



ASSOCIATION of GOVERNMENTS

Main Office

818 West Seventh Street
12th Floor
Los Angeles, California
90017-3435

t (213) 236-1800

f (213) 236-1825

www.scag.ca.gov

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Cc

November 18, 2008

Mary D. Nichols, Chairman
California Air Resources Board
1001 "I" Street
P.O. Box 2815
Sacramento, CA 95812

ORIGINAL:
Copies:

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Dear Ms. Nichols:

On behalf of the Southern California Association of Governments, I am pleased to submit additional comments on the AB 32 Draft Scoping Plan. As you are aware, SCAG submitted preliminary comments on August 11, 2008. These additional, more detailed comments reflect the consideration and discussions of SCAG's Regional Council at its meeting on October 4, 2008.

We also recognize that, since the Regional Council last considered this issue, that ARB has released the Proposed Scoping Plan that further describes how our association and its members will be affected by AB 32. We trust that your staff will continue to work with our staff through the completion of the Scoping Plan process, as well as on the implementation of SB 375, to address on-going and emerging areas of concern. In particular, we have taken note of the increase in regional greenhouse gas reduction targets from 2 million metric tons statewide to 5 million metric tons. We will work with your staff through the process delineated under SB 375 for the development of regional targets to address this aspect of the Scoping Plan, and we trust that there will be ample opportunity to arrive at regional emission reduction target that accounts for all appropriate factors.

We respectfully request that the Board, prior to adoption, fully consider concerns and issues, as described below.

The Scoping Plan should:

- o Demonstrate the State's strong commitment to financial incentives. We recognize that the State intends to pursue an incentive based approach to achieving emission reductions from local actions. We stress that the approach described will not work if the State is unable to follow through on its commitment to real, tangible incentives.

- Recognize that activities identified in the Scoping Plan (and in SB 375) are, at present, unfunded mandates passed from the State to regional and local agencies.
The success of the strategies laid out in the Scoping Plan depend on the State's ability to identify a permanent, adequate source of funding for planning and implementation of regional and local activities. Alternatively, AB 32 will be viewed as an additional layer to unfunded State mandates in recent history.
- Commit to a Statewide effort on the development of technical tools.
As discussed with your staff, the ARB should fund the development of tools needed at the regional level to perform planning work associated with AB 32 and SB 375. We also encourage your continued efforts on developing guidance and standards for tools being developed around the state. Tools used to measure performance under AB 32 and SB 375 need to be reliable and comparable across the State, even if they are not identical in all places.
- Fully integrate details of SB 375 such that regions and local governments are not subject to duplicative or contradictory requirements.
The Scoping Plan should make clear that, by implementing SB 375, regional agencies, local governments, and the transportation sector are complying with AB 32.
- Promote and develop consistent methods, such that the regions can equitably measure local efforts.
Tools and technical methods used to measure performance under AB 32 and SB 375 need to be reliable and comparable across the State, even if they are not identical in all places.
- Assure that SCAG has a key role in the development of regional targets, including meaningful sub regional representation on the Regional Targets Advisory Committee.
In addition to direct representation for SCAG and its sub-regions on this body, SCAG is hopeful that Southern California as a whole is well-represented.
- Recognize the role of transportation infrastructure, especially public transit paired with land use planning, in achieving reductions.
The strategies developed to meet regional targets should be based on a combination of land use and transportation decisions, not on land use only. Additionally, the State should recognize the inadequacy in transit funding in order to fully implement a successful GHG reduction strategy.

- Revisit definition of “business as usual” in light SB 375, and in light of most recent RTPs.
The Scoping Plan and the subsequent SB 375 process must establish an equitable definition of “business as usual” such that regions and local agencies are not penalized for recent actions.
- Refine the definition of land use strategies to include related measures such as Transportation Demand Management (TDM) and pricing.
- Recognize non-transportation/land use actions taken by local governments.
- The cap and trade provisions of the Scoping Plan must be carefully structured in order to avoid creating obstacles of innovation and new technologies.
- Revenues created through the Cap and Trade program and other AB 32 mechanisms should be spent equitably. In particular, funds collected in Southern California should be spent in Southern California.
- The Scoping Plan should account for the new demand for electricity in converting activities from carbon based sources and it should account for what is the need of generating capacity in that turn-over activities and location.
- Fully account for implementation of other on-going activities including criteria pollutant attainment.
The measures in the Scoping Plan may need to be adjusted in order to account for changes in fuels and engines already contemplated in air basin attainment plans and the State Implementation Plan. These efforts need to be internally consistent.

Again, we thank you for your willingness to work with us on these issues, and for the availability of your staff through these important deliberations. We are happy to provide any clarification or further information on these comments. Do not hesitate to contact SCAG’s staff at (213) 236-1944, if you have any questions or concerns.

Sincerely,



RICHARD T. DIXON
President
Councilmember, City of Lake Forest