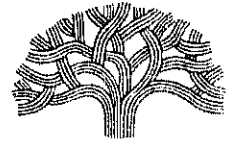


CITY OF OAKLAND



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July 31, 2008

Mary Nichols, Chairperson
California Air Resources Board
1001 I Street
PO Box 2815
Sacramento, CA 95812

RE: City of Oakland Comments on Climate Change Draft Scoping Plan (June 2008 Draft)

Dear Chair Nichols:

The City of Oakland commends the California Air Resources Board (ARB) on a job well done in developing the Climate Change Draft Scoping Plan. The State is demonstrating tremendous leadership on this important topic and we appreciate the efforts of all those at ARB and elsewhere who have led and participated in the development of the Plan to date. The City of Oakland looks forward to collaborating with your agency and others in our ongoing efforts to reduce greenhouse gas emissions and improve quality of life for the residents of Oakland and all Californians.

In general, we are pleased with the commitment and progress ARB has made in advancing this Plan and other processes to help all of us achieve the goals articulated in AB 32. The Plan as a whole seems to be generally on target at this stage. Below are several suggestions for further improving it. We look forward to future opportunities to provide additional comments and engage in dialogue around specific components as the process continues to unfold.

Specific Comments

Overview of Specific Comments

Presented below are comments on the following specific sections of the Plan:

1. Economic Analysis on Low-Income Communities Needed
2. Waste Reduction Measures Should be Recommended
3. Revenues Should be Invested via Local Governments
4. Indirect Source Rules for New Development are Needed
5. More Emphasis Needed on Land Use & Transportation Demand
6. Distinguish Between Local Government and Regional Land Use Targets
7. Clarify Role of and Empower Regional Planning Efforts
8. Encourage Mass Transit and Other Transportation Alternatives

9. Apply Aggressive Standards for Low Carbon Development
10. Encourage Distributed Renewable Energy Generation
11. Do Not Rely Exclusively on Cap and Trade
12. Reward Local Actions That Don't Qualify as Offsets
13. Promote Suite of Available Local Government Assistance
14. Acknowledge Leadership of Local Governments

1. Economic Analysis on Low-Income Communities Needed

The Plan references an economic analysis being conducted of potential impacts on low-income communities due for release in Summer 2008. The City of Oakland are very interested in this analysis and the potential impacts of the Plan on low-income residents of our community. In particular, we are interested in evaluations of the potential cost impacts that may be passed to residents/consumers through electricity and fuel surcharges, along with any programmatic fees that might be levied through other avenues. We have significant concerns that low-income residents may be disproportionately affected by these costs due to relatively low ability to pay, and urge that specific actions be taken to help offset these disproportionate effects.

2. Waste Reduction Measures Should be Recommended

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Given that the previous Climate Action Team review of "Strategies Underway in California that Reduce Greenhouse Gas Emissions" concluded with "high-confidence" that "zero waste/high recycling programs" are projected to be saving 7 million tons of CO₂E by 2010 and 10 million tons by 2020 (larger numbers than most of the Plan's recommended measures), and given the Plan's stated goal to "Increase waste diversion, composting, and commercial recycling, and move toward zero-waste", we are concerned that only landfill methane capture appears as a recommended measure in the Waste sector. Previous recommendations made by the Economic and Technology Advancement Advisory Committee (ETAAC) aimed at waste reduction and diversion should also be recommended, including:

- J. Develop Suite of Emission Reduction Protocols for Recycling
- K. Increase Commercial-Sector Recycling
- L. Remove Barriers to Composting
- M. Phase Out Diversion Credit for Greenwaste Alternative Daily Cover Credit
- N. Reduce Agricultural Emissions through Composting

Increasing waste diversion, composting, recycling and moving toward zero waste are important goals that will not only help to reduce landfill methane, but will also reduce GHG emissions in several sectors via reduced use of transportation fuels as well as electricity and other fuels associated with material extraction, processing, production and disposal. These approaches also create additional co-benefits throughout the state as less waste is created.

If landfill methane capture is the only waste-related measure ARB is comfortable with recommending at this time, an explanation should be offered regarding why the measures recommended by ETAAC noted above are not being recommended in the Plan at this time.

3. Revenues Should be Invested via Local Governments to Cost-Effectively Reduce Additional GHGs, Increase Resilience to Climate Change, and Green California's Economy

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We strongly support the suggestion that a portion of program revenues should be invested in the form of "funding or other incentives to local governments for well-designed land-use planning

and infrastructure projects [that] can do much to discourage long commutes and encourage walking, bicycling and use of transit.” Local governments, working independently and in collaboration with regional partners, have significant leverage in fostering vehicle trip reductions, a critical component to reducing transportation-related GHG emissions. Reducing vehicle miles traveled throughout the state will be critical not only to achieving the AB 32 goals but also the Governor’s stated goals of reducing GHG emissions by 80% by 2050.

In addition, a portion of revenues should be targeted toward making specific transit and other infrastructure improvements in low-income communities, and potentially toward augmenting traditional low-income weatherization and bill assistance-style programs to help offset the disproportionate effects of program-related costs on low-income communities.

A portion of revenues should also be invested in helping local governments to develop climate adaptation/resilience plans to help local communities best increase resilience to the ongoing, developing effects of climate change that are already happening.

Finally, a portion of funds should be invested in workforce training to prepare workers for green jobs. These funds should be concentrated in areas where a significant number of workers can be engaged.

