



March 12, 2013

Ms. Mary Nichols, Chairman
California Air Resources Board
P. O. Box 2815
Sacramento, CA 95814

Re: California Fire Safe Council Comments to Cap and Trade Auction Proceeds Investment Plan

Dear Chairman Nichols:

The California Fire Safe Council (CFSC) appreciates the opportunity to provide comments on the development of the Cap and Trade Auction Proceeds Investment Plan. The California Fire Safe Council is a California incorporated, 501 (c)(3) non-profit organization that was formed first as a Committee under CAL FIRE in 1993 providing education and technical assistance to local Fire Safe Councils. It was then incorporated in 2002 and expanded as the response to the Federal Land Management Agencies desire to provide a simplified and equitable process of reviewing and distributing designated grant funds to approximately 50-60 of the 250 eligible Fire Safe Councils in California. CFSC's Grants Clearinghouse now provides a funding stream of primarily federal funds while providing technical assistance for local Fire Safe Councils as they strive to protect their homes, communities and environment from catastrophic wildfires which frequent our State.

Over the last ten (10) years, the California Fire Safe Council in cooperation with the California Fire Alliance has provided nearly \$83 million for 852 projects thus reducing fuels around Communities at Risk from wildfire. These local projects are based on a Community Wildfire Protection Plan (CWPP) developed in collaboration with all local, State and Federal Fire and Land Management Agencies as well as other community stakeholders. CWPPs are local assessments of such communities at risk from wildfire and include potential projects that would mitigate community risk from potential wildfires. In addition to providing a simplified and equitable process for the potential community organizations to apply for federal funds, CFSC's Grants Clearinghouse also provides extensive monitoring and oversight of those funds for the participating Federal Agencies. CFSC is proud to note that our administrative costs for management of the entire organization including the annual Grants Clearinghouse, depending upon the year and number of grants, ranges between 3 and 13%. Generally nonprofit organizations have administrative costs ranging in the 20-29% range.

The projects have been mainly funded by the Federal Land Management Agencies for non-federal lands within the State of California. The Federal Agencies require a match anywhere from 10 % to 100% depending on the agency and funding requirements. The more than 250 local Fire Safe Councils who apply for these federal funds continue to struggle to provide the community match (in kind and contributions) required as a condition of grants funded by the Federal Agencies. In addition maintaining

502 W. Route 66, Suite 17 ▲ Glendora, CA ▲ 91740
(626)335-7426 ph. ▲ (626)335-4678 fax ▲ www.firesafecouncil.org

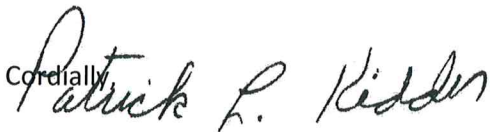
Federal funding has been problematic due to lack of additional funding from the State (that can be used for match) for local Fire Safe Councils and other non-profit organizations for fuels reduction, planning and education projects in and around communities at risk from Wildfire.

The inclusion of "Forest Fuels Reduction" with the potential use for biomass energy and development of fire adapted communities to reduce/mitigate the loss due to wildfire as an investment strategy for the State's Cap and Trade Auction Proceeds. Investments in California's communities at risk from wildfire are consistent with both the goals of AB 32 and California's climate mitigation strategy. State support and funding to local Fire Safe Councils would increase opportunity for employment and community activities in fuels mitigation as well as maintain federal funding.

California Fire Safe Council as well as local FSC's agree with the conclusion of the Ad Hoc Forest Sector Cap and Trade Allowance Work Group stating that the "Absent a significant and ongoing investment in protecting watersheds and making forests more resilient, our natural environment and increasing climate-stressed forests will be subject to insects, disease and unnaturally intense fires, jeopardizing California's most critical source of water, eroding our timberland base, threatening the viability of the forest products industry and fragmenting wildlife habitat that supports numerous threatened species."

In conclusion the advantages of fuels mitigation efforts on landscapes and communities at risk from catastrophic wildfire are worthwhile efforts for the citizens of California and a sound investment for the Cap and Trade Auction Proceeds. The California Fire Safe Council uses its unique "Grants Clearinghouse" as our business practice to solicit, select, fund, track, monitor and evaluate the effective expenditures of funds and progress of grant-funded projects conducted by local Fire Safe Councils, homeowner associations, fire departments and other non-profit organizations.

The California Fire Safe Council Board of Directors appreciates this opportunity to comment on the development of the Cap and Trade Auction Proceeds Investment Plan and will be happy to provide additional information or expertise in seeing that such funds are structured to effectively fund future projects addressing the threat of wildfires and the resulting effects throughout the State of California.

Cordially,


Pat Kidder
Chairman of the Board

cc: CFSC Board of Directors (J. Lopez, David Horne, Bruce Turbeville, Phyllis Banducci, Dave Bischel, Jerry Davies, Frank Stewart, Kate Dargan, Niel Fischer, Jay Watson, Troy Whitman, Walter McCall, Pat Frost)