

March 8, 2013

Ms. Mary Nichols
Chair, California Air Resources Board
1001 I Street
Sacramento CA 95814

Via: Electronic Submission

RE: Proposed Investment Plan for the Auction Proceeds to the State from the Cap and Trade Program to Reduce Greenhouse Gases—Sierra Nevada Comments

Chair Nichols:

I strongly encourage CARB to include the Sierra Nevada region in your Investment Plan for Cap and Trade Auction Revenues. AS 1532 established the Greenhouse Gas Reduction Fund (GGRF) and recognized that successful carbon reduction will require engagement from diverse sectors - including natural resources management programs for riparian restoration, urban and rural forestry, and water conservation and management.

The Sierra Nevada Alliance is a non-profit regional organization with over 85 member groups in our network working to protect and restore Sierra lands, water, wildlife and rural communities. We are one among a number of organizations that represent diverse interests who share a common vision that protecting and restoring resilient natural resources and working lands are among the most cost effective investments that can be made to reduce harmful greenhouse gas emissions while also providing other critical public benefits.

The State is Overlooking the Sierra in the Investment Plan

The Sierra Nevada has already been precluded from climate change planning and implementation funding under SB 375, as we have only one MPO – the Lake Tahoe region. Our region also has been excluded from Strategic Growth Council Urban Greening grants, due to population thresholds. The State should not allow this to happen again with CARB and cap-and-trade auction investments. The Sierra Nevada is over a quarter of the land mass of the state, supplies over 50% of the developed water supply for the state, and has many other assets.

We would like to see investments directed toward the Sierra Nevada through three specific investments categories:

- Disadvantaged Communities in the Sierra Nevada Region.
- Forest Conservation and Restoration,
- Water Conservation and Watershed and Meadow Restoration and Conservation; and

Disadvantaged Communities in the Sierra Nevada Region

First and foremost, CARB should not use the DAC maps and information provided by the California Environmental Protection Agency to inform investment decisions. The Sierra Nevada region is replete

with disadvantaged communities, yet none are included in the maps provided by the California Environmental Protection Agency tool (CalEnviroScreen), which CARB proposes using to inform the identification of disadvantaged communities for investment. For example, all of Inyo County in the Eastern Sierra is a DAC, based on median household income (MHI) from the U.S. Census. Unfortunately, the 2010 Census did not collect MHI data at the community level. The California Department of Water Resources (DWR), through voter-approved Proposition 84 (2006), made \$2.5 million available to Integrated Regional Water Management (IRWM) Programs throughout the state to study and provide insight into disadvantaged community (DAC) involvement in the IRWM process. The Department of Water Resources suggested that Integrated Regional Water Management groups use 5-year American Community Survey (ACS) estimates to determine DACs for funding. In conjunction with the recommendation to use ACS estimates, DWR also built an online interactive map to help users find DACs in their IRWM regions (<http://www.water.ca.gov/irwm/grants/resourceslinks.cfm>; scroll down to “DAC Maps”). While this mapping tool covers most DACs in IRWMP regions, it does not cover Native American tribal lands. Those estimates were found directly from the ACS website (<http://www.census.gov/acs/www>). Disadvantaged Communities in the Sierra Nevada region have a host of issues that should be addressed and funded through the cap-and-trade auction proceeds, including but not limited to: building efficiency, renewable energy projects, water conservation programs, and alternative transportation solutions.

For DACs in the Sierra, we urge CARB to use U.S. Census data to determine DACs for cap-and-trade investment; the CalEPA tool instead leaves much of the state and the entirety of the Sierra Nevada region precluded.

Forest Conservation and Restoration

We can reduce GHG emissions from deforestation and mismanagement while removing carbon from the atmosphere. Forest ecosystems are among the most expandable carbon sinks. In California, forests and vegetation remove vast amounts of carbon dioxide from the atmosphere (at least 30 million metric tons annually), neutralizing approximately 7% of the State’s GHG emissions. Out of concern that these annual benefits would be lost due to conversion and fire, the AB 32 scoping plan established a 2020 target for California’s forests to maintain, if not increase, the annual sequestration benefits. Forest conservation and restoration investments will not only reduce GHG emissions, they will achieve multiple public and environmental benefits, including the protection or enhancement of air and water quality, fish and wildlife habitats, recreation opportunities and local economies. The Sierra Nevada has the potential to drastically increase statewide carbon sequestration rates – at an absolute higher rate than urban greening projects, and with a much larger return on investment. Auction proceeds can be administered through existing state programs and in partnership with federal agencies (USFS, BLM) that manage the majority of the Sierra Nevada forests.

We request that CARB dedicate GGRF funds to carbon sequestration efforts on public lands in the Sierra Nevada region. (Boundaries as defined by the Sierra Nevada Conservancy can be found at <http://www.sierranevada.ca.gov/our-region/snc-region>)

Water Conservation and Watershed and Meadow Restoration and Conservation

Assembly Bill 32 requires a focus on reducing and sequestering carbon emissions, and therefore the natural resources management activities referenced by AS 1532 should include floodplain and wetland restoration activities as well as water conservation and watershed-scale restoration programs and projects. Integrated Regional Water Management Plans (IRWMP) in California are currently in place or being prepared for over 90% of the state's land area. These plans include discussion of climate change mitigation and adaptation, with many shovel-ready projects included. The Sierra Nevada region is the source of approximately two-thirds of California's water and GGRF funds for watershed restoration should be proportionally directed to the Sierra Nevada region. The funds should be specifically directed to meadows, upper watersheds, and disadvantaged communities (DACs), as defined by the Department of Water Resources (DWR, see "Disadvantaged Communities in the Sierra Nevada Region" comments, below).

CARB should direct GGRF funds to watershed restoration in the Sierra Nevada focusing on forest health, meadow restoration, and disadvantaged communities, using projects and plans developed by IRWMPs?

Thank you for the opportunity to comment on the CARB Investment Plan for the Auction Proceeds to the State from the Cap and Trade Program to Reduce Greenhouse Gases, and we look forward to seeing your responses.

Sincerely,



Joan Clayburgh
Executive Director