached comments.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/65-fed_comments.pdf

Original File Name: FED comments.pdf

Date and Time Comment Was Submitted: 2011-07-27 15:45:39

No Duplicates.

Comment 48 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Matthew
Last Name: Fidanque
Email Address: mfidanque@gmail.com
Affiliation: West Oakland Environmental Indicators Pr

Subject: AB32: Alternative to cap and trade
Comment:

As an environmental policy analyst and social justice advocate, I understand the need to move forward with comprehensive climate change legislation for California. However, the cap and trade system that CARB has advocated is neither equitable nor effective. Rather than giving away pollution rights to corporations, and supporting ineffective and discriminatory offset projects in developing countries, we should focus on reducing greenhouse gas emissions here in our state and charging forward into the clean energy future.

A more productive strategy would be to regulate specific pollution sources, in order to improve the health of our vulnerable communities that live near these sources, and implement a carbon tax, whose revenue can encourage public transportation, energy efficiency projects, and solar and wind generation. We cannot have a "Global Warming Solutions Act" unless it supports solutions for all of us, including communities at risk.

Thank you,
Matthew Fidanque

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-27 16:20:15

No Duplicates.

Comment 49 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Harvey
Last Name: Eder
Email Address: harveyederpspc@yahoo.com
Affiliation: Public Solar Power Coalition &self

Subject: Comments Supp. to Scoping Plan FED CARB 1HE PSPC
Comment:

Hereby incorporate by reference all of the comments and the complete record that I/we submitted in the spring and summer of last year 2010 in the Cap and Trade proceedings and the 33% Renewable Electric Ssytem RPS.REC,RES in CARBS records including but not limited to the full transcript of The Story of Cap and Trade by Annie Lenard google for same and enter in record, full testamony/comments in the record from South Coast Air Quality Management District in the spring March-June of 2010 including the history of derivatives starting with the Panic of 1907 to present transcript from 60 minutes over the last 10 years record on green house gas and trading proposal. The aritcle cover of Scientific American from November of 2009 onConvberting the World by 2030 to solar renewables wind water and solar by Mark Jacobson Env. Engineering Prof at Standford University and Mark Delucci of UC Davis which is was submitted into the record cited above in full as well as their 2 articles from Dec. 2010 on the same subject in Energy Policy Journal hereby in incorporated into the record.

The supplement to the scoping plan FED under Cap and Trade discusses the problems with SCAQMD RECLAIM Nox trading system in 2000 and 2001 when prices when out of wack and nothing was cited about the gaming of the system done by Enron which also resulted in black outs and brown outs and PG&E going bankrupt and SCEdison within in hours of going bankrupt and the price of electricity sky rocketing. Also incorporated by reference is the program about Enron that included this information played several times over this year and last year onCNBC the finance investment channel. This is a glaring omission to the evaluation of the models for Cap and Trade that is consistant with the record that i we submitted as cited above with CARB last year and here (inb the supplement to scoping plan FED and the extremely advarse environmental socio economic impacts that were omitted from this whole process.

As suggested in the June 8 meeting transcript that was hard to find and onlu listed under the June 7 liosting for the comments to the Supplement and not separatelky when searched at the CARB website. AlsoThere shold be hearings in this process to gather info such as cited in the June 8 transcript of the meeting and the numbers that were wrong or omitted should be provided timely for review along with those cited in the June 8 transcript and on the Comments at the June 7 cite. This whole process shouuld ber slowed down. In the meeting with J. Beardsley etc. where i we suggest3ed that a social economic study ber conducted this should have and still needs to be done as was commucated at the meeting in or aboput June 2010 that could be attended by telephone . The June 8

meeting should have been connected by telephons video etc. and was not and inquery was timely made. I we intend to enter the legal process in this matter.

Only the Cap past of the Cap and trade system in the Supp to the FED scoping Plan whould be used not the Cap and Trade system. Regulation should be used with a co2 equivilent FEE that may be adjusted. The state needs a 10 year solar conversion plan and a back up 20 and 40 year plan as cited in the record by submittal and above/ The 2005 Executive Order made by the Governor for an 80 % reduction of co2e from 1990 levels by 2050 will likel;y be made into law as the 33% RPS renewable enenergy implementation was in SX1,2 that became state law this spring. CARB should support with other state energy related agencies a 25% oil production tax like Sara Palin enacted in Alaska except this should be split 50/50% with education and solar conversio(there is an initative that is working its way through the ballot in near term coming months that will put a 15% or $3.6 billion dollar fund for education in California

More comments will follow before the 5pm 7/28/11 deadline

Harvey Eder citizen and Executive Director of the Public Solar Power Coalition there shold not be a 60 min limit on comments made throught this system. This limits public input and the democratic process !!! harveyederpspc@yahoo.com

5

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-27 16:02:41

No Duplicates.

Comment 50 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Mark
Last Name: Toney
Email Address: mtoney@turn.org
Affiliation: TURN-The Utility Reform Network

Subject: Replace Cap and Trade
Comment:

```
See letter
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/69-arb-replace_c_t.doc

Original File Name: ARB-Replace C&T.doc

Date and Time Comment Was Submitted: 2011-07-27 17:03:42

No Duplicates.

Comment 51 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Brian
Last Name: Beveridge
Email Address: brian.woeip@yahoo.com
Affiliation:

Subject: Carbon tax, not cap and trade
Comment:

```
Cap and trade does little for our local communities and what is
worse, often allows polluters like refineries to pollute locally
and buy redemption across the ocean somewhere. A carbon tax market
will allow the same financial incentive for every carbon producer
with less burden on local communities of color.

I urge the CARB to recognize this fundamental environmental justice
issue and recomend carbon taxing, not cap and trade, to the
legislature.

