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March 23, 2016

The Honorable Mary D. Nichols
Chairman, California Air Resources Board
1001 I Street
P.O. Box 2815
Sacramento, CA 95814

Dear Chairman Nichols,

Thank you, and thank you to your staff, for drafting the Aliso Canyon Methane Leak Climate Impacts Mitigation Program. It brings me a great deal of relief to know that this program is in such able hands.

I believe that the Draft Program goes a long way toward addressing the critical pathways we have to reduce methane emissions in the state. And I appreciate that the Program also begins to address some of the concerns I raised when we last met – namely, that any mitigation should focus its efforts locally and regionally. I commend the Board's important decisions in this Program: using the 20-year global warming potential term; recognizing the interests of disadvantaged communities; and enhancing the sustainability the state's energy infrastructure.

However, I am writing today to suggest, in addition to these positive steps, that the Board should further focus its efforts to promote sustainable energy infrastructure with two priorities in mind.

First, local. The Draft Program should go further in its focus on prioritizing mitigation efforts in local communities. The Aliso Canyon disaster has disrupted life in Porter Ranch and its surrounding communities. It has forced thousands of families from their homes (five thousand families remain displaced as of this writing), children from their schools, and entrepreneurs from their businesses. This community gave SoCal Gas its trust for generations and it is now imperative that the Company's mitigation efforts be directed toward earning that trust anew.

And second, regional. It is critical, as the Board staff notes, that we not forget the more than ten million Angelenos outside my district who also rely on Aliso Canyon. Too often, the residents who rely on this facility -- including, to a large extent, LADWP customers -- feel the effects of our state's reliance on dirty fossil fuels without reaping the benefits of our efforts to mitigate this pollution. Indeed, Los Angeles's history of poor air quality has nearly always disproportionately affected communities with insufficient political influence to direct pollution mitigation efforts toward their cities. Today, as always, I am standing with these communities to reassure them that as we work to clean up the disaster in the 27th District, we will also raise our voices on their behalf.

I believe that this two-part commitment to local and regional mitigation efforts could be smoothly integrated into the Draft Program's existing Area of Concentration, "Promoting Sustainable Energy Infrastructure." (Draft Program, Page 11.) And I believe that doing so would reflect a more equitable distribution of forthcoming mitigation expenditures. Also, as a practical matter, as the Draft Program points out, many locally- and regionally-administered mitigation efforts would yield emissions reductions more quickly. (See, e.g., Draft Program, Page 15. ("...while mitigation projects in the agriculture and waste sectors may take time to start generating emissions reductions, projects designed to enhance energy efficiency could yield returns more quickly...") As the Board begins its project selection, I respectfully request that it initially prioritize funding for sustainable energy infrastructure investments that address local and regional concerns, and which maximize grid reliability and grid equity in Aliso Canyon and Los Angeles.

I believe the Board's efforts to bring a statewide approach to this disaster should be applauded. After all, climate change's global challenges cannot be ignored -- and in order to solve it, we must pursue strategies to reduce our carbon and short-lived pollutant emissions which may not always result in immediate local benefits. However, once this disaster ends, and families return to their homes, it is paramount that they know their representatives in Sacramento are holding SoCal Gas to account, and ensuring that such accountability benefits the families who have suffered the most.

To that end, I would also, finally, like to raise a related concern regarding Draft Program's interaction with additional future mitigation requirements. As the ARB points out in the Draft Program -- in both the Project Criteria section (Page 9), and the *People v. Southern California Gas Company* section (Page 19) -- its entire discussion of mitigation efforts on the part of SoCal Gas assumes voluntary action on the part of the Gas Company. This is important because the Gas Company may be compelled to further action as a result of pending litigation by the state, which the ARB has joined as a plaintiff. In light of this pending litigation, I would respectfully request that the Board further develop its explanation of how potential legal remedies would interact with the Draft Program's recommendations. I would also like to take this opportunity to underscore the critical need to create the kind of legal tools in your forthcoming Short-Lived Climate Pollutants regulations that would better deter gas companies from making this kind of mistake again, and better equip the state to enforce penalties.

I believe the following recommendations adhere to the principles outlined by Mayor Garcetti in his January 27th letter to Governor Brown urging the Administration to prioritize investment locally and maximize co-benefits of any investment.

Please consider the following recommendations / augmentations to the existing Area of Concentration, "Promoting Sustainable Energy Infrastructure":

Reducing Local and Regional Dependence on Natural Gas. The LA Basin must not remain hostage to one dirty facility for its energy reliability. We need to reduce our reliance on natural gas in LA Basin. Priority should be given to projects in the Porter Ranch area -- as Mayor Garcetti suggested in his letter to Governor Brown, turning Porter Ranch into an "Ultra Low Carbon Neighborhood.")

Examples of projects which reduce dependence on natural gas for electricity and heating could include:

- Incentives or subsidies for local and regional residents to install solar hot water heaters and distributed solar generation for residential use;
- Replacement of neighborhood schools and pools heating systems and appliances with systems that rely on renewable energy;
- Energy efficiency upgrades and home retrofits for local and regional residents;
- Battery storage projects to demonstrate grid-scale resource benefits in local or regional communities;
- Making PACE-style financing available to local and regional residents to facilitate such improvements.

Preventing a Similar Disaster From Happening Again. Acquiring the proposed Hidden Creek Development adjacent to the SoCal Gas facility to create a buffer between existing homes and oil and gas operations, and to keep new homeowners out of harm's way.

- This property should be acquired for natural open space, with watersheds and hillsides that could be reforested to sequester carbon (there are potential acquirers interested in the property, including the Santa Monica Mountains Trails Conservancy);
- Siting of oil & gas development an adequate distance from new home construction;
- Zoning for grid-scale renewable energy development in the portion of the Hidden Creek property already owned by oil and gas operators to mitigate methane and other GHGs and reduce dependence on natural gas. (The wind gusts and solar irradiance in Porter Ranch are consistently strong.)

Expand the Scope of Mitigation Focus Beyond Methane. Finally, while I would also like to echo the Board's recommendation to employ a 20-year Global Warming Potential (GWP) term, I hope that the Board also considers broadening the scope of its primary focus beyond methane-only reduction. Broadening the scope of mitigation efforts will allow the

Board to field more proposals which, in the aggregate, will go further to address the local and regional concerns addressed in this letter.

Sincerely,

Fran Pavley

Fran Pavley