Comments on the Discussion Draft 2030 ARB Scoping Plan Update Steve Smith, Director of Planning, San Bernardino Associated Governments ssmith@sanbag.ca.gov December 16, 2016

San Bernardino Associated Governments (SANBAG) appreciates the opportunity to provide comments on the December 2, 2016 discussion draft of the California Air Resources Board (ARB) 2030 Target Scoping Plan Update. SANBAG is the County Transportation Commission and the Council of Governments for San Bernardino County, serving 24 cities and the County of San Bernardino. We were the lead agency on the Regional Greenhouse Gas Inventory and Reduction Plan and accompanying Environmental Impact Report for San Bernardino County, prepared in 2014. A number of cities in the County prepared local Climate Action Plans (CAPs) based on this work, focusing on 2020 goals and tiering from the regional EIR for their environmental clearance. We understand the structure, benefits, and challenges of GHG reduction planning at the local level. Our comments focus on three primary topics:

- Climate Action with Local Permitting (pages 102 through 105)
- Transportation Sustainability (pages 48-56), and
- Funding (general)

## **Climate Action with Local Permitting**

On page 104, the Discussion Draft makes the following statement:

"The recommended local government goals of six metric tons CO2e per capita by 2030 and no more than two metric tons CO2e per capita by 2050 are intended to provide consistency with the 2030 Target Scoping Plan and the State's long term goals. Knowing that the per capita emissions goals may not be appropriate in some jurisdictions, mass emissions and service population emissions are also important to discuss. Per the community protocol, a local government should focus on those emissions that the jurisdiction controls, while disclosing emissions within its geographical boundary but for which the local government does not have regulatory authority."

To date, our Regional GHG Reduction Plan and the targets in our jurisdictions' CAPs have been based on percentage reduction of GHGs from a baseline. Even SB 32 is based on a percentage reduction of GHGs from 1990 levels. A fixed goal of six metric tons of CO2e per capita is unworkable, as it fails to take into consideration the baseline characteristics of the climate and other characteristics of individual jurisdictions. Home energy consumption, for example, tends to be lower in coastal communities and higher in the inland areas and deserts.

Residents of California have many reasons for living where they do, and one of the major factors is affordability. Median home prices in San Bernardino County are half of the median price in Los Angeles County and one third of the median price in Orange County. Many inland residents may prefer to live closer to the coast, with a more temperate climate, but cannot afford to do so. Further, San Bernardino County has one of the largest concentrations of disadvantaged communities in the State. Imposing the same fixed goal on an inland city as for a coastal city

would unfairly burden the inland communities, and it is likely that the 6 metric ton goal would be unattainable by 2030 for most inland locations. In the spirit of the "ambitious but achievable" language of AB 32, we urge the language of the Scoping Plan to be modified to express other specific options, such as percent reductions, not an implied absolute target.

Further, we believe that the choice of CAP targets should be made at the local level and not at the state level. A one-size-fits-all target would be inappropriate and counterproductive. We recognize that the CAP targets should be related to the 2030 reduction target in SB 32, but the approach should ultimately be left up to the responsible local agency. This has worked well for the original 2020 target, and the concept should be carried forward to 2030.

We also appreciate the mention of tiering as a CEQA tool, as this is a means to see achievement of GHG reduction goals more holistically, with greater flexibility at a project level. Having a project-by-project view, for either development projects or transportation projects, is an inefficient and restrictive means to accomplish either GHG reduction or VMT reduction goals. A tiered approach can also promote regional goals and policies more effectively.

## **Transportation Sustainability**

The last paragraph on page 50 begins with the statement:

"While the majority of the GHG reductions from the transportation sector in this Discussion Draft will come from technologies and low carbon fuels, a reduction in the growth of VMT is also needed."

We agree with this general assessment. However, ARB should not under-estimate the challenges nor over-estimate the potential GHG reduction benefits of VMT-related strategies. SANBAG has been at the front lines of VMT-reduction initiatives for a number of years, through the promotion and funding of ridesharing programs, transit service improvements, collaborative land use planning with local jurisdictions and regional agencies, and active transportation planning and implementation.

We are now investing in high-capacity transit systems at a level unprecedented for San Bernardino County, with over \$600 million being committed to capital improvements (i.e. excluding operations) for passenger rail and bus rapid transit systems over the 10-year period beginning in 2014. We have been actively pursuing with the South Coast Air Quality Management District the opportunity to implement zero emission light rail service for our ninemile Redlands Passenger Rail Project, currently in design, and planned for operation in 2020. Even with these major investments and aggressive policies supporting transit oriented development (TOD), it is a stark reality that significant reductions in VMT (or at least slowing the growth in VMT) will come very slowly.

To illustrate this point, the California population grew by almost two thirds between 1980 and today. Over the same period, VMT has essentially doubled, with a slight dip during the Great Recession. At the same time, Corporate Average Fuel Economy for light duty vehicles has

increased significantly, by about 45% since 1980. This illustrates the power of technology to temper the impact of population growth.

Much like the dramatic advancements that have been made in reduction of criteria pollutants, we believe technology is also the primary path to GHG reduction. Freedom of travel, a world-class goods movement network, and associated economic growth is what has enabled these technological investments to occur in cleaning up the air. The state should be cautious not to apply policies that restrict travel in a way that would set back the economy. This would limit the generation of capital needed to fund the building energy upgrades, efficiency measures, and penetration of zero and near-zero emission vehicles that will ultimately drive the reduction in GHGs. The more successful we are at reducing the vehicle-based GHG output, the less important VMT reduction becomes from a GHG perspective.

We also appreciate the acknowledgement on page 49 of the importance of freight. This relates to our comments immediately above. For example, a number of improvements need to be made to our freeway system to address current freight bottlenecks. Future state policy, related to SB 743 or otherwise, should not make it more difficult to deliver these projects, which are vitally needed to support our logistics-based economy.

## **Funding**

We also appreciate the acknowledgement on page 24 that:

"California's strategic vision for achieving at least a 40 percent reduction in GHG emissions by 2030 is based on the principle that economic prosperity and environmental sustainability can be achieved together."

We believe this is possible, but the state needs to be wary of possible unintended consequences of its actions. We have alluded above to the care that will be needed in how VMT reduction strategies are applied, particularly with respect to maintaining efficient freight flows within and through our region. About a third of San Bernardino County jobs are tied to the logistics economy. This is particularly important given the substantial presence of disadvantaged communities, for whom logistics industry employment is an important gateway to the middle class.

That said, the costs of achieving the SB 32 GHG reduction goals will be extraordinary. Just the ARB Mobile Source Strategy and State Implementation Plan (SIP) Strategy show costs in the tens of billions of dollars by 2031. In pursuing these goals, we need to be aware that the businesses needed to fund the technological improvements should not be put in a position of having to choose between growing their business in California versus moving to or growing in places where costs will be lower, just so that they are able to stay competitive in the global economy. Leakage of business activity to other states would be an unfortunate result and would ultimately undermine our ability to generate the capital needed for the technologies to reach these goals, as stated earlier. In other words, we should be careful not to get too far ahead of the GHG reduction progress in the U.S. overall. Although California is the largest state in the Union, we cannot do this alone. The federal government should also be player in providing

incentive funding, rather than the full burden falling on California alone.

Again, we appreciate the opportunity to comment and look forward to the receipt of the full draft in January 2017.