thank you, Brian Beveridge
```

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-27 17:05:12

No Duplicates.

Comment 52 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: James
Last Name: Demeter
Email Address: james@demeteramps.com
Affiliation: California Manufacturer

Subject: What if
Comment:

What if this whole Man caused Climate Change Thing is a fraud and the science is proven wrong? This is happening now as the computer models used by the IPPC fall into error and the planet refuses to warm. Will you cancel this super job Killing farce before it is too late? More and more real science is coming out proving that natural variations are driving climate change. You continue to generate more and more rules and regulations That will drive out all industry and ruin this once Golden State. My science class taught CO2 is plant food and all life is dependent on it, but that was before politics corrupted the classroom.

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-27 17:02:05

No Duplicates.

Comment 53 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Ravahn
Last Name: Samati
Email Address: ravahn.samati@gmail.com
Affiliation:

Subject: Consider Cap & Trade Alternatives
Comment:

I hope that the Board will consider the alternative Carbon Tax to Cap and Trade. This is a much more transparent approach to pricing carbon. Also, the revenues go to the state, which can use it to close the budget gap, re-fund our public transportation systems, schools, and social services, and invest in green energy.

Simultaneously, regulate specific pollution sources. A carbon tax makes it more expensive to pollute, but does not always guarantee less pollution. Thatâ€™s why itâ€™s a good idea to combine this policy with strict enforcement of clean air laws with the biggest polluters, such as oil refineries, making sure to clean up the environment for the communities that live around them.

The â€œtradeâ€• part of Cap & trade is problematic. It allows companies that want to continue emitting to buy credits from those that emit less. In addition companies were able to game the cap-and-trade system to make money for polluting by getting credits given away by government with no real reductions in emissions at all. This has been the case in the European Union.

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-27 18:45:30

No Duplicates.

Comment 54 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Harvey
Last Name: Eder
Email Address: harveyederpspc@yahoo.com
Affiliation: Public Solar Power Coalition &self

Subject: Comments Supp. to Scoping Plan FED CARB Part 2 HE PSPC
Comment:

This is part 2 of comments due to lack ot thim on part 1 submitted 2 hours ago today 7/27/11

The 22MMTons of co2/co2e? reductions cited in the Supplement to scoping plan FED cites that LCFS Low Carbon Fuel Standards will be used in excess of 10MMTons reductions co2/ co2E ? to meet the total goal of apx. 450MMTco2/co2e? goal for the state by 2020. There was ameeting of the LCFS workgroup apx. 1 month ago that he/PSPC participated in on the phone and gave comments during the public section of that meeting in Sacramento. The issue of Cap and Trade was cited in the meeting and that a sub group of the LCFS would meet to work on Cap and Trade or market mechanism for implementing the LCFS Low Carbon Fuel Standard. This is illegal and the instant proceedings superceed the/ any activity tqaking part in the LCFS area. It is rather part of this proceedings. The activity of the LCFS group must stop until these proceedings are resolved. Aparently there was it was reported in the meeting that there has been some staff/ structural reorganization of the Cap and Trade people now some most of all working on LCFS. This is possibler an end run by CARB to go arould the Courts decision. All of the numbers have to be revaluated.

The issue of fuel switching as in the diesel to low sulfer diesel in the recent pass, and CARB etc et al have been pushing natural gas as the Clean Alternative Fuel to the tune of $2 billion Through the Carl Moyer Program etc. converting buses and now refues trucks. PSPC has participated in the process before the LCFS was established by the board or the SCoping plan over the past few years. raising the issue of ch4/methane as well as nitrous oxide emissions over the life of vehicles. During the history of the proceedings over the past few years the only data on this subject was provided with Michael Benjamin and Cody Livingston providing info on studins on methane emission eetc,. over the life of a vehhicle. This was ignored by CARB staff and incorporated into the record is the communications with staff including cochair of the LCFS group Jim Duffy who was sent a copy link of , along with John Courtis
of CARB staff of the Washington D.C study of Metro Buese over timedone by NREL/DOE Univ. of West Virginia which is also incorporated herein the record. CARB has not and does not plan to study what happens over time to natural gas vehicles.neither is CEC, Fed EPA DOE etc. and there is proposed legislation in Congress to convert the nations truck . and bus fleet to natural gas witho9ut study9ing this. This needs to be done as soon as possible. SCAQMD recently said the they were going to look at only 2 buses in a study of 22 buses. The grams of ch4 emissions per mile for buses

was.3 used in the Feb 2009 LCFS for LNG &CNG fuels while the Washington D.c. study cited 10 and 17 grams per mile of ch4 and a report done last year for South Coast for trucks found from 45 to 100 gerams ch4/methnae per mile emitted. GHG must be measured and consdereed in this proceeding completely without an end run or further omissions !!! Dr. Duffy was sent this info over 1 year ago and over 2 years ago info was cited to Anal Prabu and John Courtis without responce and more recently as well !!! Pickens has money but his Plan needs to be evaluated alomng with the environmental impoact on water of fracking and included in this supplement to the scopinmg plan FED.

More comments will follwo before 5pm tomarrow.

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-27 18:50:44

No Duplicates.

Comment 55 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Laurie & Allan
Last Name: Williams/Zabel
Email Address: williams.zabel@gmail.com
Affiliation: Private Citizens & Volunteers CCL

Subject: Comments on Supplement to Scoping Plan - Flaws of Using GHG Offsets
Comment:

AB 32 Supplement to Scoping Plan - Comment submitted July 27, 2011

COMMENT ON SUPPLEMENT TO AB 32 SCOPING PLAN FUNCTIONAL EQUIVALENT DOCUMENT – IMPLEMENTATION OF AB32

Comment by Laurie Williams & Allan Zabel on behalf of ourselves as private citizens, as residents of California and as volunteers, writing on behalf of Citizens Climate Lobby, a non-profit organization based in San Diego, California, asserting that adoption of the proposed greenhouse gas offset program, regulations and protocols is arbitrary and capricious and contrary to the intent and requirements of AB 32, the California's Global Warming Solutions Act of 2006.
The California Air Resources Board ("CARB") has repeatedly acknowledged that in order to maintain the integrity of the cap-and-trade system, any greenhouse gas offsets must be verifiable, enforceable and "additional" (see Supplement at p. 53, "Offsets must meet rigorous criteria that demonstrate that the emissions reductions are real, permanent, verifiable, enforceable, and quantifiable. To be credited as an offset, the action or project must also be additional to what is required by law or regulation or would otherwise have occurred"). CARB's staff report on Offsets notes that AB 32 requires these criteria to be met. See, e.g., Staff Report on Compliance Offset Protocols for U.S. Ozone Depleting Substances Projects, dated October 13, 2010 at page 1. As explained in our prior comments, which are hereby incorporated by this reference and provided in full below, these criteria cannot be met with respect to greenhouse gas offsets and are not met by the proposed protocols or regulations. See our comments dated December 13, 2010 regarding the offsets and offset protocols, and our July 30 and August 1, 2008 comments, regarding the disadvantages of a cap-and-trade program, including the damage to such a program's integrity from offsets.

In addition to our prior comments, we provide the following additional comments on the Supplement to the Scoping Plan:

1. No Response to Prior Comments: We have not seen any response to our prior December 13, 2010 comment on the fatal flaws of the greenhouse gas offset program and protocols. Nor have we seen a response to our July 30 and August 1, 2008 comments on the flaws of cap-and-trade with offsets as an approach to addressing greenhouse gases. The San Francisco Superior Court decision dated March 18, 2011 (http://op.bna.com/env.nsf/id/smiy-8f6uv7/$File/CARBorder.pdf "Sup. Ct. Decision") states that CARB is required to respond to

comments prior to making a decision. We do not believe it is legal for CARB to move forward with adopting or approving the offset program and/or protocols until our comments have been presented to the Board and responded to in writing. See Sup. Ct. Decision at p. 33, citing Cal. Code Reg. tit. 17, § 60007, subd. (a). Please note, not only did CARB fail to respond in writing to our comments, but CARB also failed to respond in writing to other commenters who described the flaws of offsets and their potential to undermine the integrity of the AB 32 program.

2. Program Violates AB 32's Requirements: Our conclusion is that the AB 32 requirements for greenhouse gas offsets in AB 32 are not met by the proposed program and protocols. In addition, we describe what we believe to be the unfixable flaws of the offsets approach and conclude that offsets should not be part of the AB 32 program to reduce Greenhouse Gas ("GHG") emissions. The proposed regulation provides admissions of uncertainty and lack of enforceablility. For instance the statement at page 9: (35) "Business-as-Usual Scenario" means the set of conditions reasonably expected to occur within the offsets project boundary in the absence of the financial incentives provided by offset credits, taking into account all current laws and regulations, as well as current economic and technological trends. "Reasonably expected to occur" in this context is speculative and subjective and cannot be part of an enforceable standard. The proposed regulation states that "additionality" includes: "activities, that result in GHG reductions or GHG removal enhancements, are not required by law, regulation, or any legally binding mandate applicable in the offset project's jurisdiction, and or any GHG reduction or GHG removal enhancement activities that would not otherwise occur in a conservative business as usual scenario." (Emphasis added; see http://www.arb.ca.gov/regact/2010/capandtrade10/candtmodreg.pdf at page 170.) The use of the term "conservative" does not make this speculative standard enforceable or verifiable. The net result of these flaws, and the others discussed in our December 13, 2010 comment, will be a system that claims reductions based on activities that have already happened and would have happened without the offset credit program. This in turn will result in false accounting and a failure to correct the incentives that are keeping GHG emissions at dangerous, unsustainable levels, thereby locking in additional climate degradation.

3. The Proposed Offsets Represent a Substantial Portion of Required Reductions: The Supplement confirms that up to 8 percent of all compliance obligations can be met with offsets. While CARB notes that a reduction is required from projected 2020 emission levels of 507 million metric ton CO2e to 427 million metric ton CO2e emissions, current 2011 levels are not noted, nor is the percentage reduction needed to reach the goal of 1990 levels by 2020. However, the Electric Power Research Institute's paper "Overview of the California Greenhouse Gas Offsets Program, dated April 2011, states at page 10 states that, if the maximum quantity of offsets is submitted for compliance, offsets could be used to satisfy as much as 85% of required reductions. See http://globalclimate.epri.com/doc/EPRI_Offsets_W10_Background%20Paper_CA%20Offsets_040711_Final2.pdf at p.10. Even if a smaller percentage of compliance obligations are met with offsets, it is clear that offsets are intended to be a substantial portion of required reductions and their failure to represent real, additional, enforceable reductions could be extremely damaging to California's efforts to address climate change, as well as to the efforts of the many states and countries

expected to follow California's lead.

4. Using Offsets to Keep Costs Low Undermines Incentives for Efficiency, Investment and Individual Decisions that Would Reduce Emissions: The Supplement repeatedly indicates that an important function of offsets is (1) to keep the costs of compliance low ("cost containment mechanisms" see Supplement at p. 52) and (2) to thereby prevent leakage of California's industry and attendant polluting activities to other jurisdictions, as well as (3) to address other sectors of the economy not subject to the cap. (1) Keeping Costs of Compliance Low: Relying solely on compliance with caps and low cost offsets to reduce emissions, rather than an increase in fossil fuel prices, hurts many of the incentives that would drive the rapid transition to a clean-energy economy that is needed to avert dangerous climate change. For instance, if CARB were to adopt carbon fees that rose predictably, to insure that clean energy would become cost-competitive with fossil fuels within a known time frame, this would create huge incentives for a shift in private investment from fossil fuel energy into clean energy infrastructure and innovation as well as into energy efficiency. Similarly, individuals and businesses would experience a strong incentive to be creative in reducing their carbon footprint. In this respect the cost containment approach of greenhouse gas offsets is not only lacking in integrity but also undermines a critical incentive needed to provide the rapid reductions without which costly and potentially irremediable effects of climate change are likely to become inevitable. (2) Leakage of emissions is a significant concern. As noted in the Scoping Plan, one way to address leakage is "border adjustments," adding costs to goods that arrive from jurisdictions whose regulations do not have programs to address greenhouse gases and rebating costs to goods that travel from California to other jurisdictions. (See Supplement at p.92.) While such border adjustments can be more easily imposed on international trade, it may be possible to impose such adjustments on interstate commerce as long as the adjustments merely create a level playing field for out-of-state businesses and are not protectionist. However, the potential for leakage to occur is not an excuse for adopting a fatally flawed and unworkable approach, such as cap-and-trade with greenhouse gas offsets. Essentially, CARB fails to acknowledge that higher prices for activities that produce greenhouse gases are an extremely valuable tool for driving greenhouse gas reductions. CARB instead claims that keeping costs low is a higher value, discarding the alternative as politically and legally untenable, rather than analyzing this alternative as required by the Superior Court decision and State law. If carbon fees would be more effective but less implementable in California, CARB should acknowledge this. As noted in our paper, "Keeping Our Eyes on the Wrong Ball" (incorporated by this reference and available at:
http://www.carbonfees.org/home/Cap-and-TradeVsCarbonFees.pdf), carbon fees returned to residents in equal monthly rebates can keep energy affordable while creating strong incentives for investments in clean energy and energy efficiency. (3) Addressing other Sectors: Nor should the need to address other sectors, such as forestry and agriculture, be an excuse for using unverifiable and unenforceable GHG offsets to address our fossil fuel usage. A separate program of regulation and incentives for increased forest cover and better agricultural practices would have greater integrity and make sure we do not confound the accounting necessary to determine whether we are making appropriate reductions in the energy and industrial sectors.

PRIOR COMMENTS – INCORPORATED BY REFERENCE AND BELOW:
Comment submitted December 13, 2010 and available at:
http://www.arb.ca.gov/lispub/comm/bccomdisp.php?listname=capandtrade10&comment_num=878&virt_num=521
COMMENT ON PROPOSED ADOPTION OF A CALIFORNIA CAP ON GREENHOUSE GAS EMISSIONS AND MARKET-BASED COMPLIANCE MECHANISMS REGULATION, INCLUDING COMPLIANCE OFFSET PROTOCOLS – IMPLEMENTATION OF AB32

Comment by Laurie Williams & Allan Zabel on behalf of themselves as private citizens of California and as volunteers, writing on behalf of Citizens Climate Lobby, a non-profit organization located in San Diego, California, asserting that adoption of the proposed offset protocols is arbitrary and capricious and contrary to the intent and requirements of AB 32, the California's Global Warming Solutions Act of 2006.
Overall Point – AB 32 requires that greenhouse gas ("GHG") offsets be "real, permanent, quantifiable, verifiable, enforceable, and additional." Adoption of the proposed Offset Protocols by the California Air Resources Board is arbitrary and capricious and should be rejected because the protocols for proposed GHG offsets cannot meet these standards. In addition, to the extent that GHG offsets are not additional, they destroy the integrity of the entire program by allowing additional GHG emissions from the capped sector above the "cap" that will not be offset by additional emission reductions elsewhere. Finally, because California's program is looked to as a model and proof of concept, adoption of this flawed mechanism would be extremely damaging to national and international efforts to effectively reduce GHG emissions. Adoption of GHG offsets as part of the California program would serve as a template for such programs, encouraging others to pursue this flawed approach to the most urgent problem facing humanity, increasing the chances of catastrophic climate change, and defeating the stated purpose of AB 32. Under the proposed action, "covered entities can use offset credits to satisfy up to eight percent of the entity's total compliance obligations." See Notice of Public Hearing at p. 5. This 8% of the compliance obligation is very significant percentage of the total reductions sought.

Fatal Flaws of GHG Offsets - To be credited as an offset, the staff report states that a project "must also be additional to what is required by law or regulation or would otherwise have occurred." See ARB Staff Report, page 35 of 472. (Emphasis added.) Our analysis focuses primarily on the latter requirement. As demonstrated in our Whistleblower Disclosure ("Williams/Zabel Disclosure"), dated July 22, 2010 (http://www.carbonfees.org/home/Whistleblower_Disclosure_to_Congress_7-21-10.pdf),
GHG offsets of the type that ARB proposed to adopt are fatally flawed and cannot be fixed. There is no reliable way to distinguish offset projects which will occur because of the offset incentive from those which would have happened anyway because of the following four unfixable flaws of GHG Offsets:
• Additionality: Whether reductions outside the capped sector are additional is necessarily a hypothetical inquiry and such an inquiry cannot reliably distinguish business-as-usual. Specifically, it is impossible to know what "otherwise would have occurred" and therefore it is not possible to create an offset program that reliably excludes business-as-usual activities from being counted as "additional." (See U.S. Government Accountability Office discussion below, confirming this conclusion.)
• Leakage/Shifting Economic Activity: In some cases, such as in the

context of forestry projects, the offsets will fail to appreciably mitigate demand and the polluting activity (such as logging) will simply shift elsewhere;

• Perverse Incentives to Increase Emissions and Keep Them Legal: GHG offsets create perverse incentives to keep polluting activities legal and in some cases to increase them, so they can keep being sold as offsets (Note: this dynamic is recognized in the Ozone Depleting Substances ("ODS") Protocol re: HCFC-22 by-product HFC-23 destruction in the United Nations Clean Development Mechanism ("CDM"), see ODS Protocol at p. 11 of 67); and

• Unenforceable: The complexity and subjectivity of offsets renders them impossible to certify, regulate or enforce.

