

December 11, 2008

Dear Chair Nichols and Honorable Members of the Board,

Thank you for the opportunity to comment on the Proposed Scoping Plan on behalf of The Climate Group.

We are an international NGO that works with over 50 of the world's most influential corporations and governments, including corporations based in California, the city of Los Angeles, and the State of California itself. Our goal is to accelerate the transition to a low-carbon, prosperous future.

ARB should adopt a robust and ambitious Scoping Plan today, which will not only allow but encourage the growth of California's economy during this recession. AB32 will encourage innovation that can be expanded and exported through enhanced trade missions and exchanges, adding value and increasing California's competitiveness in today's global market.

We encourage ARB to consider the following when implementing the plan and adopting of supporting policies:

- ARB should carefully consider how to use the revenue streams created by auctioned emission allowances or
 other policies. A standing advisory committee comprised of citizens, economists, state and local government
 representatives and other stakeholders could be responsible for setting the criteria and priorities for
 investment and allocation, and revising these on a regular basis to ensure responsiveness to ever-changing
 needs and opportunities.
- ARB's stakeholder outreach and engagement has been sophisticated and robust, and the evolution should be toward even more community and cross-agency engagement.
- In moving towards the 2020 goal, ARB should continue to investigate potential options such as CCS and cutting edge technologies while at the same time investing in known, successful strategies such as efficiency, demand response and cost-effective renewables.
- We offer our publication The Business Guide to the Low Carbon Economy: California to ARB as a tool as it
 assists businesses of all sizes in reducing their emission, saving money and understanding climate policy.
 We would be happy to offer or modify the content as necessary for any of ARB's outreach efforts.
- ARB should consider how to engage with and encourage the participation of the state's vibrant IT sector, which can offer solutions such as data center cooling in its own sector and allow for emissions reductions via teleconferencing, smart buildings and smart grids in other sectors. Our publication Smart2020: Enabling the Low Carbon Economy in the Information Age (www.smart2020.org) calculates that such solutions could globally enable reductions of 15% of business as usual emissions in 2020.

We look forward to California's continuing leadership, which will inspire robust national and international climate agreements in the coming years, as indicated by the state's participation this week in Poznan.

Thank you for your consideration of our remarks and for your work on this comprehensive plan. We look forward to continuing to be involved in the AB32 process. If you have any questions, your staff can reach me at 650-305-3060 or sskikne@theclimategroup.org.

Sincerely,

Sarah Skikne Corporate Research Analyst The Climate Group