4. Indirect Source Rules for New Development are Needed

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We strongly encourage ARB to impose regional indirect source rules for new residential and commercial development to help foster new development throughout the state with relatively low embodied emissions impacts. As we continue to grow as a state, we must create and commit to development patterns that minimize future GHG emissions by maximizing use of existing transit and services infrastructure.

5. More Emphasis Needed on Land Use & Transportation Demand

While recommended measures associated with improving vehicle fuel efficiency and reducing the carbon intensity of transportation fuels are admirable, more emphasis should be placed in the Plan on fostering reductions in vehicle miles traveled. The State should seek to actively work with local governments to foster low-carbon development, and incorporate additional mechanisms into the Plan to reward development concentrated around existing transit and service infrastructure. Targets associated with regional and local land use and transportation could be increased significantly if ARB is willing to invest sufficient resources in assisting local and regional agencies with accomplishing better planning and implementing the transportation and related infrastructure necessary to enable low-carbon development.

Additionally, waste reduction strategies (referenced in comment # 2 above) such as reducing and reusing materials, and repairing, refurbishing, and rehabilitating existing products and buildings to retain their form and function can reduce emissions from transportation of input feedstocks and finished goods.

6. Distinguish Between Local Government and Regional Land Use Targets

The Plan should more clearly distinguish between proposed emissions reduction targets associated with regional land use and transportation planning and those associated with action by individual local governments.

7. Clarify Role of and Empower Regional Planning Efforts

The Plan encourages more regional planning involving local governments to help reduce transportation emissions, and suggests that “ARB, along with other State agencies, will work with regional and local governments to develop targets to reduce greenhouse gas emissions on a regional basis.” The Plan should offer more detail on how these regional collaborative planning processes would be convened. The State should provide resources to enable all parties to engage substantively in these planning efforts. The State should also empower local governments with a suite of additional policy tools to foster low-carbon development in their communities, enabling regional partners to select the best tools for achieving their low-carbon goals.

8. Encourage Public Transit and Other Transportation Alternatives

The Plan should specifically target increasing implementation of transit-oriented development, public transit infrastructure, and use of federal transportation dollars for lowest carbon means of achieving given transportation goals. Significant investment in enabling public transit infrastructure will be needed to achieve our long term GHG emissions reduction goals.

9. Apply Aggressive Standards for Low Carbon Development

While emissions reduction targets might vary by region for total regional GHG emissions, aggressive statewide targets for emissions associated with new development should be adopted. The State should support urban infill development and relatively reward low-carbon development on a statewide basis through a mix of policy tools and incentives.

10. Encourage Distributed Renewable Energy Generation

The Plan recommends increasing the utility renewable portfolio standard but does not address renewable distributed generation (RDG), which is typically not part of the utility portfolio. The State should extend policies that encourage RDG, such as feed-in tariffs for California Solar Initiative-eligible projects, self-service wheeling and tariffs for sale of RDG in master metered buildings, and re-opening direct access contracting to producers of clean, renewable electricity. The State should also provide incentives to local governments to achieve better than 33% use of renewable energy in their communities through a variety of mechanisms (e.g., local installations, pooled purchasing).

11. Do Not Rely Exclusively on Cap and Trade

A system that relies exclusively on Cap and Trade could postpone investment in next generation technology. Coupling Cap and Trade with fees levied upon polluters to insist on minimum performance will allow more regulatory oversight and establish a floor price for carbon in the state. Results can be more comprehensive across technologies and challenges as regulators require progress on specific technologies to develop lower polluting alternatives on a specific time schedule. ARB should also consider imposing disincentives on ‘leakage’ (see Section 2B.1) to areas outside the WCI territory.

12. Reward Local Actions That Don’t Qualify as Offsets

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ARB should consider opportunities to encourage and reward local governments for proactive policy and programmatic actions that further reduce GHG emissions either locally or globally, but may not be eligible as saleable offsets under traditional offset crediting definitions. For example, local governments should be rewarded for land use plans and development projects that meet

stringent low-carbon criteria (e.g., a metric calculated based on proximity to transit and services), adopting local building energy codes requiring increased levels of energy efficiency, and implementing local waste collection and management programs that increase waste diversion beyond state targets, reducing landfill methane and upstream energy use.

13. Promote Suite of Available Local Government Assistance

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Local governments should be directed to the wide range of assistance available to help local governments foster reductions in GHG emissions. The phrase "such as those developed by the Institute for Local Government's California Climate Action Network" should be replaced with "such as those featured at <insert ARB web link>" where this ARB web link refers to a list of resources including but not limited to the Institute's information. Resources provided by ICLEI, the Local Government Commission, US EPA and others are equally valuable to local governments.

14. Acknowledge Leadership of Local Governments

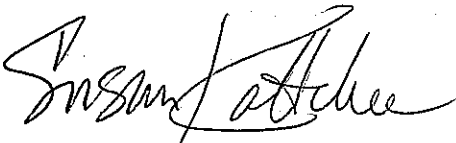
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A number of local governments in California (including the City of Oakland) made significant progress during the 1990's in assessing GHG emissions in their communities, developing emissions reduction plans and taking a variety of actions to reduce emissions. The leadership of these local governments should be acknowledged in the Plan.

Please feel free to contact Garrett Fitzgerald, the City of Oakland's Sustainability Coordinator, at gfitzgerald@oaklandnet.com or (510) 238-6179 if you would like to further discuss any of these comments.

We look forward to working with you and your staff to successfully implement AB 32.

Sincerely,



Susan Kattchee
Environmental Services Manager