As explained in our discussion below of each of the four proposed offset protocols suffers from one or more of these flaws and would result in approval of non-additional projects in violation of AB 32. As a result, it would be arbitrary and capricious to adopt the proposed GHG offset protocols as part of the proposed cap-and-trade program

See also, U.S. Government Accountability Office, March 2009 ―Observations on the Potential Role of Carbon Offsets in Climate Change Legislation‖ at p. 12, GAO-09-456T (http://www.gao.gov/new.items/d09456t.pdf). "Because additionality is based on projections of what would have occurred in the absence of the CDM [United Nations Clean Development Mechanism], which are necessarily hypothetical, it is impossible to know with certainty whether any given project is additional." (Emphasis added.)

Keeping Our Eyes on the Wrong Ball - Offsets are described in the Staff Report as a "cost containment mechanism," which offers additional low-cost emissions-reduction opportunities. See Staff Report at page 14 of 472. However, cost containment interferes with another goal cited in the Staff Report -- to "stimulate investment in clean and efficient technologies." See Staff Report at page 11 of 472. Keeping the price of fossil fuel emissions lower by allowing offsets delays investment in clean energy technologies and energy efficiency by keeping fossil fuels cost competitive. As a result, such "cost containment" defeats the goal of a rapid transition to clean energy and energy efficiency. See http://www.carbonfees.org/home/Cap-and-TradeVsCarbonFees.pdf

Critique of Proposed GHG Offset Protocols for AB 32:

The four offset protocols proposed for adoption by the ARB are Livestock Manure (Digester) Projects, U.S. Ozone Depleting Substance Projects, U.S. Forest Projects and Urban Forest Projects. We provide a specific critique of why each of the protocols cannot meet the AB 32 requirements below:

(1) Livestock Manure (Digester) Projects

The digester performance standard contradicts AB 32 requirement of additionality:

As noted above, key element of additionality is that the project is additional to what "would otherwise have occurred." See ARB Staff Report at p. 35 of 472.

a. Significantly Better Than Average: The offset protocol for Livestock Manure Digester Projects fails to meet this standard of additionality by having a performance standard that allows all such digesters to be offsets on the basis that a digester "is significantly better than average." See Livestock Protocol at p. 9 of 68. Thus, the protocol redefines "what would have occurred otherwise" to include what is already occurring at some facilities. "Data shows that California livestock operations (dairy, in particular) manage waste in a manner primarily in liquid-based

systems that are very suitable for digesters. Yet even in these favorable conditions digesters are found on less than 1% of the dairies," (Id.) (however, the majority of the farms that currently have digesters are significantly larger than the average California dairy.)

b. Evidence that Digester Projects Can Be Profitable Without Offset Payments: A December 2009 announcement by the U.S. Department of Agriculture and the U.S. Department of Energy indicates that "Currently, only about 2% of U.S. dairies that are candidates for a profitable digester are using the technology, even though dairy operations with anaerobic digesters routinely generate enough electricity to power 200 homes." See, http://apps1.eere.energy.gov/news/news_detail.cfm/news_id=15685. The Department of Energy has confirmed that "A biodigester usually requires manure from more than 150 large animals to cost effectively generate electricity. Anaerobic digestion and biogas production can also reduce overall operating costs where costs are high for sewage, agricultural, or animal waste disposal, and the effluent has economic value. In the United States, the availability of inexpensive fossil fuels has limited the use of digesters solely for biogas production. However, the waste treatment and odor reduction benefits of controlled anaerobic digestion are receiving increasing interest, especially for large-scale livestock operations such as dairies, feedlots, and slaughterhouses." See, http://www.energysavers.gov/your_workplace/farms_ranches/index.cfm/mytopic=30005.

c. Existing Projects: The proposed program appears to allow existing digester projects to count as additional to what "otherwise would have occurred." The ARB staff report states, "The proposed regulation also includes a process for offset credits from qualified existing offset projects operating under specific offset protocols to be accepted into the compliance offsets program." See ARB Staff Report at p. 78 of 472. This feature means that existing projects -- project that are currently in progress – can be counted as additional to "would otherwise have occurred." The net result is a system that allows profitable, existing projects and approaches to methane reduction to be used to allow emissions above the cap in the allegedly "capped" sector.

d. Perverse Incentive to Increase Emissions (Digester Offsets May Increase Emissions and Cause Other Environmental Harm): The ARB Livestock Manure Protocol Report notes that "The installation of a BCS [Biogas Control Systems] at an existing livestock operation where the primary manure management system is aerobic (produces little to no methane) may result in an increase of the amount of methane emitted to the atmosphere. Thus, the BCS must digest manure that would primarily be treated in an anaerobic system in the absence of the project in order for the project to meet the definition of an offset project." See Livestock Report at p. 19 of 68, FN 5. This footnote provides an important admission that proposed Digester Protocol may encourage an increase in emissions as a means to gain offset payments. Specifically, manure could be, and sometimes is, processed in an aerobic environment, producing little to no methane. An example is that manure can provide valuable fertilizer to farming operations and be used instead of petrochemical fertilizers. However, by creating the offset program, ARB may encourage facilities to first switch from an aerobic to an anaerobic process (and hence increasing methane), so that their farm can qualify to participate in obtaining offsets.

This decision could also lead to increased use of petrochemicals and other environmental harm.

e. Perverse Incentive to Keep Methane Emissions Legal and Prevent Regulatory Evolution: In addition to potentially encouraging a move to anaerobic conditions so that a dairy would qualify for offsets, the Digester Protocol also creates an incentive for additional market participants to oppose regulation that would require either aerobic treatment or an anaerobic digester. As noted with respect to the other Protocols and in the Williams/Zabel Disclosure, normal regulatory evolution would move in the direction of prohibiting activities that are found to be harmful in significant ways that were not previously appreciated or known. In this case, all facilities that engage in anaerobic storage of manure for more than 150 cows could potentially be required to use a biogas control system and destroy or sell the resulting methane for energy. A law that creates an offset market for this activity creates opposition to a comprehensive regulation that would remove this activity from the offset market and deprive these market participants of the related revenue, creating instead an obligation that has associated costs. The heightened opposition to such regulation should be analyzed as part of "what otherwise would occur," in order to fully consider whether the proposed offset protocol creates truly additional reductions outside the capped sector.

f. Summary: In summary, there are five types of evidence that it would be arbitrary and capricious to approve the proposed Digester Protocol for Offsets: (1) the protocol redefines additional as "significantly better than average," which clearly includes a type of activity that is already occurring (non-additional) without the offset incentive, (2) the protocol allows offsets for activities that would be profitable even without the offset payment, (3) the protocol allows existing projects to create offsets, (4) the protocol creates a perverse incentive for some farms to increate anaerobic manure storage to increase the chance of offset income, and (5) the protocol increases the incentives for those who profit from the offsets to fight new regulation that would require the capture and/or use of the methane produced by livestock, as this would deprive them of offset profits. In light of these five factors, the degree of additionality created by the Protocol is unknowable and unverifiable and thus fails to meet the required standards for AB 32 offsets.

(2) U.S. Ozone Depleting Substances ("ODS") Projects
a. Destruction of ODS from Refrigeration Equipment and Foam: The proposed ODS Protocol would grant GHG offsets for projects which collect and destroy ODS from refrigeration equipment containing ODS and from foam which was manufactured using ODS as a blowing agent. Both the ODS refrigerant and the ODS blowing agent must originate from the United States. See ODS Protocol at sections 2.3.1 and 2.3.2 (p. 22 – 23 of 67). The ODS Protocol contains two major flaws. These flaws would allow potential project operators to receive GHG offsets for claimed GHG emission reductions which are not additional. In addition, the ODS Protocol's reliance on unverifiable assertions and records generated by the offset project operator would create opportunities for fraud which would be extremely difficult or impossible prove once the fraud was completed.
b. Unsupported Assumptions: In explaining how the performance standard of destruction of ODS pursuant to the Protocol would be additional, the Staff Report claims, without providing any

supporting citation or materials, that “Data shows that less than 1.5% of recoverable US sourced ODS are destroyed upon end-of-life of the [refrigeration] equipment or [foam] material. This indicates that collecting and destroying the ODS is above and beyond common practice and therefore destruction meets the performance standard.” Staff Report, page 6. In addition, the ODS Protocol assumes that all ODS recovered from refrigeration equipment is reclaimed for further use. ODS Protocol at sections 2.3.1 and 5.1.1.

c. Destruction of ODS during Business-As-Usual: The combination of these assumptions is important for claiming that all ODS destroyed pursuant to the Protocol are additional for purposes of generating offsets. If ODS removed from refrigeration equipment is not always reclaimed and reused, but for technical and/or financial reasons is sometimes destroyed, the destruction of this ODS would not be additional because it would occur in the course of business-as-usual.

d. Barriers to Reclaiming and Reuse - Title VI of the Clean Air Act: In fact, not all ODS recovered from refrigeration equipment is reclaimed and reused. To be used as reclaimed refrigerant, ODS must meet established specifications under Title VI of the Clean Air Act. To be economically viable as reclaimed refrigerant, ODS removed from refrigeration equipment must not be mixed with other types of ODS and must not be heavily contaminated with oils and other impurities. Either of these problems will most often make the cost of bringing the ODS up to Clean Air Act specification prohibitively expensive. These problems regularly occur and a significant amount of ODS removed from refrigeration equipment is destroyed rather than being reclaimed and reused. The ODS Protocol would allow the generation of GHG offsets from this destruction.

e. Barriers to Verification: The ODS Protocol contains two glaring enforcement weaknesses. First, as stated above the ODS Protocol requires that both the ODS refrigerant and the ODS blowing agent destroyed in a project must originate from the United States. This requirement is not practically enforceable. Once the foam or refrigerant is destroyed, it will be virtually impossible for an enforcement inspector to verify or challenge the paper records kept by the project operator. Second, this hopelessly flawed reliance on paper records generated by the self-interested project operator is a hallmark of the entire verification “methodologies” in the ODS Protocol. The temptations for a project operator to exaggerate or outright fabricate records will be enormous. If GHG offset prices come close to the offset prices in the European GHG trading program, destruction of a single pound of GHG could be worth nearly $100. Again, once all the real evidence is gone, e.g., the foam and refrigeration unit are in the landfill and the ODS has allegedly been destroyed, there is little, if any, hope of proving the fraud.

f. Emissions Above the Cap: As with the Digester protocol above, the net result of the unverifiable and non-additional offsets that can be created under this protocol is a system that would allow emissions above the cap in the capped sectors.

g. Perverse Incentive to Keep Landfill Disposal of Foam Containing ODS Legal: Allowing offsets for ODS destruction from foam may also create additional barriers to passage of appropriate regulations that would require ODS destruction before foam containing these substances could be brought to a landfill. Once an offset activity is profitable, those who are profiting will provide additional resistance to the passage of legislation and/or regulations that could provide an across the board, rather than piecemeal solution. In this sense, the proposed offsets do not meet the standard of additional reductions beyond what would have occurred otherwise.

(3) U.S. Forest Projects

a. Reforestation, Improved Forest Management and Avoided Conversion: The proposed U.S. Forest Protocol would grant GHG offsets for three types of projects – reforestation, improved forest management, and avoided conversion. This Protocol contains a plethora of very serious flaws. The most serious of these flaws concern the determination of whether any given forest project is additional, i.e., whether the project would have occurred in the course of business-as-usual. For each type of forestry project, the U.S. Forest Protocol established a performance test. If the project meets the applicable performance standard, the project is deemed to be additional. U.S. Forest Protocol at section 3.1.2. (p. 34 of 131.)

b. Performance Standard Approach to Additionality and Business-As-Usual : We have set forth an analysis concerning the common failures of a performance standard approach to determining additionality in the Williams/Zabel Disclosure at pp. 9-11. As detailed below, the U.S. Forest Project Protocol includes a number of these failures that result in include projects which would have occurred in the course of business-as-usual. This is because performance standards of this type are, by their very nature, almost always comparisons to projects which have actually occurred. In a market economy, the most advanced methods quite often give the business using them a competitive advantage. This is why these advanced pieces of equipment and methods are most often "significantly better than average" and "better than common practice." In a market economy, they are the result of business-as-usual. It violates AB 32's requirement of additionality to grant offsets to such projects.

c. Improved Forest Management and the "Common Practice" Performance Standard: The U.S. Forest Protocol for improved forest management projects contains several different performance standard flaws. It relies on calculations that involve mind-numbing complexity and a series of subjective and unenforceable judgment calls. This protocol also relies heavily on "common practice" as its benchmark for additionality. The entire demonstration of additionality is based upon "estimating baseline onsite carbon stocks" and comparing this to "common practice" on "similar lands" in the area of the project. U.S. Forest Protocol at section 6.2.1. (p. 64 of 131.) Since it is impossible to have an objective determination of whether forest management projects are beyond what would otherwise have occurred under this protocol, the offset performance standard clearly fails to satisfy AB 32's requirements that offsets be "real, permanent, quantifiable, verifiable, enforceable, and additional."

d. Reforestation - "Less Than 10% Tree Canopy Cover" Performance Standards: For reforestation projects, the U.S. Forest Protocol allows two possible performance standards, either of which could lead to the approval of offsets. One of the standards is the there is currently less than 10% tree canopy cover. In this case, the protocol merely states that projects which occur on land that has had less than 10 percent tree canopy cover for the last 10 years are automatically additional. No analysis, data, or rationale is presented for this determination.

e. Reforestation - Areas with "Significant Disturbance" - Alternative Performance Standards- "Economic Cost Scenario" or "Historical Not Engaged In or Allowed Timber Harvesting": For reforestation projects which occur on land which has undergone a "Significant Disturbance" (e.g., fire) projects are additional if they either meet one of two performance standard. For the economic cost scenario (set forth in a two page appendix to the Protocol) or if the "Forest Owner has not historically engaged in or allowed timber harvesting." U.S. Forest Protocol at section 3.1.2.1.

The economic cost scenario approach to additionality appears to very heavily rely on data which either does not yet exist or have not been made public. Twice this part of the Protocol states that certain economic information and assumptions can be found in "the lookup table in the Forest Offset Protocol Resources section of ARB's website." U.S. Forest Protocol, Appendix E, p. 103. We were unable to locate this section of ARB's website. In addition, the second test for additionality contains no explanation or number of years which constitute "historically engaged in or allowed timber harvesting." It is suggested, by example, that this qualification would apply to municipal or state parks, but this is made clear or exclusive in the Protocol. U.S. Forest Protocol at section 3.1.2.1. This completely subjective "standard" is neither rational nor enforceable.

f. Avoided Conversion Projects – Shifting Economic Activity: Finally, for avoided conversion projects (e.g., conversion of forest to commercial, residential or agricultural land), the U.S. Forest Protocol relies very heavily on appraisals of land value in the various land use scenarios. U.S. Forest Protocol at section 3.1.2.3. This approach has two basic problems. First, leaving a forest uncut and unconverted to another use does not necessarily result in fewer GHGs. Forest products exist in a world market. The largest supplier to the U.S. of softwood (used, for example, in building homes), is Canada. If U.S. demand for softwood is not diminished, the forest preserved in the U.S. will almost certainly result in additional timber harvesting in Canada or some other country. This will result in no net decrease in GHGs. In fact, it would like result in a slight increase represented by the fuel it takes to import the timber products. Second, appraising land value is hardly an exact science. Anyone aware of the mortgage meltdown should be aware that appraisals can be manipulated, fabricated, and, essentially, purchased by a self-interested party. Having a "qualified" appraiser, as required by the Protocol, hardly addresses this problem.

(4) Urban Forest Projects

a. Tree Planting and Maintenance: The proposed Urban Forest Protocol would grant GHG offsets for tree-planting and maintenance programs carried out by municipalities, educational institutions, and utilities. This Protocol is the most benign, and probably the most well-intentioned, of the proposed offset protocols. However, even the Urban Forest Protocol contains one serious flaw.

b. Net Tree Gain: The Urban Forest Protocol assumes that any "Net Tree Gain" represents an additional reduction in GHGs. While any Net Tree Gain is a happy thing for the environment, people, and the livability of our communities, these gains do occur in the course of business-as-usual. A case in point is the urban forest project carried out by San Francisco's Department of the Environment. In its September 2009 Annual Report to the Mayor and Board of Supervisors, San Francisco's Urban Forestry Council noted that a five-year plan, initiated in 2004, had resulted in the planting and maintenance of 26,408 trees. This occurred well before the incentives of GHG offsets. See Annual Report, September 2009, http://www.sfenvironment.org/downloads/library/sfe_urban_forest_annual_report_2009.pdf.

