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07-7-4



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**PRESIDENT**  
Larry Allen  
*San Luis Obispo County APCD*

June 20, 2007

**VICE PRESIDENT**  
Douglas Quetin  
*Monterey Bay Unified APCD*

Dr. Robert Sawyer  
Chairman  
California Air Resources Board  
1001 I Street  
P.O. Box 2815  
Sacramento, CA 95812

**PAST PRESIDENT**  
Barbara Lee  
*N. Sonoma County APCD*

**SECRETARY/CHIEF FINANCIAL OFFICER**  
Terry Dressler  
*Santa Barbara County APCD*

**RE: Proposed Early Action Measures to Reduce Greenhouse Gases**

**DIRECTORS**

Dear Dr. Sawyer,

Stephen Birdsall  
*Imperial County APCD*

The California Air Pollution Control Officers Association supports the adoption of discrete early action measures to reduce emissions of greenhouse gases. We believe all of the measures proposed by staff are appropriate, and we have identified others that we believe would achieve additional, important early reductions.

Jack Broadbent  
*Bay Area AQMD*

Thomas Christofk  
*Placer County APCD*

Mat Ehrhardt  
*Yolo-Solano AQMD*

Larry F. Greene  
*Sacramento Metro AQMD*

Jim Harris  
*Amador County APCD*

Seyed Sadredin  
*San Joaquin Valley APCD*

Ray Fernandez  
*San Diego County APCD*

Early Action Measures are a very important part of the state's efforts to reduce greenhouse gases. Although AB 32 outlines a number of other program elements, this is the ARB's first regulatory effort under that bill. In addition to achieving early reductions, a robust list of measures will send a clear signal about the caliber of the program that the Board intends to pursue. In the same way that the Vehicle Climate Change Standards set the stage for motor vehicle emission reductions, your decision on the Early Action Measures will prepare the way for your larger program efforts. We urge you to show your vision and leadership and approve a strong set of discrete Early Action Measures.

W. James Wagoner  
*Butte County AQMD*

Barry Wallerstein  
*South Coast AQMD*

**EXEC. DIRECTOR**  
Melvin D. Zeldin  
*mel@capcoa.org*

In the staff proposal, three measures are identified as Discrete Early Action Measures with a timeframe for adoption and implementation, including a low-carbon fuel standard, reduction of HFC emissions from air conditioning service, and improved methane capture at landfills. CAPCOA supports inclusion of all of these measures. In fact, air districts regulate and require permits for most landfills, and we would be happy to assist ARB in the development and implementation of this measure.

The staff proposal identifies twenty-three source categories as "Group 2" for further review. We presume the results of this review will be incorporated into the Scoping Plan that is due in 2009. In our May 14, 2007, letter to Ms. Catherine Witherspoon, CAPCOA recommended that ARB consider moving some of these "Group 2" measures onto the formal list of Discrete Early Action Measures, or at least provide greater specificity as to the time frames anticipated for adoption of these measures. We still believe this is important. In particular, we believe the substantial emission reduction potential in the commercial refrigeration category (listed as >7.3 MMT) warrants consideration for the formal list, as well as reductions from heavy duty vehicles (listed as 3 MMT). To the extent that uncertainty remains about the cost-effectiveness or other parameters affecting the listing, the Board could consider listing the measures with the option for staff to return to the Board with a demonstration that one (or both) of the measures is not feasible for specified reasons. By including these two measures, with a total emission reduction potential greater than 10.3 MMT, the Board would increase the tons achieved by the Early Action Measures by anywhere from 50% to 100%.

CAPCOA also provided five recommendations for measures not included in the staff proposal. We believe these measures can be accomplished within the timeframes provided in AB 32, and that they meet the screening criteria outlined by staff on page 12 of the staff report. Chief among those criteria, these measures rely on mature technologies and options readily available at a reasonable cost. They have low or no potential adverse impacts on emissions of toxic or criteria pollutants, or on low-income communities or small businesses. And they can be developed and implemented with very small resource demands on the ARB staff.

**Recommendation 1: Prioritize SIP rulemaking.** CAPCOA recommends that ARB review proposed SIP measures and rank them on the basis of criteria pollutant reductions, public health protection, and greenhouse gas reduction potential. Rules that rank high in all three areas should be given higher priority in the rulemaking calendar. This additional review will not add substantially to workload already planned, but will define GHG reductions that can be achieved in the near term without compromising progress towards clean air or undermining protection of public health. *The Discrete Early Action Measure would be a list of SIP measures identified, to be approved by the ARB Board by a date certain (perhaps by the end of 2007), with the measures to be effective in 2010.*

**Recommendation 2: Review Existing Rules.** CAPCOA recommends that you perform a review of existing state and local rules, similar to an "All Feasible Measures" review that would identify existing rules that, whether expressly intended or not, result in significant reductions of GHGs. Rules that are so identified could be more quickly adapted for statewide implementation and adopted by the ARB. Some local districts have already adopted and implemented regulations intended to reduce GHG emissions; many others have regulations for criteria pollutants which, by virtue of the way the rules are structured, also secure significant collateral GHG reductions. CAPCOA is currently hiring a consultant to assist our Climate Protection Committee in undertaking this effort. We believe that with a modest investment of resources and working with our Committee, ARB could identify rules with potential for statewide GHG reductions. Because these rules have already been adopted and implemented, much of the preparatory work has been done and the feasibility and costs are well documented; this should shorten the both the time and resources needed for state rulemaking.

