

STATE CAPITOL
P.O. BOX 942849
SACRAMENTO, CA 94249-0115

California Legislature

October 17, 2011

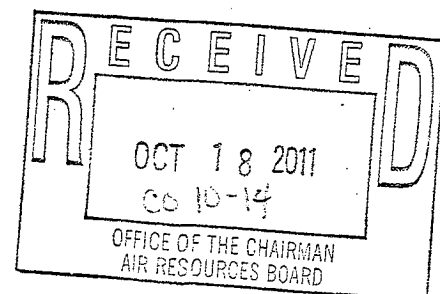
Mary Nichols, Chair
California Air Resources Board
1001 I Street
PO Box 2815
Sacramento, CA 95812

Dear Ms. Nichols,

We are writing to express concern over the Greenhouse Gas Emission benchmarks for the California container glass industry being proposed by the California Air Resources Board (CARB) to implement the cap and trade regulations under AB 32. We represent the three glass container manufacturing plants and their employees in the Central Valley. We are concerned that the regulations to be voted on by the Board on October 20 do little to minimize the probability of "leakage" in this industry and, if left unmodified, the net result of the regulation will be a loss of glass manufacturing jobs in our districts.

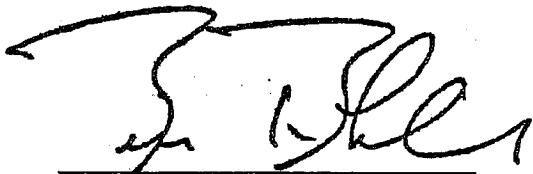
AB 32 requires the Board to minimize leakage and we understand the glass container manufacturers have offered solutions that would help in this regard. Specifically, the industry has sought national benchmarking, which would recognize early actions and energy efficiency of California operations versus competitors elsewhere in the nation. The industry has also asked for averaging emission data from 2005-07 which is a more fair representation of the emission data for the industry, instead of using one year (2009).

The glass container industry, though energy intensive, is a "green industry". The industry in California has taken great strides in the last 25 years to reduce emissions, much of which is attributable to California's container recycling law, which the industry helps to support through fees and by virtue of being the largest user of recycled glass.

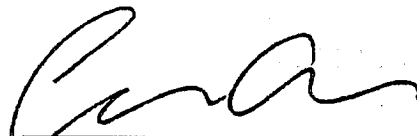


The glass manufacturers in our districts provide one-thousand high wage manufacturing jobs. There are thousands of additional jobs in the supply, transportation and recycling industries associated with our glass plants. The state of California needs to be adopting regulations that reward investment in high wage jobs in California not punish and potentially drive these businesses from our state.

We appreciate your response to this letter.



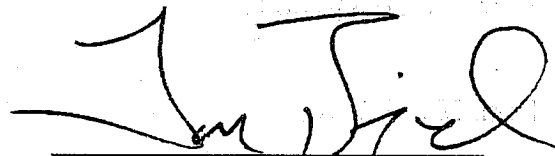
Assemblyman Bill Berryhill
Assembly District 26



Senator Anthony Canella
Senate District 12



Assemblymember Kristin Olsen
Assembly District 25



Senator Tom Berryhill
Senate District 14

cc

Governor Jerry Brown
Mike Rossi, Governor's Office