c. Emissions Above the Cap: Ultimately, for an offset protocol to have integrity, the results of all offset projects must be the result of the financial incentive. It this is not the case, the financial gain for the "would-have-happened-anyway" project is merely a gratuitous reward. While cities and other institutions would appreciate the extra revenue for planting and maintaining trees they would have planted and maintained anyway, the problem is that all non-additional GHG offset will inexcusably undercut the

goal of the associated environmental program, reducing emissions. Any such non-additional offsets, will result in allowing additional unjustified emissions above the cap in the capped sectors.

CONCLUSION

It is critically important for ARB to resist the temptation to make offsets part of California's cap-and-trade program. Given that rapid transition to cleaner energy and energy efficiency is critical to avoiding global climate disruption, California cannot afford to endorse a program that would allow increases in emissions in the capped sector above the cap to be "offset" by unverifiable reductions that overlap with business-as-usual. A system that allows such offsets will encourage other jurisdictions to follow suit and create a system that locks in climate degradation and the attendant harsh consequences. While these offset protocols are supported by interests that would like to profit from the protocols and by continued emissions in the capped sectors, they would create a huge loophole of non-additional offsets and would delay effective action in ways that are likely to be tragic for today's young people and for future generations.

While we agree that it would be positive for California to create incentives for a net increase in additional forest cover, more reliable capture and destruction or recycling of ozone depleting substances, and reductions in livestock methane emissions, we do not believe that GHG offsets are a reliable way to accomplish these goals. As demonstrated above, the proposed offset protocols are an inappropriate mechanism for seeking these improvements because it there are numerous barriers to reliably verifying that any given project is additional. As a result, it is arbitrary and capricious and inappropriate for the Air Resources Board to approve the proposed GHG offset protocols.

Comment 42 for Design Comments for the GHG Scoping Plan (sp-design-ws)
- 1st Workshop
(http://www.arb.ca.gov/lispub/comm2/bccommprt.php?listname=sp-design-ws at page 53 of 177)

First Name: Laurie
Last Name: Williams
Email Address: williams.zabel@gmail.com
Affiliation: www.carbonfees.org
Subject: Carbon Fees not cap-and-trade; also Request for Extension
Comment:

My husband, Allan Zabel and I have written 2 pieces regarding this issue. Please consider our explanations of why carbon fees are the more efficient and effective market mechanism in the 2 pieces below (1)our website at www.carbonfees.org, and (2) our July 11th editorial, imported below. In summary, we believe that cap-and-trade is a flawed strategy for addressing climate change. The Acid Rain experience does not prove that cap-and-trade is applicable to climate change. The two situations are completely distinguishable. With climate change we face the need for massive new infrastructure and innovation (as opposed to Acid Rain, where an easy fuel switch was available); we also have a lack the comprehensive accurate monitoring of greenhouse gases that was available for the contaminants of concern in Acid Rain. Finally Acid Rain did not allow outside offsets. All of this makes the applicability of the Acid Rain experience to climate change a myth.

Also attached as a PDF please find a visual explanation of how carbon fees work, and a request for additional public education and an extension of the comment period on this issue.

1. Please see our May 4th, 2008 Open Letter to Congress at www.carbonfees.org. While this is not aimed at California and the AB 32 process, the same arguments apply. This website also provides additional information on our credentials as public sector environmental enforcement attorneys and references for the arguments that we make.

2. Please also consider the arguments in the following piece: Cap & Trade - Misplaced Confidence (published in California Energy Circuit on July 11, 2008) which addresses AB 32 and the upcoming decision by the California Air Resources Board.

By Laurie Williams & Allan Zabel

As poles and glaciers melt, permafrost thaws and oceans acidify from our ever-increasing greenhouse gas emissions, the question of whether a carbon cap-and-trade program or carbon fees would provide
swifter, more equitable and certain emissions reductions is increasingly urgent. Based on our experience as environmental enforcers (including Allan's experience with cap-and-trade programs), we believe that the California Air Resource Board's confidence in cap-and-trade is misplaced and that carbon fees provide the more effective and efficient path to the goals of AB 32, California's landmark climate protection law.

As long expected, California's recently released AB 32 Draft Scoping Plan relies heavily on "cap-and-trade" to reduce the state's significant contributions to global greenhouse gas emissions. The draft minimizes the value of a system of "carbon fees." The Air Resources Board justifies its preference by calling cap-and-trade a more certain route to meeting AB 32's requirement to reduce California's emissions 30 percent below "business as usual" by 2020.

However, cap-and-trade has serious downsides.

Unless all cap-and-trade elements, including offsets, are limited to systems with accurate emissions measurement, the cap on total emissions will likely be inflated and claimed reductions exaggerated. While the emissions of large electrical generating facilities with continuous emission monitoring systems can be accurately tracked, many other sources of emissions and offsets cannot be as closely monitored.

If these less-accurately-measured sources participate, the integrity of the cap-and-trade program will be undermined, as will the certainty in reductions that CARB seeks. In addition, even if the market is limited to facilities with continuous emission monitors, this will create artificial scarcity that is likely to result in disruptions and unfairness, as initial and future allocations of the right to emit are distributed and traded.

A preview of such disruptions was provided by the manipulations that created the California energy crisis early in this decade. This potential was also demonstrated in a recent simulation at the University of California at Berkeley's Haas School of Business, in which students gamed a carbon-trading market for individual gain, leading to scarcity and high prices. This potential for market manipulation could contribute to undesirable price volatility. The resulting lack of price predictability in a cap-and-trade system

(specifically, the lack of certainty that the price of energy from fossil fuels will exceed the price of green energy) reduces the incentive for the substantial investments in the new infrastructure and innovation necessary to provide alternative energy at affordable prices.

The history of cap-and-trade demonstrates the limitations of the state's proposal.

The so-called "cap-and-trade" of the federal acid rain program in no way resembles the complex challenge we face in reducing greenhouse gases. Under the program, all facilities had monitors, so the system had the integrity of accurate measurement. There was relatively little trading, particularly outside of any given corporation and its subsidiaries. Trading in the acid rain program primarily meant that some corporations complied with the gradual reductions in total sulfur emissions by averaging among several of their facilities. In addition, there was no significant need for investments in new technologies or innovation in order to reduce sulfur. All that was needed--and what happened--was a "fuel switch" from high-sulfur coal, to the low-sulfur coal found in Wyoming's Powder River Basin.

In contrast, another cap-and-trade program failed spectacularly in Los Angeles. Known as RECLAIM (the Regional Clean Air Incentives Market), it was aimed at reducing ground level ozone. In RECLAIM, despite the presence of monitors, an inflated cap delayed most emission reductions for over seven years. At the end of that time, the market collapsed and the necessary control technology was required by regulation.

Similarly, attempts to design an effective carbon cap-and-trade system have failed under the Kyoto Protocol--a 1997 international accord to cut greenhouse gas emissions which the U.S. never ratified. Utilities and other sources have underreported their emissions, purchased flawed offsets, driven up prices, reaped billions in undeserved profits and generally failed to produce promised emission reductions.

Despite cap-and-trade's enormous disadvantages, it is ardently supported by two disparate groups. This first consists of those who stand to profit, whether from trading, certifying offsets and/or delaying the phase-out of fossil fuels. The second includes those who truly want rapid reductions, but believe that the greater
efficiency and transparency of carbon fees is politically unattainable and/or fail to understand that the vulnerabilities of cap-and-trade to manipulation and fraud will make the "cap" illusory.

The advantages of carbon fees, in contrast, include simplicity and transparency. For instance, the U.S. Congressional Budget Office stated in its February 2008 report: "A tax on emissions would be the most efficient incentive-based option for reducing emissions and could be relatively easy to implement." These advantages include that it is much easier to effectively trace and impose a fee on all fossil fuels at the point of importation or extraction than it is to accurately measure all greenhouse gas emissions.

By phasing in gradually increasing carbon fees that would go up each year until the price of energy made from fossil fuels exceeds the price of clean technologies, carbon fees would create the

certainty needed to spur investment in post-fossil fuel energy sources. A per-capita rebate of these carbon fees to all California taxpayers would cushion the impact of higher energy prices, particularly for low and middle income taxpayers, during the transition to the post-fossil fuel economy. The relative certainty provided by escalating carbon fees and the investments they would foster are likely to catapult California and the nation into a leadership position in green technology and set a roadmap for the rest of the world on how to move beyond the ineffective policy of cap-and-trade.

As CBO acknowledges, the main barrier to the carbon fees approach is a lack of political acceptability. It in turn is based on a lack of public education about why carbon fees (and a ban on new coal-fired power plants without sequestration) are our best hope to save our way of life and leave a habitable biosphere to the next generation.

By selecting carbon fees to meet AB 32’s goal, California could lead the nation in effectively and efficiently addressing climate change. While CARB’s draft scoping plan attempts to support its preference for cap-and-trade by indicating that it would fit well with expected cap-and-trade programs by the Western Climate Initiative and the federal government, this justification is unworthy of California’s proud tradition of environmental leadership.

Only if we discuss the urgency of the problem and the most effective solution with friends, families, neighbors and colleagues, and ask them to join us in calling and writing our representatives, can we jump-start the huge outpouring of public participation necessary to make carbon fees the acceptable as well as the wise choice.

--Laurie Williams and Allan Zabel of www.carbonfees.org wrote this editorial as citizens and parents. In May, the two lawyers issued an open letter to Congress urging lawmakers to put their efforts into setting carbon fees in place of a carbon cap-and-trade program. For details about their professional experience and carbon fees approach, see their website.

3. Attached please find a visual providing a chart to demonstrates how the certainty that green energy will become less expensive than fossil fuel energy would affect investment and affordability. Cap-and-trade cannot deliver this same price certainty and hence will not be as effective in moving us to a post-fossil fuel economy.

4. REQUEST FOR EXTENSION:
We believe that an additional period of public education should occur on the issue of carbon fees vs. cap-and-trade, and that there should be an additional comment period on this issue prior to a final decision.
Attachment:
www.arb.ca.gov/lists/sp-design-ws/45-why_carbon_fees_work_7-28-08.pdf
Original File Name: Why Carbon Fees Work 7-28-08.pdf
Date and Time Comment Was Submitted: 2008-07-30 22:56:07

Attachment: www.arb.ca.gov/lists/ceqa-sp11/75-lw___az_comment_re_ab_32_supplement___offsets_7-27-11v4.doc

Original File Name: LW & AZ Comment re AB 32 Supplement & Offsets 7-27-11v4.doc

Date and Time Comment Was Submitted: 2011-07-27 22:52:38

No Duplicates.

Comment 56 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Kathy
Last Name: Scripps
Email Address: purplestarca11@yahoo.com
Affiliation:

Subject: Clear cutting
Comment:

eAs a 4th generation Californian nothing is more disturbing to my family & freinds than clear cutting. Our favorite family camping area was clear cut. The loggers left it looking like a Nuclear blast zone. They also left 50 gal oil drums, broken logging equipment and large patches of petroleum on the ground. Our forests should be cut using selective practices. Clear cutting damages the complete ecosystem of the forest. It damages the creeks, habitat for all plants ans animals that live in, around and on the tree's. The native forest lands belong to our future generations.

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-27 23:43:15

No Duplicates.

Comment 57 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Frank T.
Last Name: Lossy
Email Address: ftlossy322@comcast.net
Affiliation:

Subject: Up coming hearing
Comment:

Dear ARB,

I appreciate being invited to express my views at this time.

It is my impresson that the broad plans and judgements you have developed are sound ways of fostering a carbon emission reduction, and I wish to commend that work.

However I believe that it would be preferable in a nuber of ways for the body public if you would give further thought to the issue of how the carbon caps you have developed should be enforced. Instead of trading of permits by means of auctions of unused allowances, I would recommend a system of CAP AND DIVIDEND be developed without permitting trading . Instead I propose that all penalties for exceeding allowances be assessed and collected by the State of CA, and distributed to the citizenry of CA as a dividends.

This would be more fair to the public, which will be paying indirectly for the penalties anyway, in the form of higher energy prices passed on to them by the energy producers. And I believe it would make the system more palatable to the citizenry.

Please let me know whether you are willing to consider such a modification.

Thank you for the opportunity to be heard in connection with your work-task.

Appreciatively,

Frank T. Lossy, M.D.

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-28 00:34:38

No Duplicates.

Comment 58 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Kimberly
Last Name: Burr
Email Address: kimlarry2@comcast.net
Affiliation:

Subject: trading carbon
Comment:

Deforestation is a major climate change problem. Forests around the planet must be increased and mature forests protected NOT traded!!

Policing a trading scheme is not a proven model to reduce carbon emissions or CO2 build up. The best scheme, which is feasible only through guidance from government, is to transition to clean energy as quickly as possible as in a cap and dividend system.

Many businesses will thrive and achieve efficiencies, advantages, and market share during and after transition. Businesses and lobbies that merely assert that they will be harmed by capping carbon and reinvesting in clean energy must be required to demonstrate through peered reviewed studies, that the economics, even if there MIGHT be some costs incurred, are infeasible. The courts have said that business may sometimes have to incur costs so long as they are reasonable and environmental protection will be realized.

The environmental document must analyze the historic impacts of constructively forcing technology through regulation. Increased miles per gallon is one good example. Good regulation creates a level playing field and is forward looking like our major environmental laws were. Industries can change, will change, and will be better competitors in the global economy if they are efficient, nimble,and jump into the niche that is clean renewable energy. It is not in any one's interest to be dictated to by stale and rigid thinking that holds every one back.

Please incorporate these elements into the environmental analysis.

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-28 08:11:07

No Duplicates.

Comment 59 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Darwin
Last Name: Bond-Graham
Email Address: darwinbondgraham@gmail.com
Affiliation:

Subject: Carbon Tax
Comment:

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Dear ARB,
The previous scoping of AB 32 was indeed flawed in its over-due
emphasis on cap and trade like schemes.
A straightforward carbon tax, which there would be many ways to
implement, with a 100% dividend to CA's residents, would be both
the most effective and just way to tax the "bad" economic
activities that emit large amounts of greenhouse gas, and stimulate
activities that either conserve energy, or utilize low-carbon
emitting energy sources.
I urge the board to further study and ultimately implement a carbon
tax.
Sincerely,
Darwin BondGraham
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Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-28 08:35:22

No Duplicates.

Comment 60 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Lynda
Last Name: Daniels
Email Address: lynda67@cox.net
Affiliation:

Subject: Emissions
Comment:

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Calfornia needs to lead the way in controlling emissions.  Please
pass legislation that will help us all breathe better.
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Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-28 08:55:18

No Duplicates.

Comment 61 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Emily
Last Name: Bockmon
Email Address: ebockmon@gmail.com
Affiliation:

Subject: Revenue-neutral Fee and Dividend
Comment:

I applaud the efforts of the ARB and appreciate the steps CA has taken toward a responsible energy policy. The scoping plan put forth by ARB has many great elements that will continue to move the state toward reduced emissions. Unfortunately the scoping plan misses the mark in its support of developing a California cap-and-trade program.

I urge the Board to consider a revenue-neutral carbon fee and dividend, rather than the currently proposed cap-and-trade system. We need action that will be effective immediately, and will be easy and cheap to implement. A carbon fee will have much lower implementation costs than cap-and-trade and will require less oversight in the years following. I believe it will have the additional advantage of being more effective at emissions reductions as well.

The scoping plan already includes a similar fee to what is being suggested in the High Global Warming Potential Mitigation Fee. This measure will help better reflect, in their cost, the impact of otherwise relatively inexpensive but harmful chemicals. Carbon emissions could easily be treated in this same manner, as a chemical whose true costs are not currently being included in its cost to consumers. A carbon fee would help to accurately price carbon by acknowledging its climate change potential. By including a revenue neutral dividend that is directly returned to the people of California, there is no increased financial burden by the increased cost of energy.

A revenue-neutral carbon fee and dividend will help us quickly, fairly and simply achieve our goal of reducing greenhouse gas emissions to 1990 levels by 2020.

Thank you,
Emily Bockmon

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-28 08:51:48

No Duplicates.

Comment 62 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Paul
Last Name: Fritz
Email Address: pcfritz2000@yahoo.com
Affiliation:

Subject: AB 32 Cap and Trade
Comment:

