

Good Morning Madame chairman and members of the board.

Michael Lewis  
09-8-2

I wanted to take the opportunity of this planned research item to call to your attention growing concern in the regulated community about the objectivity and transparency in the CARB regulatory and research activities.

I am sure you are all well aware of the questions that have been raised in recent months about the thoroughness of the economic analysis that was done on the Green House Gas effort, the academic qualifications of at least one of your staff, and the concerns raised about the modeling used in some of your regulatory actions.

Certainly for those of us in the construction community it has been frustrating to see, what appears to be an unstoppable conveyor belt process of orchestrated research, staff analysis, modeling, rule development and adoption that lacks significant opportunity for input for anyone not on the agency payroll, appointed by the agency or employed by a sister public agency. It would appear that from the report presented today that you are undertaking another \$5million dollars worth of effort that will lead to an inevitable conclusion with little opportunity for dissent or discussion of research that contradicts the conclusions of the agency funded work.

All of this work is part of a continuum that will ultimately lead to actions by your board that will impact some or every aspect of society in this state. All of this work should be subject to the same review, public input and discussion as the decisions made by your board. But the current process allows little opportunity for that, except at the board meeting, which is frankly too late.

Given the wide and costly impacts of the decisions now being made by your board it is no longer adequate to simply accept staff generated research or analysis by itself, as suitable foundation for the decisions being

made by your board. There needs to be more transparency, independent oversight and some process for consideration of other research that may contradict the conclusions of your own funded work.

For example, we were very frustrated in the off-road rule by how long it took to get access to the staff emissions model and the inputs that were used to operate the model. When we did we discovered that it was written in an extinct computer language and that it took as long as 24 hours to run after modifying inputs. We simply had to hire our own experts to write our own model, and we weren't the only one's who did. But everything was very last minute and there was little time to really understand how it worked.

Now we are two and a half years after the adoption of the rule and we are still learning about how the assumptions used in the model really worked, and how inaccurate some of the assumptions really were. Had we known at the time, and there was no reason not to know other than the false urgency about adopting a rule, it could have been a very different rule given a little extra time to get it right.

You owe us a more thorough and thoughtful process that isn't driven by artificial deadlines to get it done, rather than to get it right. And you need to start with the very first step, which is the research. Given the importance of the decisions that lay ahead, you are not going to have the luxury any more of having it done in a vacuum without some outside oversight and review. You need to establish that process sooner rather than later. It needs to be rigorous. It needs to be open. It needs to be above reproach. And it needs to allow ample opportunity for dissent and comment throughout the process.

Thank you.