



COUNTY OF YOLO

Board of Supervisors

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County Administrator, **Patrick S. Blacklock**
Deputy Clerk of the Board, **Julie Dachtler**

March 8, 2013

Mary D. Nichols, Chairman
California Air Resources Board
1001 "I" Street
Sacramento, CA 95814

RE: Cap-and-Trade Auction Proceeds Investment Plan Draft Concept Paper

Dear Chairman Nichols:

The Yolo County Board of Supervisors appreciates the opportunity to comment on the Cap-and-Trade auction proceeds investment plan draft concept paper. Yolo County has a well-earned reputation for climate protection leadership. The county is a leading advocate of responsible growth and agricultural preservation. In addition, the county has taken numerous steps to reduce emissions associated with county government operations, including the installation of a one-megawatt solar farm at the Yolo County justice campus, and the development—currently under construction—of an additional 5.8 megawatts of solar generation capacity on county owned lands, which will completely offset the county government's total energy use.

The county urges the State of California to invest cap-and-trade auction revenues in planning and projects that will enhance and complement the greenhouse gas emissions reductions efforts undertaken by local governments.

Community Choice Aggregation

The Board of Supervisors has made the development of a community choice aggregation program a key priority for Yolo County. In unincorporated Yolo County, community choice aggregation (CCA) is slated to provide approximately 43% of the reductions required in order to decrease emissions to 1990 levels by 2020. The Board urges the state to support the efforts of local governments to implement CCA through the creation of a grant program financed with cap-and-trade auction revenue to facilitate local government CCA planning and implementation activities.

Yolo County has very limited discretionary revenues, due in a large part to its land use policies, which direct nearly all commercial and residential development and the resulting sales and property taxes to the incorporated cities, as well as its status as the county with the second-lowest property tax share in the state. Relatively small investments from the State of between \$150,000 and \$500,000 to develop a CCA feasibility study, business plan and implementation strategy for unincorporated Yolo County would leverage significant reductions in greenhouse gas emissions. Moreover, the county hopes to partner with Yolo County cities in the development and implementation of CCA, so any investments in planning would potentially be further leveraged.

For unincorporated Yolo County alone, the GHG reduction potential of CCA is 117,285 metric tons of carbon dioxide equivalent emissions by 2020 and 143,884 metric tons of carbon dioxide equivalent emissions by 2030 (the Yolo County Climate Action Plan assumes that by 2020 50% of consumers would purchase a "light green" portfolio comprised of 50% renewable sources; 25% would purchase a portfolio of 100% renewable sources. By 2030, the plan estimates that 75% of consumers would purchase the 50% renewable portfolio, while the remainder would purchase the 100% renewable portfolio).

Property Assessed Clean Energy

In 2009, Yolo County joined the California FIRST Property Assessed Clean Energy (PACE) program to provide low-interest financing for energy efficiency and renewable energy improvements. The county has made it a top federal legislative priority to advocate for removal of impediments imposed by the Federal Housing Finance Administration to the implementation of PACE programs. The County would support the allocation of cap-and-trade auction proceeds to PACE loan payment guarantee insurance that would allow our local PACE program to proceed as envisioned.

Thank you for your consideration of the Board's comments. Please contact Christopher Lee in the Yolo County Administrator's Office at cle@yolocounty.org or (530) 666-8068 with any questions about this letter.

Sincerely,



Duane Chamberlain, Chairman
Yolo County Board of Supervisors

cc: The Honorable Senator Darrell Steinberg
The Honorable Senator Lois Wolk
The Honorable Assemblymember Roger Dickinson
The Honorable Assemblymember Mariko Yamada
Cara Martinson, California State Association of Counties