```
Dear CARB,

Specific carbon market designs can address objections raised by
groups critical of the impacts of AB 32&#8242;s Cap & Trade
program.  Instead of giveaways to polluting industries, CARB should
auction 100% of permits. Rather than unlimited offsets, CARB should
strictly limit them.  Inequities in the use of allowance value can
be addressed with a Cap & Dividend approach that returns revenues
back to all Californians equally.

Please incorporate these elements into the environmental analysis.
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Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-28 08:59:39

5 Duplicates.

Comment 63 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Debra
Last Name: Berliner
Email Address: berliner.debra@gmail.com
Affiliation:

Subject: Please support effective climate action, not cap and trade
Comment:

```
Dear CARB Members,
I am proud to live in California where we're leading the country in
climate action. However, major flaws in the cap and trade mechanism
threaten our leadership and our capacity to truly reduce state
greenhouse gases in a meaningful way. The "trade" aspect allows big
polluters to continue polluting, often in hard hit communities
already burdened by air pollution and other environmental hazards.
It is the responsibility and ethical imperative of elected
officials to protect the most vulnerable of their constituents.
Moving forward with cap and trade betrays that responsibility.
Please instead consider implementing a carbon tax, which could
bring the same GHG savings without the social costs.
Thanks for all your work.
Best regards,
Debra Berliner
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Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-28 08:52:33

No Duplicates.

Comment 64 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: steve
Last Name: holmes
Email Address: stevor_h@yahoo.com
Affiliation:

Subject: Global Warming/Climate Change being related to CO2 is a HOAX
Comment:

```
Here's three important things (articles/videos) about the falacy of
CO2 causing climate change. Cosmic rays cause clouds. Sun activity
blocks that so a more active sun leads to fewer clouds and more
heat. Warmer climate leads to more CO2 and NOT the reverse. Here
are SCIENTIFIC pieces to PROVE it:

http://blog.alexanderhiggins.com/2011/07/18/scientists-gagged-interpreting-
study-links-climate-change-cosmic-rays-35691/
Scientists Gagged From Interpreting Study That Links Climate Change
To Cosmic Rays

Cosmic rays are influence by the sun and the galayy:
http://www.youtube.com/watch?v=dKoUwttE0BA

The reason that CO2 is higher with hotter weather is because the
hotter weather increases the CO2 and hot the reverse, as the
Climate Change FRAUDS assert:
http://www.weatheraction.com/pages/pv.asp?p=wact10&fsize=0

Global Warming/Climate Change is just a SCAM so a TAX can be
collected and MAINLY so people involved in the "carbon exchange"
can make MILLIONS of dollars for "running" it.
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Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-27 23:05:03

No Duplicates.

Comment 65 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - 45 Day.

First Name: Leonard
Last Name: Stone
Email Address: leonardonthecoast@gmail.com
Affiliation:

Subject: AB-32 economy killer
Comment:

To believe science which cannot predict local weather more than 3 days in the future can effectively predict world wide climate ten, twenty or fifty years in the future is complete folly.

The enactment of AB-32 will decrease economic activity in California. Air quality is not confined to state borders. When our industry moves to neighboring states, so will jobs and revenues, the air will flow back and forth.

The pain of this effort is far more reliable and severe than the potential benefit. If we only eliminate manufacturing and energy consumption, we will have cleaner air and water. Of course we will have to live in caves without light or heat. We will travel by foot and eat whatever the land will allow us.

Over the last 50 years life expectancy has increased from 60 to 85. Most of that is the advancement of medical science. There is some credit to lifestyle. As we restrict our use of energy we will learn how much credit lifestyle deserves.

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-28 05:43:51

No Duplicates.

Comment 66 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Betty
Last Name: Lo
Email Address: locols@pacbell.net
Affiliation:

Subject: A.B. 32
Comment:

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Dear Chairman Nichols,

I do not believe that cap-and-trade should allow clearcutting to
take place, no matter how well it is done. Clearcutting is too
severe and the consequences are too great to deal with. Too much
clearcutting has been done in the western states over the last few
decades - we have all experienced the consequences!

We need to lead with this preventive measure; so that we don't
suffer anymore in the future.

Please consider other solutions.

I would love to hear back from you on this issue.

Thank you very much.
Sincerely,
Betty Lo
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Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-28 09:09:41

No Duplicates.

Comment 67 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Diana Pei
Last Name: Wu
Email Address: dwu@antioch.edu
Affiliation: Antioch University Los Angeles

Subject: Diana Pei Wu, PhD - Comments on 2011 Scoping Plan Functional Equivalent Document
Comment:

Dear Chairperson Nichols, and Mr. Goldstene,

I offer the following attached comments on the alternatives in the AB32 Scoping Plan, in the hope of reaching a new accord on this opportunity to stop disastrous climate change and eliminate Californiaâ€™s fossil-fueled smog and toxic emissions.

My name is Diana Pei Wu, and I am a Professor of Urban Communities and Environment at Antioch University Los Angeles. I received my PhD from the University of California, Berkeley in Environmental Science, Policy & Management in 2006. During that time period, I worked and studied themes as diverse as environmental racism, international community development and conservation, human rights, and forestry. I also have an M.A. in Ecology and Evolutionary Biology from Princeton University and, before becoming a social scientist, had worked as a tropical ecosystem field ecologist for nearly a decade in places as diverse as Hawaii, Costa Rica, Panama, Cameroon, Malaysia, Kosrae, Brasil, Western Samoa and Kenya. Thus, I have personal and professional knowledge of the communities and ecosystems that are affected by REDD, cap-and-trade and offset mechanisms here in the United States as well as extensive ecosystem and community knowledge abroad.

Below I outline the great and continuing failures of market-based pollution programs, in particular, the program being proposed as REDD â€“ Reducing Emissions from Deforestation and forest Degradation. Although all governments and most mainstream conservation groups claim that no official REDD projects exist yet, there are dozens, if not hundreds, of so-call â€œREDD readinessâ€• programs already in existence, and the already existing findings should prove to you that the observed problems with these programs are indeed structural by nature, and unable to be remediated or â€œsafeguardedâ€• without great cost to human and ecological well-being.

I strongly urge you to explore real alternatives to cap-and-trade and come to the reasonable conclusion that these mechanisms harm communities and livelihoods for Californians, and our families and communities in other parts of the world. California must not take

on the position of exacerbating or causing human rights abuses in other parts of the world. The ecological, ethical and economic fallout of those violations reverberate deeply throughout the global world system.

Sincerely,
Diana Pei Wu

Attachment: www.arb.ca.gov/lists/ceqa-sp11/91-dianapeiwu-aula-carbab32-letterhead.pdf

Original File Name: DianaPeiWu-AULA-CARBAB32-letterhead.pdf

Date and Time Comment Was Submitted: 2011-07-28 11:00:44

No Duplicates.

Comment 68 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Charles
Last Name: Moore
Email Address: thechasmo@comcast.net
Affiliation:

Subject: Carbon tax alternative to Cap & Trade
Comment:

```
I'm writing to recommend that you pursue a Carbon Tax instead of a
Cap & Trade as implementation of AB 32. We need to create a
healthier environment and this seems like an easy solution where we
can discourage the behavior we don't want (pollution) and encourage
the behavior we want (finding green alternatives.) The EU's Cap &
Trade program failures show that that system does not inherently
reduce emissions. But a Carbon Tax would be a great step towards
restricting businesses ability to externalize the cost of their
harmful behaviors.
Thanks for considering this and for the work that you do to make
California healthier and a leader in creative ecological solutions.

peace,
Charles RH Moore
```

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-28 11:15:09

No Duplicates.

Comment 69 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: JoElle
Last Name: Arnado
Email Address: joelle.l.arnado@conocophillips.com
Affiliation: ConocoPhillips

Subject: Comments on Supplement to AB 32 Functionally Equivalent Document (FED) dated June 13, 2011
Comment:

```
Attached please find comment letter.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/95-ab32_-_cop_comments__fed_07282011.pdf

Original File Name: AB32 - COP Comments FED 07282011.pdf

Date and Time Comment Was Submitted: 2011-07-28 11:25:34

No Duplicates.

Comment 70 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Chris
Last Name: Youngmark
Email Address: cyoungmark@usw.org
Affiliation: USW

Subject: Regulation to Implement CA Scoping Plan and Transportation Fuels
Comment:

```
United Steelworkers District 12 submitted comments.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/96-ab_32_letter

Original File Name: AB 32 Letter

Date and Time Comment Was Submitted: 2011-07-28 11:29:37

No Duplicates.

Comment 71 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: David
Last Name: Schonbrunn
Email Address: David@Schonbrunn.org
Affiliation: TRANSDEF

Subject: The FED Supplement is legally inadequate.
Comment:

```
Please see attached letter.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/97-supplement_to_scoping_plan_fed_comment_letter.pdf

Original File Name: Supplement to Scoping Plan FED Comment Letter.pdf

Date and Time Comment Was Submitted: 2011-07-28 11:57:28

No Duplicates.

Comment 72 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Reede
Last Name: Stockton
Email Address: reede@ccdecology.org
Affiliation: Ctr for Community, Democracy & Ecology

Subject: Broad Coalition Urges Reconsideration of Cap-and-Trade
Comment:

```
The following letter is endorsed by a broad coalition of over 40
nonprofit groups concerned about ARB's proposed cap-and-trade
program.  The letter is addressed to Governor Brown, with a copy
submitted to ARB here as a public comment.  The letter urges
Governor Brown to direct the Air Resources Board to prioritize CO2
reductions in communities already heavily impacted by toxic air
contaminants and, prior to reaching a decision on a reconsidered
GHG reduction program, to hold hearings on the revised proposal in
those impacted communities.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/99-brown_sign_on_letter.pdf

Original File Name: Brown sign on letter.pdf

Date and Time Comment Was Submitted: 2011-07-28 11:45:29

No Duplicates.

Comment 73 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Lauren
Last Name: Rafelski
Email Address: lauren.rafelski@gmail.com
Affiliation:

Subject: Revenue-neutral Fee and Dividend
Comment:

Dear CARB,

I commend you for working to reduce greenhouse gas emissions in the state of California. However, I ask you to consider implementing a revenue-neutral fee on carbon emissions, in which 100% of the revenue is returned evenly to California residents, instead of a cap and trade system.

A carbon fee is much easier to implement than cap and trade. The fee could be set at a certain amount for the first year, and increase by a set amount every year. This could be implemented immediately, as opposed to a cap and trade system, which could take years to implement. Since right now we do not have an effective way of removing carbon dioxide from the atmosphere, the sooner we can start reducing emissions, the better off we'll be in the long run.

A carbon fee is also more transparent than a cap and trade system. A stable price of carbon would make it easier for businesses to predict their costs. Cap and trade, on the other hand, would create much higher volatility in carbon prices.

In these tough economic times, it is important to consider how a price on carbon would affect the poorest Californians, who spend a higher percentage of their income on carbon dioxide sources, such as transportation. A flat fee on carbon would disproportionately affect the poor. However, by returning 100% of the revenue evenly to California residents, the carbon fee would be progressive, rather than regressive, and people would be more insulated from rising costs.

A fee on carbon will achieve the same purpose as cap and trade: it will lower carbon dioxide emissions, while helping to level the playing field for renewable energy. A cap and trade system can be unnecessarily complicated, and can cause very high uncertainty in carbon prices. On the other hand, a revenue-neutral carbon fee and dividend is very simple, eliminates the potential for carbon price uncertainties, and helps insulate Californians from rising carbon prices.

Sincerely,
Lauren Rafelski

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-28 11:39:34

No Duplicates.

Comment 74 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Melody
Last Name: Mo
Email Address: melody@baylocalize.org
Affiliation: Bay Localize

Subject: Cleaner Air for All Communities
Comment:

We need to pass an alternative/revision to the current cap and trade policy. This is especially because of the industrial polluters who can evidently take advantage of the "trade" part of the current cap and trade policies. Residents who live in proximity to these polluters (many of whom are currently allowed to continue their detrimental levels of pollution) suffer the most immediate health effects. This needs to be changed.

In a time of financial instability, those who have the privilege to make big changes through policy need to take advantage of their position to help create and sustain resilient communities. A community is resilient when its members are equipped with the tools (i.e. health) in order to self-sustain when global forces are not favorable. And one way to start is to ensure the formation and proper regulation of policies to have cleaner air for each and every community in California.

Thanks for your time,
Melody Mo

Green Your City Intern, Bay Localize
B.A. Political Economy, 2011 - University of California, Berkeley

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-28 12:17:22

No Duplicates.

