



March 8, 2013

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Re: ARB - Draft Cap-and-Trade Auction Proceeds Investment Plan Public Comment

The Santa Barbara Community Environmental Council (SBCEC) is a member-supported environmental non-profit organization formed in Santa Barbara in 1970 and is the leading environmental organization in the Central Coast region of California. In 2004, SBCEC shifted its primary focus to energy and transportation issues and is spearheading a regional effort to move away from our dependence on fossil fuels over the next two decades. SBCEC is almost unique in combining on-the-ground work on a number of energy and climate change-related issues with concurrent work on state and federal policy issues. SBCEC's state policy work is directly informed by experience with what has worked, or is likely to work, at the local level. More information on the SBCEC and its energy programs may be found at www.cecsb.org.

SBCEC would like to thank the Staff and leadership of ARB in their efforts to draft the Cap and Trade Auction Proceeds Investment Plan. We are in full support of the goals of the Plan, as well as the eligible investment categories.

In the category of Low-Carbon Transportation and Infrastructure, we encourage the ARB to consider the following projects:

Implementation funding for regional Plug in Electric Vehicle (PEV) Readiness efforts.

Transportation contributes the lion's share of greenhouse gas emissions in California, and is Governor Brown's number one priority for Cap and Trade auction proceeds. PEVs already nearly achieve California's 2050 climate goals, as a PEV charged on California's clean electric grid reduces GHG emissions by 75% per mile compared to an average gasoline vehicle. PEVs also get cleaner over the years as California's grid de-carbonizes, and the purchase of a PEV often leads to the purchase of a residential solar system and zero emission driving and home electricity use.

California is the national leader in PEV Readiness Efforts, and the state's regional PEV Readiness Groups are achieving steady success with EV Readiness Plans. We have played a key role in forming our local group, Plug in Central Coast, along with steering committee members Central Coast Clean Cities Coalition and the Air Pollution Control Districts of Ventura, Santa Barbara, and San Luis Obispo Counties. Dozens of cities, businesses, and the public are also engaged through our coordinating council. As we prepare to release our PEV Readiness Plan, additional state funding is crucial to implement the plan and continue engaging cities, workplaces, fleets, and the public to accelerate PEV adoption. New PEV Readiness funding also meets the state's early action goal of investing funds on existing programs that can be quickly expanded. Over the last two years "in the trenches" we've seen how critical regional PEV Readiness groups are to achieving the state's goals of 1.5 million PEVs on California roads by 2025.

New funding for bicycle infrastructure. Cities across America are building new bicycle infrastructure to make it easier for residents to engage in healthy, zero carbon transportation and complement new smart growth development. Expanded funding of bicycle infrastructure will also help California's Metropolitan Planning Organizations realize goals set in SB 375 Sustainable Communities Strategies.

In the category of Energy Efficiency and Clean Energy, we encourage the ARB to consider the following projects:

Buy down of interest rates for local government and school district bond funding for energy efficiency and clean energy projects. Modeled after Qualified Clean Energy Bonds (QCEBs) made available by the American Recovery and Reinvestment Act, these interest rate buy-downs would make it easier for local governments and schools to install cost effective energy efficiency and clean energy upgrades. Locally the County of Santa Barbara utilized QCEB funding to install a one megawatt solar PV project and have expressed interest in doing further projects if this funding were available.

Reinvestment in the California Solar Initiative. Since 2007, CSI has successfully boosted the market for renewable energy in California and helped drive the price of solar towards cost parity. It has also been a key data gathering tool that allows key stakeholders to understand how the solar market is evolving geographically and financially. Most importantly, CSI is an essential accountability tool because it tracks performance of the installations and installers. CSI has been vital to the California solar market and re-funding the rebate at a low level will help keep California at the forefront of the industry by ensuring accountability. CSI has been a vital tool with our local Solarize programs (community group purchases) because we can use the data available through the CSI database to verify track records of installers, calculate average regional costs, and analyze program impacts.

Thank you for your time and consideration.

A handwritten signature in blue ink that reads "Dave Davis". The signature is written in a cursive, flowing style.

Dave Davis,
CEO/President
Community Environmental Council