CAPCOA also recommends that ARB use a focused workgroup process to use district staff resources and expertise with specific source categories to identify discrete early reductions that could be achieved in each category. We believe this process could identify early reduction potential in the six categories ARB has identified for reporting and rulemaking, and could be used to accomplish some of the necessary steps to speed adoption by the ARB. The workgroup process could also be used to build on the review of local regulations (described above) and identify opportunities for additional reductions of greenhouse gases within the existing air pollution program structure. Some local districts have already begun this review and others plan to begin soon. CAPCOA believes a coordinated workgroup process that includes ARB could identify potential GHG reductions and secure them in the near term through local rule amendments that implement a consistent statewide standard – similar to a suggested control measure. *The Discrete Early Action Measure would be a list of measures identified, to be approved by the ARB Board by a date certain (perhaps early 2008), with the measures to be effective in 2010.*

**Recommendation 3: Minimize Impacts of New Stationary Sources.** CAPCOA recommends that ARB work with the districts to develop a coordinated approach to reviewing greenhouse gas emissions from significant stationary sources in categories that also emit significant amounts of GHGs. The most environmentally effective and cost effective emission reductions are those implemented before a project is built. The challenge of reaching the 1990 baseline will be easier to meet if we ensure that economic growth occurs along the path of least climate impact. Local air districts already require permits and preconstruction review for such sources, which provides an efficient and effective platform to identify and address GHG emissions from new or modified sources in categories of concern. ARB could establish a general framework for including a review of GHG emissions in local NSR. The framework should also identify appropriate mitigation strategies. This process would be analogous to the development of review programs for toxic air contaminants in the late 1980s and early 1990s. In fact, because of district obligations under CEQA, districts may be required to address GHG emissions associated with new permits regardless of any action by ARB. The outcome would be better coordinated with ARB participation at the outset to identify the scope of the review and the mitigations to be considered. *The Discrete Early Action Measure would be guidance to local districts, approved by the ARB Board, on reviewing new and modified stationary sources of GHGs.*

**Recommendation 4: Leverage CEQA Mitigations.** CAPCOA recommends that ARB work with local districts to coordinate approaches to review of GHGs under CEQA and capture the reductions that result from mitigation. Local air districts routinely review the impacts of a variety of projects under the CEQA. Local governments are contacting the districts with questions about how to incorporate climate change and address GHG emissions of projects, and especially seeking guidance on significance thresholds for projects. CAPCOA's Climate Protection Committee and Planning Managers Committee are working on this now, and we have invited ARB and OPR staff to join us in this effort. We believe that a focused effort to identify thresholds and mitigation measures could result in practical reductions in the near term through the CEQA process. *The Discrete Early Action Measure would be guidance to local districts, approved by the ARB Board, for reviewing projects under CEQA.*

**Recommendation 5: Capture Voluntary Reductions.** CAPCOA recommends ARB work with local districts to establish mechanisms to promote, track, verify, and capture voluntary reductions in GHGs. As you are well aware, there is tremendous interest in voluntary reductions on the part of business, local government, and the general public. CAPCOA believes this interest should be aggressively pursued. Several air districts are already working with local stakeholders to identify and organize voluntary reduction efforts. CAPCOA's Climate Protection Committee has been tasked with compiling voluntary reduction strategies and other materials to support individual districts in this area. We suggest ARB work with us to help compile that information, and that ARB rely on local districts to help form the reporting, verification, and tracking structure for early reduction efforts. We recommend ARB include milestones for implementing this in your final list of measures, and that staff work with local districts to identify associated emission reduction targets. *The Discrete Early Action would be guidance approved by the ARB Board for the review and approval (by ARB or the districts) of voluntary reductions, including the necessary protocols.*

In closing, CAPCOA applauds ARB's efforts to identify and secure early reductions of greenhouse gases under AB 32. We urge the Board to include additional Group 1 early action measures on your final list, and to establish time frames for adoption of the measures in Group 2 and Group 3. We specifically recommend that ARB include Discrete Early Action Measures to:

1. Establish a deadline to prioritize SIP reductions to maximize collateral GHG reductions and list those measures to be effective by 2010;
2. Establish a deadline to review existing local rules and identify potential statewide measures or local enhancements, and use district resources in workgroup efforts on specific source categories to identify near-term GHG emissions;
3. Coordinate with districts to develop a strategy to use existing permit programs to review and mitigate GHGs from significant stationary sources;
4. Coordinate with districts to develop guidance on review and mitigation of GHGs under CEQA; and
5. Rely on local air districts to implement early reductions through coordinated voluntary programs.

Thank you for your consideration of our recommendations.

Sincerely,



Larry R. Allen  
President