Comment 75 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Edward
Last Name: Casey
Email Address: ed.casey@alston.com
Affiliation: Alston&Bird for CA Independent Producer

Subject: Comments on Supplement to AB 32 Scoping Plan Functional Equivalent Document
Comment:

```
Please see the attached comment letter submitted on behalf of
California Independent Producers Association.  Thank you.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/103-7-28-11_carb_comment_letter.pdf

Original File Name: 7-28-11 CARB Comment Letter.pdf

Date and Time Comment Was Submitted: 2011-07-28 12:59:07

No Duplicates.

Comment 76 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: John
Last Name: Andrew
Email Address: jandrew@water.ca.gov
Affiliation: Assistant Deputy Director, DWR

Subject: DWR comments on Supplemental FED for AB 32 SP
Comment:

The Department of Water Resources (DWR) has broad responsibilities for water management and planning for California, as well as for the operation of the State Water Project (SWP). DWR is a member of the Governor's Climate Action Team, has achieved Climate Action Leader status from The Climate Registry, and is actively assisting the California Air Resources Board in implementing the AB 32 Scoping Plan. The Department respectfully submits these comments on the Supplement to the Functional Equivalent Document for the AB 32 Scoping Plan, related to the California Water Plan Update and the SWP.

First, the subject document includes unclear statements and mischaracterizations about the California Water Plan Update, the state's strategic plan for water resources. Specifically, the Supplement states that the Water Plan presents three potential scenarios for conditions in 2050, and that all three scenarios indicate a growing demand for water. In fact, one of the three plausible scenarios, called "Slow and Strategic Growth," indicates less overall demand for water. More importantly, though, these scenarios are intended to be the basis for measuring the resiliency of future water policies and actions, rather than to simply underscore how much water demand is expected to grow (or not). The document also states, without reference, that water shortages in California may get worse at a "rate of approximately two to three percent per year." Without citation, it is unclear the basis for this prediction, one that is not included in the Water Plan.

Second, DWR remains concerned regarding the allocation of allowances under the Cap & Trade element of the Scoping Plan, as proposed in the current draft regulation. The concern specifically relates to: 1) the equity of declining to provide DWR with allowances reflecting its energy consumption, and instead giving away those allowances to public and private utilities; and 2) the lack of analysis of the potential environmental and economic impacts of Cap & Trade on the SWP and the agencies and consumers that receive SWP water.

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-28 13:21:59

No Duplicates.

Comment 77 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Marianne
Last Name: Hedrich
Email Address: marianne@baylocalize.org
Affiliation:

Subject: Carbon Tax system
Comment:

```
I believe in the Carbon Tax system to force firms' to finally take
responsibility in gas emissions and make polluter's pay! Allowing
companies to "buy credit" is not going to help us to achieve a
better environment as fast as we could.  Also, I agree that it is
important to combine such a system with better policies to have a
clean and healthy environment for us and for the next generations.
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Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-28 13:37:22

No Duplicates.

Comment 78 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Richard
Last Name: Tomaselli
Email Address: tmslbwrs@earthlink.net
Affiliation:

Subject: Cap and trade.
Comment:

```
Basically I believe that a carbon tax would be a much more
effective means of cutting carbon emmissions.  The potential
travesty of having forest clear cuts qualify under cap and trade is
only one example of counterprodutive outcomes that could result
from cap and trade.  A carbon tax, loathsome as it might be to
industry, would be simpler, fairer, more effective and possibly
more remunerative than cap and trade.  Yes, new taxes!

Sincerely
Richard Tomaselli
1199 Cornell Ave.
Berkeley, CA 94706
```

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-28 13:36:25

No Duplicates.

Comment 79 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Anja
Last Name: Miller
Email Address: AnjaKMiller@cs.com
Affiliation:

Subject: City-based climate action plans: Baseline
Comment:

1) Our small City of Brisbane (pop. 3,800)has been told by San Mateo County consultants that we will be responsible for creating a Climate Action Plan that "remediates" the greenhouse gases emitted by all the traffic on the 3 miles of US 101 running through our town. Please make sure that any simply geographically-generated baseline criteria are formulated to reflect such regional, not local pollution.

2) Local baselines should include credit for actions already taken by individual citizens to reduce emissions. These could come from DMV data on local per-capita ownership of electric or hybrid vehicles and bicycles as well as permit records issued for installed solar generation.

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-28 13:45:26

No Duplicates.

Comment 80 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Matthew
Last Name: Hodges
Email Address: matt.hodges@valero.com
Affiliation: Valero Companies

Subject: Valero Comments, FED and Scoping Plan Revisions
Comment:

```
Valero Comments, FED and Scoping Plan Revisions
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/109-valero_comment_letter_concerning_the_ab32_scoping_plan_fed_7-28-11.pdf

Original File Name: Valero Comment letter Concerning the AB32 Scoping Plan FED 7-28-11.pdf

Date and Time Comment Was Submitted: 2011-07-28 14:13:58

No Duplicates.

Comment 81 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Jeff
Last Name: Conant
Email Address: info@globaljusticeecology.org
Affiliation:

Subject: Global Justice Ecology Project
Comment:

```
Please see attached. Along with attachment there is a DVD on
record.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/110-jeff.pdf

Original File Name: Jeff.pdf

Date and Time Comment Was Submitted: 2011-07-28 14:28:18

No Duplicates.

Comment 82 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Catherine
Last Name: Reheis-Boyd
Email Address: joey@wspa.org
Affiliation: WSPA

Subject: WSPA Comments on AB32 FED
Comment:

```
Per Cathy Reheis-Boyd, please see attached WSPA Comments on
Supplement to AB 32 Functionally Equivalent Document (FED) Dated
June 13, 2011 regarding the Scoping Plan. If you have any
questions, please call Cathy at 916-498-7752 or email
cathy@wspa.org. Thank you.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/111-wspa_comments_on_ab32_fed_7-28-11_final.pdf

Original File Name: WSPA Comments on AB32 FED 7-28-11 Final.pdf

Date and Time Comment Was Submitted: 2011-07-28 14:50:18

No Duplicates.

Comment 83 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Rachel
Last Name: Ginis
Email Address: rfginis@gmail.com
Affiliation: Citizens Climate Lobby

Subject: Cap and Trade for California ceqa-sp11
Comment:

To whom it may concern,
Thank you for considering this perspective. Cap and Trade is a bad idea for California for a variety of reasons. For one it destabilizes the energy market. See the video "The Huge Mistake". Cap and Trade was an effective method for acid rain because it called for relatively simple fixes within the existing infra structure. Energy is an entirely different deal for one thing you never know how much will be needed in a given season it is completely variable. Every time C & T has been applied it destablizes the energy market. Higher prices will fall on the backs of the lower and middle classes. Also we need to create a new infra structure to move us away from carbon creating fuels, cap and trade does not set a clear market signal for the developement of clean renewable energy. And finally the additionality of offsets completely undermine the system and can not be verified. When cap and trade has been applied it actually increases the amount of carbon by forcing industry to ship there production to another location then ship it back which is not calculated under the cap.

My favorite summation of the insanity of cap and trade is that it aims to correct the carbon problem through the regulation and trade of the lack of creating an invisible substance - think about it - we almost brought down the world economy because we could not manage home loans appropriately, now we are talking about solving the climate crises through the careful monitoring of and market exchange of the lack of creating an invisible substance. DOES THAT REALLY SOUND LIKE A GOOD IDEA TO YOU !!!!!!

Plan B - Carbon Fee and Dividend, put a steadily rising price on carbon creating fuels as they enter the economy, at the mine, the well, the port of entry and return 100% of the revenue from that fee to household in the form of an equally divided green check with each individual getting one share and up to two kids getting half a share each. This creates a clear and transparent market signal that will move us into the clean energy economy. Under this plan 60 - 80% of the people will be breaking even or actually making money. This protects people from the rising cost of fossil fuels while we make this delicate transition.

I do not however feel that any state should take on the burden of putting a price on carbon alone and disadvantage its business community compared to other states. California should use its considerable influence in the House of Representatives to get Congress to act on energy legislation that will move this country

away from it's dependence on fossil fuels that mostly come in from countries that are not particularly fond of us. Because Carbon Fee and Dividend works through existing agencies it could go into effect overnight. This strategy would create millions of new jobs. I am in the home remodeling business, LEED Ap, Green Point Advisor, general contractor and residential designer. This proposal would do an incredible amount to create the demand for more efficient homes and businesses that California is working so hard to achieve. The forces that be keep trying to create the change by incentivizing business/industry (Energy Upgrade Cal) but it is a complex and out of balance strategy. You have to incentivize the whole market. You need to make PEOPLE as well as industry want to go green. By doing this you will create massive growth in the energy efficiency, renewable energy and transportation sectors, to name just a few!!!
This country is in desperate need of a common goal that will get us working again, secure our economy and our nation from foriegn threats and re-energize America. Let's do this people! Cap and trade is the wrong solution. Carbon Fee and Dividend will win the day, it is capable of getting the support on both sides of Congress and winning the heart and minds of the American people (not to mention their pocket books). We need California to lead the way that it historically has and point this country in the right direction. For more information you can go to Citizensclimatelobby.org and carbontax.org. You can also contact me, Rachel Ginis rfginis@gmail.com. Thank you so much for all you doing!!! I was writing fast, so sorry about any creative spelling.

Attachment: www.arb.ca.gov/lists/ceqa-sp11/112-carbon_fee_proposal_support_boxer.pdf

Original File Name: Carbon fee proposal_Support_Boxer.pdf

Date and Time Comment Was Submitted: 2011-07-28 14:02:25

No Duplicates.

Comment 84 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Mike
Last Name: Williams
Email Address: mwilliams@iwla.com
Affiliation: IWLA

Subject: Public Hearing to Re-consider the Regulation to Implement CA Cap and Trade (AB 32)
Comment:

```
Attached are my comments on behalf of IWLA (International Warehouse
Logistics Association) for consideration regarding the AB 32 CARB
hearing on August 24th, 2011 to Re-consider the Regulation to
Implement CA Cap and Trade.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/113-7-27-11_ab32.pdf

Original File Name: 7-27-11_ab32.pdf

Date and Time Comment Was Submitted: 2011-07-28 15:07:19

No Duplicates.

Comment 85 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Timothy
Last Name: Kline
Email Address: timklinesd@gmail.com
Affiliation: Citizens Climate Lobby

Subject: Carbon Tax not properly explored
Comment:

```
I do not believe that a carbon tax was given due credit.  The
organization was so invested in cap and trade, it felt scared to
explore a better alternative.  The Carbon Tax in British Columbia
appears to be working.  Australia may implement a carbon tax.  I
think this is the better option and the Board should adopt a carbon
tax for California.
```

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-28 15:13:42

No Duplicates.

Comment 86 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Kristina
Last Name: Pistone
Email Address: rabidchipmnk@gmail.com
Affiliation:

Subject: Better alternative to cap and trade: fee and dividend
Comment:

There are a number of reasons to implement a carbon fee and dividend system over one of cap and trade. First and foremost is that a straight fee on carbon emissions is far simpler than setting up a cap and trade system, which could take years to implement, and even longer to see significant reductions in emissions. As the European system shows, there is no guarantee a cap and trade system would be effective in reducing emissions. A carbon fee could be implemented fairly quickly into the tax code, producing emissions cuts much sooner. A fixed price on carbon scheduled to increase at a certain rate allows businesses to better plan and budget for emissions reductions. The environmental benefits and the businesses who must comply are not at the mercy of market speculators as in a cap and trade system. And in a revenue-neutral system (in which the collected fees are redistributed to each citizen equally), Californians who are hardest hit by this economy will receive the largest proportional benefit. It's a win-win all around.

I also agree with the many points brought up by Mr. Richter; I refer you to his sources as well.

Thank you for your time!

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-28 15:15:03

No Duplicates.

Comment 87 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Camille
Last Name: Kustin
Email Address: camille@betterworldgroup.com
Affiliation:

Subject: Global Warming Action Coalition comment letter
Comment:

```
See the attached letter from member groups of the Global Warming
Action Coalition.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/117-coalition_letter_on_alternatives_anlaysis_7-28-11final.pdf

Original File Name: Coalition letter on Alternatives Anlaysis 7-28-11FINAL.pdf

Date and Time Comment Was Submitted: 2011-07-28 15:25:21

No Duplicates.

Comment 88 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Francisco
Last Name: Hernández Maldonado
Email Address: kjell.kuehne@gmail.com
Affiliation: Ejido Amador Hernández,Ocosingo,Chiapas

Subject: Desde Chiapas:NO a REDD+ con Nuestra Selva/From Chiapas,Mexico:NO to REDD+ with Our Forest
Comment:

Ejido Amador Hernández, Municipio de Ocosingo, Chiapas.

a 26 de Julio de 2011.

Nosotros somos una comunidad indígena y campesina que vivimos en el corazón de la Selva Lacandona, conviviendo con la Madre Tierra, luchando por existir como cultura y contra la histórica explotación, despojo, discriminación y olvido a la que se nos ha sometido por siglos.

Para nosotros que vivimos en estas tierras la respetuosa y armónica convivencia entre la naturaleza y las otras comunidades indígenas que habitamos la selva es fundamental, pero desde la promoción del proyecto REDD plus en nuestro Estado que hace el gobierno sin nunca consultarnos a nosotros, sentimos que está causando conflictos entre nuestros pueblos, ya que en la práctica beneficia a unos y por el otro lado intenta despojar y criminalizar la forma de vida de quienes en verdad nos dedicamos a vivir y convivir con la tierra y no estamos a favor de los mecanismos de REDD plus como solución al cambio climático. Al no consultarnos se violan nuestros derechos humanos y también los convenios internacionales como la Declaración de Naciones Unidas sobre los Derechos de los Pueblos Indígenas. Nosotros no concebimos la vida sin nuestra Selva, ella ha sido quien nos ha alimentado y curado, ahí han vivido nuestros abuelos y queremos que también nuestros hijos, no queremos renunciar a la memoria y a la lucha de nuestros abuelos a existir como pueblos indígenas, nuestro camino es la tierra y nuestro modo el comunitario y queremos que se nos respete.

Como pueblos campesinos que somos sabemos que el clima está cambiando y que es necesario hacer algo para garantizar la vida de este planeta que no solo incluye a la especie humana, pero creemos que el camino del REDD no es el indicado, nosotros somos y siempre hemos sido indígenas pobres y sin embargo no necesitamos del dinero de ningún gobierno ni empresa para conservar el medio ambiente, porque entendemos que es responsabilidad de todos los que vivimos en este planeta cuidarlo y protegerlo. Ponerle precio a los árboles y a las Selvas es violar un principio respetuoso y sagrado con la naturaleza y la soberanía de nuestro país, es integrar a nuestras Selva a un modelo que ha sido el principal causante del cambio climático, no es posible apagar el fuego con mas fuego, no queremos que se haga de la Selva un negocio de los árboles y la biodiversidad.

Por la vida de nuestra madre tierra y de los pueblos decimos No REDD plus.

Atentamente

Francisco Hernández Maldonado
Comisariado Ejidal de la Comunidad Amador Hernández

Translation:

Ejido Amador Hernández, Municipality of Ocosingo, Chiapas, Mexico.

on July 26th 2011

We are an indigenous and peasant community who lives in the heart of the region called "Selva Lacandona" (Lacandon Rainforest). We live from and with Mother Earth, struggling to exist as a culture and struggling against the historical exploitation, dispossession, discrimination and neglect to which we have been subjected for centuries.

For us who live on this land, the respectful and harmonious coexistence with nature and with the other indigenous communities that inhabit the forest is critical. But the promotion of REDD plus in our state, which the government is doing without ever consulting us, is causing conflict between our peoples, because in practice it benefits some and on the other side tries to dispossess us and criminalize the lifestyle of those who truly dedicate ourselves to live and coexist with the earth and are not in favor of the mechanisms of REDD plus as a solution to climate change. By failing to consult us, our human rights are violated as well as international agreements such as the United Nations Declaration on the Rights of Indigenous Peoples. We do not conceive life without our Forest, she has fed and healed us, our grandparents have lived here and we also want our children to live there. We do not want to give up the memory and the struggle of our ancestors to exist as indigenous peoples. Our road ahead is the earth and our way of life is communitarian and we want you to respect us.

As rural people that we are we know that the climate is changing and that we need to do something to ensure the life of this planet which includes not only the human species, but we believe that the way of REDD is not the indicated one. We are and have always been poor indigenous people and yet we do not need the money from any government or company to preserve the environment because we understand that it is the responsibility of all who live on this planet to care for it and protect it. Putting a price on trees and forests is violating a sacred principle of respect for nature and violates the sovereignty of our country. It is to integrate our Forest into a model that has been the main cause of climate change. It is not possible to extinguish the fire with more fire, we do not want the Forest to be turned into a business of trees and biodiversity.

For the life of our mother earth and the people we say No to REDD plus.

Attentively

Francisco Hernandez Maldonado

Representative (Comisariado Ejidal) of the Community Amador Hernández

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-28 14:46:13

No Duplicates.

Comment 89 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Sofia
Last Name: Parino
Email Address: sparino@crpe-ej.org
Affiliation: Center on Race, Poverty & the Environmen

Subject: Comments on Supplemental FED
Comment:

