

SANTA MONICA MOUNTAINS CONSERVANCY

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March 8, 2013

Ms. Shelby Livingston
Chief, Climate Change Program Planning and Management Branch
California Air Resources Board
Sacramento, CA 95814

**Re: Investment of AB 32 Auction Proceeds in Natural Resources and Water Recycling
and Energy Reduction through State Conservancies**

Dear Ms. Livingston,

We are writing to urge the California Air Resources Board (CARB) and the Administration to include natural resource protection in the initial three year AB 32 cap and trade investment plan, and specifically designate State Conservancies as Implementing Entities for investment funds. California's Conservancies are particularly well-suited to meet near term greenhouse gas emissions reductions goals and targets because they already have the mechanisms and partnerships in place to implement regional programs that serve statewide priorities. Conservancies will be able to leverage allowance revenues with existing funds, form strategic partnerships with local entities, and utilize existing administrative infrastructure to efficiently roll out projects that incentivize and foster GHG reduction goals and further the purposes of AB 32.

A Strategic Investment in the SMMC Will Further Goals of AB 32

The Santa Monica Mountains Conservancy (SMMC) has an extensive, 1,000 square mile jurisdiction in the Southern California region in the Los Angeles urban metropolitan area including the Rim of the Valley Corridor and the upper Los Angeles River and its tributaries. In addition to significant urban greening and strategic buy-back/avoided development programs, the SMMC is positioned to make significant contributions to

water and energy savings in the Los Angeles region through its state of the art water recycling and energy reduction programs in the green space abutting the more than 250 miles of flood control channels throughout Los Angeles County.

As the Board is aware, water-related energy consumes roughly 19% of the State's electricity. Of that 19%, 2-3% of California's total electricity consumption is dedicated to pumping water over the Tehachapi Mountains, bringing water into Southern California population centers. The Governor's proposed budget for Fiscal Year 2013-14 included reducing energy used for water supply, conveyance, and treatment among its top priorities. To offset this consumption of water and electricity and promote watershed conservation, we believe **a regional approach is necessary** to create water and energy savings.

- **Water Recycling and Energy Reduction Projects Will Have Extensive GHG Reduction Impacts**

Water and energy conservation have been central to the SMMC's approach to preserving the Mediterranean biome in one of the largest metropolitan areas in the nation. The SMMC has the capability to implement immediate water recycling and energy reduction projects in disadvantaged communities that will have immediate and extensive GHG reduction impacts, and foster local job growth. In a recent SMMC-commissioned study of 268 potential sites for water recycling and energy efficiency on school and vacant land, it was determined that the SMMC's approach would generate approximately 555 million gallons of stored local water per year, and save approximately 5.2 million kilowatts of energy per year.

With strategic investments from the auction funds, the SMMC can develop a Regional Water Efficiency and Watershed Investment program that reduces the energy used in the supply, conveyance, and treatment of water. These projects will also provide climate and water improvements to critical watershed lands that reduce or sequester GHG emissions and increase regional water supplies.

- **Water Recycling and Energy Reduction Investment Program Will Have Substantial Co-Benefits**

In addition to GHG reduction benefits, an investment in Conservancies will also address environmental justice and inequity concerns as required by SB 535, foster job creation through projects in local communities, and provide opportunities for public agencies,

nonprofits, and other community institutions to participate in and benefit from such efforts.

- Many of the SMMC's current or proposed projects are located in and serve **disadvantaged communities** (DACs) as identified by Cal/EPA. The Los Angeles area has the largest area of DAC communities in California. The SMMC supports SB 535's recommendation to use 25% of Greenhouse Gas Reduction Fund to benefit disadvantaged communities and address statewide goals to create clean air and water for all Californians. These areas of high need have long been a focus for SMMC because every dollar invested achieves important statewide co-benefits like job creation, advanced skills and job training, and neighborhood revitalization. The SMMC is in a position to quickly implement this work should strategic investment from auction proceeds become available.
- Water use reduction projects must be done in the local communities where the benefits are received. Because they cannot be outsourced, these types of projects foster **job creation** in communities that need it most.
- As a regionally based state agency, the SMMC has an established network of local partnerships with all levels of government, nonprofits, and community institutions. The Conservancy is poised to immediately create water recycling and energy reduction projects that leverage local funds and that will significantly reduce GHG.
- The SMMC is poised to **efficiently implement projects in the near term**. SMMC has a proven record of coordinating efforts between state, local, federal and non-profit entities. We have programs, policies, and practices in place for awarding and monitoring funding, as well as an existing Board and Advisory Committee representative of State and local government throughout the region with the ability to determine how to apply the CARB's investment principles and evaluate proposals. Further, the SMMC has procedures in place for reporting to state agencies such as the Department of Finance, and is qualified to assist in developing project criteria.

For these reasons, the SMMC is uniquely qualified to help the state achieve its GHG reduction targets and further the aims of AB 32. As a regionally based state agency, the SMMC has been a leader in promoting partnerships with all levels of government to leverage funds and scientific expertise to achieve common goals of protecting open

Ms. Shelby Livingston
March 8, 2013

Page 4

space and creating public parkland serving a diverse population of more than 15 million. The SMMC is poised to help the state achieve immediate, measurable, and significant GHG reductions in Southern California with projects in disadvantaged communities that leverage funds, foster job growth, and create lasting impact.

Sincerely,

A handwritten signature in black ink, appearing to read "Joe Edmiston", with a large, sweeping flourish at the end.

JOSEPH T. EDMISTON, FAICP, Hon. ASLA
Executive Director