```
Please find our comments and exhibits attached.

Thank you.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/119-commentsandexhibits.pdf

Original File Name: CommentsandExhibits.pdf

Date and Time Comment Was Submitted: 2011-07-28 15:57:33

No Duplicates.

Comment 90 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Carissa
Last Name: Dunn
Email Address: cdunn@mwdh2o.com
Affiliation: Metropolitan Water District

Subject: Comments Regarding ARB's Supplement to the AB 32 Scoping Plan FED
Comment:

```
See attached comment letter and its table from the Metropolitan
Water District of Southern California.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/122-carb__scoping_plan_supplemental_fed_comment_letter.pdf

Original File Name: CARB Scoping Plan Supplemental FED Comment Letter.pdf

Date and Time Comment Was Submitted: 2011-07-28 15:57:31

No Duplicates.

Comment 91 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Joyce
Last Name: Dillard
Email Address: dillardjoyce@yahoo.com
Affiliation:

Subject: Comments to AB 32 Scoping Plan FED due 7.28.2011
Comment:

Since the US Supreme Court has ruled on American Electric Power v. Connecticut, that ruling (attached) should be considered in this document.

The State has no jurisdiction in interstate commerce issues and would not be able to execute the Western States Climate Initiative. The EPA is tasked with regulating Greenhouse Gas Emissions, not the State of California.

“Caps” would not be in the State’s jurisdiction for any category they do not regulate and/or permit.

Alternatives would need to be revised according to the new US Supreme Court decision and incorporated into this document.

Climate Change effects sea-level rise and forests, both under the jurisdiction of Federal agencies. Plans are being implemented to address federal Climate Change issues which effects water as well as air.

California can only address those issues under the jurisdiction of California regulations and not impose California standards for interstate and out-of-state projects.

Cap and Trade is not feasible without complete control of the emission and regulatory process and within the allowable jurisdiction.

Joyce Dillard
P.O. Box 31377
Los Angeles, CA 90031

Attachment: www.arb.ca.gov/lists/ceqa-sp11/123-10-174.pdf

Original File Name: 10-174.pdf

Date and Time Comment Was Submitted: 2011-07-28 16:07:28

No Duplicates.

Comment 92 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Ethan
Last Name: Ravage
Email Address: ravage@ieta.org
Affiliation: International Emissions Trading Assoc.

Subject: IETA Statement in Support of ARB's Supplement to FED
Comment:

```
Dear Chair Nichols and ARB Staff

Attached please find the International Emissions Trading
Association's (IETA) statement in support of its Supplement to the
FED. We appreciate Staff's diligent and complete work in support of
a well-designed Cap-and-Trade system.

Ethan Ravage
West Coast Lead
IETA
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/124-ieta_response_arb_fed_supplement_2011_july28_final.pdf

Original File Name: IETA Response ARB FED Supplement 2011_July28_FINAL.pdf

Date and Time Comment Was Submitted: 2011-07-28 16:25:20

No Duplicates.

Comment 93 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Kay
Last Name: Cuajunco
Email Address: kay@baylocalize.org
Affiliation: Bay Localize

Subject: Consider alternatives to cap-and-trade!
Comment:

```
We must consider alternatives to cap-and-trade to seriously reduce
emissions! A carbon tax and regulating specific pollution resources
would be great contributions to a strong climate action plan. Clean
air is a human right, and we must acknowledge the frontline
communities most impacted by these false solutions to environmental
crises. The health of our communites depends on much stronger
regulations that put people and planet first.
```

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-28 16:15:43

No Duplicates.

Comment 94 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Dave
Last Name: Massen
Email Address: massen@pacbell.net
Affiliation: Citizens Climate Lobby

Subject: COMMENT TO CEQA-SP11
Comment:

Thank you for the opportunity to comment. California is a leader in fighting global warming and in making the transition to a green economy, to its benefit and to the world's, and I greatly appreciate the historic role the Air Resources Board has played in this process.

I urge you to keep California at the forefront by replacing the cap and trade approach embodied in AB32 with a carbon fee (tax) and rebate program. Citizens Climate Lobby and affiliated groups can assist CARB in this process, if you will contact me.

1. Issues with cap and trade

Inventors of the cap and trade approach are skeptical of its effectiveness to regulate carbon. Writing in the San Francisco Chronicle last January, David R. Baker pointed out well-known issues with cap and trade, especially when the scheme includes offsets (paraphrased and augmented):

• It's complicated, and experts are likely to game the system and stay ahead of safeguards;
• Legitimate trading strategies can exacerbate energy price spikes;
• Allowing businesses to meet emission reduction quotas by purchasing offsets from projects that aim to reduce CO2 elsewhere is deeply controversial – it is difficult or impossible to verify that offsets represent the additional emissions reductions they claim;
• Secondary trading markets based on emissions allowances pose derivatives risk. The term "subprime carbon" has been used in describing new vehicles that could develop.

At the very least, California will spend time and resources designing and maintaining multiple safeguards, and trading services will be among the system's costs. The European Union's experience with cap-and-trade includes harmful price volatility, few greenhouse gas reductions, higher energy prices and billions in windfall profits for utilities.

2. Simple carbon fee and rebate will drive clean energy transition, make consumers whole

The principal reason for continued widespread use of fossil fuels and their CO2 emissions is that they remain relatively cheap compared to clean, renewable energy sources. Applying a steadily rising fee on the carbon content of fossil fuels at the source – the well, mine or point of entry – is the simplest, most effective market-based approach for leveling the playing field and driving clean energy investment by providing businesses with a predictable carbon price. As a complementary policy, fossil fuel subsidies

should be phased out.
Fee revenue should be rebated to Californians to make fossil energy prices affordable during the energy transition. Rebate options include monthly dividend checks, lower income tax rates, and reductions in payroll taxes. The last option is regarded as one of the best ways to stimulate employment; if it is used people who are not working must be addressed. The program can be administered by existing State agencies such as the Franchise Tax Board.

Switching from cap and trade to carbon fee and rebate need not delay California's anti-pollution efforts. British Columbia's carbon tax was implemented in 2008 within months of adoption.

3. California's national, international influence

California's adoption of carbon fee and rebate would increase its acceptance by the US Congress, where cap and trade has not passed; in recent visits to Capitol Hill Citizens Climate Lobby found interest in a carbon fee and dividend program. The world is waiting for US leadership; thus, California could catalyze an international carbon reduction and clean energy revolution. A carbon fee approach is preferable for international harmonization - not every country has the capability to administer a cap and trade program, but every country has a tax system.

For illustrative purposes I have attached Citizens Climate Lobby's proposed federal legislation. Please contact me if you have any questions. Thank you.

Attachment: www.arb.ca.gov/lists/ceqa-sp11/126-feeanddividendlegproposal-2011.pdf

Original File Name: FeeAndDividendLegProposal-2011.pdf

Date and Time Comment Was Submitted: 2011-07-28 16:16:54

No Duplicates.

Comment 95 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Colin
Last Name: Miller
Email Address: colin.brazil@gmail.com
Affiliation: Concerned Citizen

Subject: unities!Cap and Trade Privatizes Air, Rewards Polluters, and Pollutes EJ Communities
Comment:

To whom it may concern at the California Air Resources Board:

California has the unique opportunity to provide leadership on the climate crisis for the nation and the world. It depends on the courage and the integrity of our elected officials, upon whom we the people are depending to make the right decision. The stakes could not be higher: California's choice in how AB 32 is implemented sets the course for the preservation or the destruction of life as we know it on our planet.

I write to urge the Air Resources Board to use your power for good, and implement AB 32 with alternatives to Cap and Trade. Cap and trade as implemented in Europe, not only produced windfall profits to carbon traders and carbon-based polluters, it also increased overall greenhouse gas emissions. Hardly the success story that Californians can be proud of!

Greenhouse gas emissions from industrial sources should be capped locally, period. Environmental justice communities located near to polluting facilities already experience significantly higher levels of asthma, respiratory illnesses, cancer, shorter life spans, and greater infant mortality due to the disproportionate location of such facilities in low-income communities of color. Cap and trade could permit such polluting facilities to purchase carbon credits elsewhere, thus giving the local community no relief from the toxic assault. Human health harming co-pollutants aside, carbon dioxide on its own has been shown to significantly impact human health and cause greater mortality, known as the Jacobson Effect (Mark Z Jacobson is a Stanford University engineering professor who has testified on the subject before U.S. Congress).

Polluters should not be allowed to trade credits or buy credits from supposed greenhouse gas mitigation projects in other parts of the state, country, or world. Such projects are easily falsifiable, and could lead to unprecedented greenwashing and even overall INCREASES in carbon emissions.

I urge the California Air Resources Board to stand by your conscience and heed the recommendations made by Communities for a Better Environment and the coalition of Environmental Justice Organizations advocating for alternatives to cap and trade.

You will be remembered by future generations for your role in either assuring certain catastrophe, or setting the world on a sane course for sustainability, equity, and justice. It's up to you to

decide.

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-28 16:00:16

No Duplicates.

Comment 96 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Marcie
Last Name: Keever
Email Address: mkeever@foe.org
Affiliation: Friends of the Earth US

Subject: Carbon Offsets Undermine the Environmental Integrity and Public Benefits of AB 32
Comment:

```
Please find attached comments from Amazon Watch, Center for
Biological Diversity, Friends of the Earth US, Global Justice
Ecology Project, Global Witness, Greenpeace, International Forum on
Globalization, International Indian Treaty Council, Justice in
Nigeria Now, and Rainforest Foundation US on AB 32 carbon offsets.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/128-coalition_letter_to_arb_-_gov_brown_re_ab_32_-_july_2011.pdf

Original File Name: Coalition Letter to ARB - Gov Brown re AB 32 - July 2011.pdf

Date and Time Comment Was Submitted: 2011-07-28 16:41:39

No Duplicates.

Comment 97 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Katie
Last Name: DeCarlo
Email Address: katie@ellabakercenter.org
Affiliation: Ella Baker Center for Human Rights

Subject: Equitable AB 32 Implementation
Comment:

```
The entire world is watching how CARB implements this landmark
legislation.  We have to be absolutely sure that the communities
that suffered most under the carbon intensive model benefit from
the new energy economy.

We must ensure that we donâ€™t continue to devastate communities
that are most impacted by pollution and climate change.  If we do
this in a way that leaves behind low-income communities of color,
it will only strengthen the hand of people who want to see
meaningful climate action fail.
```

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-28 16:40:28

No Duplicates.

Comment 98 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Harvey
Last Name: Eder
Email Address: harveyederpspc@yahoo.com
Affiliation: Public Solar Power Coalition & self

Subject: Comments Supp. to Scoping Plan FED CARB Part 3 HE PSPC Prt1 Comt. 68, & Prt 2 Comt. 7 3
Comment:

This is part 3 of Comments due to lack of time (60 min. limit) Part 1 Comment 68 for ceqa-sp11 (NonReg) and Part 2 Comment 73 for ceqa-sp11 (Non-Reg) were send yesterday Jule 27,2011. A confirming email was send only for Part 2 Comment 73 and not for Part 1 Comment 68. Another email was send by me/us to you regarding the need for sending a confirmation email for Part 1 Comment 68 as well as for this Comments Part 3 to be sent today July 28, 2011, herein.

In regards to the fee cited in Part 1 Comments 68 this fee should be used for a rebate fund and solar equity conversion fund. One third of it 1/3 would be paid each year to low income people/citizens of California with incomes up to 150% of state/federal poverty level, one third of it 1/3 would be paid to low income peop[le/citizens of California with incomes from over 150% to 200% of state/federal poverty income level, adnthe remaining one third for the first 5 years 1/3 would be spent on a solar conversion equity dividend to finance local state solar conversion entitits. This would be called Solar Cal and would facilitate California conversion to solar renewables as soon as possible. A (as cited in part 1 comments herein) 202or 10 year solar conversion plan wouold be implemented with a back up 15 yr. and 20 year plan as well as a 30 and 40 for total solar conversion to as direct solar as possible as soon as possible. The 100% of the Dividend /Solar Conversion Equity Fund
would also be used for buying up high GWP Global warming Potential emission units like CFC, PFC etc for from $1-$5 per ton equlivlent and held for higher fee amounts for the distirbution in increased value to lowincome consumers and Solar Cal. This will enable the states lowincome consumers to benefit as well as the state from any higher value fees in the future. More work needs to be done on the details of this proposal.

Dr. Jane S. Long 2 weeks ago July 15,2011 gave an ARB Chairs lecture with a panel in Sacremento on Californias Energy Future: through to 2050 which is the 80% ghg reduction date refered to in comments 68 part 1 of off 1990 levels by 2050 and the Governors Executive Order S-3-05.
She is the Associate Director at Larg and Fellow Center For Global Security Lawerence Livermore Laboratory. Her conclusion was that existing solar thecnology will get to 60% off 1990 reductions of ghg by 2050 and that a "solar silver bullet" can take us the rest of the way... As Marks Jacobson and Delucci of Standford University and UC Davis have detailed as cited in Comments 68 Part1

the solar renewable technology is cost effective now to bring us to solar conversion by 2030 (see incorparated into this record Nov. 2009 Cover Article Scientific American and December 30&31 2010 articles in Energy Policy. CARB has an opportuntiy to lead this why alson with the other state energy related agencies towards immediate total colar conversion through Solar Cal as an example for the nation and the world.

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-28 15:53:22

No Duplicates.

Comment 99 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Brian
Last Name: Nowicki
Email Address: bnowicki@biologicaldiversity.org
Affiliation: Center for Biological Diversity

Subject: Comments regarding the Supplement to the AB 32 Scoping Plan Functional Equivalent Document
Comment:

```
On behalf of the Center for Biological Diversity, I am submitting
these comments regarding the Supplement to the AB 32 Scoping Plan
Functional Equivalent Document.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/131-center_for_biological_diversity_comments_to_supplement_sp_fed_072811.pdf

Original File Name: Center for Biological Diversity comments to Supplement SP FED 072811.pdf

Date and Time Comment Was Submitted: 2011-07-28 16:36:53

No Duplicates.

Comment 100 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Vanessa
Last Name: Carlson
Email Address: vcarlson@ucsd.edu
Affiliation: UCSD

Subject: California would benefit most from a carbon fee and dividend
Comment:

California would benefit from a carbon fee and dividend, with 100% of the money going back to the state of CA. Equally returned to Californians, 66% of Californians would end up breaking even or end up ahead, taking pressure off of the California welfare system. (on the nation as a whole) As the state is in debt, this would reduce government expenditures, decreasing the debt. A fee and dividend is straightforward and transparent, contrasting the cap and trade system considerably.

The cap and trade system, which is volatile, is similar to the stock markets with its ups and downs. It is considerably less stable, increasing complication, and leaving room for companies to buy carbon credits, which keep emissions high.

A cap and trade system could take up to 4 years to implement. These are four years that California can use to reduce emissions, and take pressure off of the environment. A carbon fee and dividend can be implemented immediately, by being placed in the tax code.

The province of British Columbia, in Canada, enacted a carbon fee and dividend, and it has been very successful. By initiating a carbon fee and dividend, California would become a leader in reducing emissions very quickly.

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-28 16:44:55

No Duplicates.

Comment 101 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Dawn
Last Name: Carlson
Email Address: dawnncarlson@gmail.com
Affiliation:

Subject: I support a carbon fee and dividend
Comment:

```
I support a revenue-neutral carbon fee and dividend because it
would increase the state revenue, and would benefit the environment
because a carbon fee and dividend is more stable than a cap and
trade system. Everyone is taxed equally, and there is no potential
for carbon credits, which ultimately jeopardizes our efforts to
decrease the amount of carbon being expelled into the atmosphere.
```

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-28 16:44:55

No Duplicates.

Comment 102 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Lillian
Last Name: Alvarez
Email Address: lillyo999@gmail.com
Affiliation:

Subject: Comments to AB 32 Scoping Plan
Comment:

```
Please see attachment.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/134-ab32supplement_comments.pdf

Original File Name: AB32Supplement_Comments.pdf

Date and Time Comment Was Submitted: 2011-07-28 16:47:38

No Duplicates.

Comment 103 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Aaron
Last Name: Reaven
Email Address: aaronreaven@hotmail.com
Affiliation:

Subject: Implementing AB32
Comment:

If global warming and the climate disruption caused by it are not to cause the extinction of numerous species – quite possibly our own included – then we all have a profound responsibility to effectuate drastic, immediate, actual and absolute reductions in greenhouse emissions. No system – such as cap and trade – that can be manipulated, gamed and/or unfairly imposed on more powerless communities, is defensible or acceptable.

I strongly support stronger and fairer measures, such as

1)A straightforward and completely transparent tax on carbon, the proceeds from which can be used to alleviate the high utility bills of low-income ratepayers and support the adoption of energy efficiency measures and renewable energy generation.

2) Strict enforcement of air pollution and air quality laws and regulations, especially with regard to high-polluting sites and industries.

Although greenhouse gas emissions are shared globally in the atmosphere within months, the locations which emit the most greenhouse gases also simultaneously emit related pollutants which have a pernicious effect on the health of nearby communities.

So for the sake of health justice, polluter responsibility for decreasing their own pollution, and reducing greenhouse gas emissions, please implement stronger and fairer measures than cap and trade.

Attachment:

Original File Name:

Date and Time Comment Was Submitted: 2011-07-28 16:44:04

No Duplicates.

Comment 104 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: David
Last Name: Silverstein
Email Address: dnsilver@ucsd.edu
Affiliation:

Subject: Comments on the AB 32 supplement
Comment:

```
Hello,

Please see my attached comments on the Supplement to the AB 32
Scoping Plan Functional Equivalent Document.

Sincerely,
David Silverstein
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/136-ab32supp_comments_ds.doc

Original File Name: AB32supp_comments_DS.doc

Date and Time Comment Was Submitted: 2011-07-28 16:48:58

No Duplicates.

Comment 105 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Neil
Last Name: Tangri
Email Address: neil@no-burn.org
Affiliation: GAIA

Subject: Proper accounting of biogenic carbon
Comment:

```
Please see attachment
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/137-gaia_comment_on_biogenic_carbon.pdf

Original File Name: GAIA comment on biogenic carbon.pdf

Date and Time Comment Was Submitted: 2011-07-28 16:56:30

No Duplicates.

Comment 106 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: Julia
Last Name: May
Email Address: jmay@sbcglobal.net
Affiliation: CBE

Subject: Comments on supplemental Scoping plan alternatives
Comment:

```
Comments on supplemental Scoping plan alternatives
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/138-cbe_comment_re_supp_alts_to_fed.pdf

Original File Name: CBE Comment re SUPP ALTS to FED.pdf

Date and Time Comment Was Submitted: 2011-07-28 16:55:59

No Duplicates.

Comment 107 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - Non-Reg.

First Name: John
Last Name: Larrea
Email Address: john@clfp.com
Affiliation: California League of Food Processors

Subject: FED Comments
Comment:

```
CLFP FED Comments
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/140-clfp_fed_comments__07282011.docx

Original File Name: CLFP FED comments 07282011.docx

Date and Time Comment Was Submitted: 2011-07-28 16:59:59

No Duplicates.

Comment 108 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11) - 45 Day.

First Name: Adrienne
Last Name: Bloch
Email Address: abloch@cbecal.org
Affiliation:

Subject: CBE attachments relating to comment # 106
Comment:

```
Please see attached.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/143-ceqa_comment_complete.pdf

Original File Name: Ceqa comment Complete.pdf

Date and Time Comment Was Submitted: 2011-07-29 14:15:41

No Duplicates.

Comment 1 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11). (At Hearing)

First Name: Ed
Last Name: Casey
Email Address: ed.casey@alston.com
Affiliation:

Subject: Alston and Bird LLP
Comment:

```
Please see attached.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/146-ed_casey.pdf

Original File Name: Ed Casey.pdf

Date and Time Comment Was Submitted: 2011-08-25 14:00:06

No Duplicates.

Comment 2 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11). (At Hearing)

First Name: Bowman
Last Name: Cutter
Email Address: Non-web submitted comment
Affiliation:

Subject: Pomona College
Comment:

```
Please see attached.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/147-bowman_cutter.pdf

Original File Name: Bowman Cutter.pdf

Date and Time Comment Was Submitted: 2011-08-25 14:00:06

No Duplicates.

Comment 3 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11). (At Hearing)

First Name: Jesse
Last Name: Marquez
Email Address: jnmarquez@prodigy.net
Affiliation:

Subject: Coalition for a Safe Environment
Comment:

```
Please see attached.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/149-jesse_marquez.pdf

Original File Name: Jesse Marquez.pdf

Date and Time Comment Was Submitted: 2011-08-25 14:00:06

No Duplicates.

Comment 4 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11). (At Hearing)

First Name: Ricardo
Last Name: Pulido
Email Address: wilmingtoncoalition@prodigy.net
Affiliation:

Subject: Coalition for a Safe Environment
Comment:

```
Please see attached.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/151-ricardo_pulido.pdf

Original File Name: Ricardo Pulido.pdf

Date and Time Comment Was Submitted: 2011-08-25 14:00:06

No Duplicates.

Comment 5 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11). (At Hearing)

First Name: Joseph
Last Name: Pinon
Email Address: wilmingtoncoalition@prodigy.net
Affiliation:

Subject: Coalition for a Safe Environment
Comment:

```
Please see attached.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/152-joseph_pinon.pdf

Original File Name: Joseph Pinon.pdf

Date and Time Comment Was Submitted: 2011-08-25 14:00:06

No Duplicates.

Comment 6 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11). (At Hearing)

First Name: Michael
Last Name: Turnipseed
Email Address: michael@kerntaxpayers.org
Affiliation:

Subject: Kern Tax
Comment:

```
Please see attached.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/156-michael_turnipseed.pdf

Original File Name: Michael Turnipseed.pdf

Date and Time Comment Was Submitted: 2011-08-25 14:00:06

No Duplicates.

Comment 7 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11). (At Hearing)

First Name: Sofia
Last Name: Carrillo
Email Address: sofiamilo@sbcglobal.net
Affiliation:

Subject: Coalition for a Safe Environment
Comment:

```
Please see attached.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/157-sofia_carrillo.pdf

Original File Name: Sofia Carrillo.pdf

Date and Time Comment Was Submitted: 2011-08-25 14:00:06

No Duplicates.

Comment 8 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11). (At Hearing)

First Name: Alejandro
Last Name: Marquez
Email Address: aeis1490@yahoo.com
Affiliation:

Subject: Coalition for a Safe Environment
Comment:

```
Please see attached.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/158-alejandro_marquez.pdf

Original File Name: Alejandro Marquez.pdf

Date and Time Comment Was Submitted: 2011-08-25 14:00:06

No Duplicates.

Comment 9 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11). (At Hearing)

First Name: C.T.
Last Name: Weber
Email Address: ctwebervoters@att.net
Affiliation:

Subject: Peace and Freedom Party of California
Comment:

```
Please see attached.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/159-c.t._weber.pdf

Original File Name: C.T. Weber.pdf

Date and Time Comment Was Submitted: 2011-08-25 14:00:06

No Duplicates.

Comment 10 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11). (At Hearing)

First Name: Veronica
Last Name: Trujillo
Email Address: v.trujillo@ucla.edu
Affiliation:

Subject: Coalition for a Safe Environment
Comment:

```
Please see attached.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/160-veronica_trujillo.pdf

Original File Name: Veronica Trujillo.pdf

Date and Time Comment Was Submitted: 2011-08-25 14:00:06

No Duplicates.

Comment 11 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11). (At Hearing)

First Name: Greg
Last Name: Karras
Email Address: Non-web submitted comment
Affiliation:

Subject: Communities for a Better Environment
Comment:

```
Please see attached.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/161-greg_karras.pdf

Original File Name: Greg Karras.pdf

Date and Time Comment Was Submitted: 2011-08-25 14:00:06

No Duplicates.

Comment 12 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11). (At Hearing)

First Name: Julia
Last Name: May
Email Address: julia.e.may@gmail.com
Affiliation:

Subject: Communities for a Better Environment
Comment:

```
Please see attached.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/162-julia_may.pdf

Original File Name: Julia May.pdf

Date and Time Comment Was Submitted: 2011-08-25 14:00:06

No Duplicates.

Comment 13 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11). (At Hearing)

First Name: Betsy
Last Name: Reifsnider
Email Address: betsyreif@comcast.net
Affiliation:

Subject: Catholic Charities
Comment:

```
Please see attached.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/163-betsey_reifsnider.pdf

Original File Name: Betsey Reifsnider.pdf

Date and Time Comment Was Submitted: 2011-08-25 14:00:06

No Duplicates.

Comment 14 for Supplement to FED -AB-32 Scoping with CEQA (ceqa-sp11). (At Hearing)

First Name: Caroline
Last Name: Farrell
Email Address: Non-web submitted comment
Affiliation:

Subject: Form Letter: Communities for a Better Environment
Comment:

```
Please see attached.
```

Attachment: www.arb.ca.gov/lists/ceqa-sp11/165-caroline_farrell.pdf

Original File Name: Caroline Farrell.pdf

Date and Time Comment Was Submitted: 2011-08-25 14:00:06

900 Duplicates.