

Planning and Development  
Office of the Director

August 1, 2008

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

Dear Ms. Nichols:

The Governor and the state agencies engaged in designing the Climate Change Draft Scoping Plan should be commended for their leadership and hard work in tackling the most pressing issue of our time: climate change. By requiring an aggressive reduction in greenhouse gas emissions and a plan for doing so, the State of California sets an important example for other states, our federal government, and the world.

Given the magnitude of the task of developing a statewide climate protection plan, and the relatively brief timeline within which to do it, the draft plan represents a significant first step. The plan rightfully points out that climate change is more than an environmental issue – it affects our economy, health, and quality of life. Likewise, the solutions we embrace must also be designed to not only reduce greenhouse gas emissions, but also to reduce energy costs, improve public health, protect natural resources such as forests and parks, and create job opportunities in the clean energy economy.

Nonetheless, the City of Berkeley identifies significant improvements necessary for the plan to successfully guide California jurisdictions to achieve the AB 32 targets and to set us on a path to achieve the long-term targets established by Executive Order S-3-05.

The effort to design a comprehensive emissions reduction plan provides an unprecedented opportunity for collaboration between state and local government. The current draft fails to capitalize on this opportunity. Outlined below are several recommendations for transforming the draft plan into an effective framework for change.

#### **Land Use and Local Government:**

As is recognized in the narrative of the draft plan, local governments are uniquely capable of affecting the main sources of emissions that cause global warming, primarily through land use planning, which is almost exclusively driven by local policies. Despite stating this fact, the

plan's recommendations do little to leverage local government leadership, choosing instead to focus on technological measures implemented in a centralized way at the state level.

The City of Berkeley is highly troubled by this strategy. These technological improvements are clearly important, but they are likely to be overwhelmed by rapid growth in vehicle miles traveled (VMT). As such, the City of Berkeley strongly recommends that the plan include specific VMT reduction goals associated with local and regional land use and transportation actions along with specific recommendations regarding the resources that must be made available to local and regional agencies in order to achieve those goals.

Local and regional associations of governments and the communities they serve are already demonstrating an ability to reduce VMT through land use policy, robust alternative transportation efforts and, ultimately, behavior change. The draft plan should build on such efforts by placing more emphasis on reducing transportation demand by enhancing alternative transportation infrastructure (i.e., public transit and bicycle and pedestrian networks) and by increasing transit and pedestrian-oriented development. Specific recommendations include:

**1. *Aim to achieve reductions that exceed the AB 32 goal***

Given the uncertainty associated with emissions reduction modeling, the draft plan should aim to achieve reductions that exceed the AB 32 goal. That way, if one or more measures are not as successful at achieving reductions as the models estimate, the state could still stay on track to achieve the AB 32 goals.

**2. *Separate targets for GHG reductions associated with regional land use and transportation planning and those associated with other local government actions***

Currently the draft plan combines local government action and regional targets into one recommendation. We recommend that CARB establish separate targets, one for local government action and one for the VMT reductions associated with regional/local land use and transportation planning. Further, the target associated with regional/local land use and transportation planning should be increased, as long as resources are identified that will enable local and regional agencies to achieve those targets.

**3. *Provide planning assistance and infrastructure funding for local and regional governments proposing viable land use/alternative transportation projects to reduce greenhouse gas emissions***

Planning and implementing land use and alternative transportation improvements require political will and funding. Many communities already committed to sustainable urban development have the political will, but very few if any have the necessary funding.

In order to achieve significant VMT reductions statewide, the state should **ensure** that local and regional governments willing to propose and implement necessary land use/alternative transportation strategies will have access to the resources and assistance necessary to implement those strategies.

**4. Set firm regional targets and proactively support regional governments to achieve those targets**

Regional action is necessary to direct transportation funding and development investments toward land use patterns that enable less reliance on private automobiles. Community character and land use patterns differ widely; thus no one-size-fits-all approach will work to reduce regional VMT. Some areas provide more opportunity to reduce VMT than other areas. For example, per capita VMT in a typical urban center is about 75 percent less than per capita VMT in a typical suburb.

In sum, the state should work directly with local governments and regional agencies to identify appropriate regional targets, to provide a suite of mechanisms to achieve those targets, and resources for implementation.

**5. Create strong incentives for local governments and regional agencies to undertake land use planning and alternative transportation enhancements that will reduce VMT**

Local governments and regional agencies currently adopting Climate Action Plans will be ready to embrace incentives to quickly implement adopted programs to reduce VMT. Revenue to support these incentives could come from auctioning emissions allowances or other fees on emissions sources. Consistent with this recommendation, we encourage CARB to consider working with local and regional agencies to establish a structure similar to the one recommended in a recent paper released by the UC Davis Institute of Transportation Studies entitled "City Carbon Budget: Aligning incentives for climate-friendly communities" ([http://pubs.its.ucdavis.edu/publication\\_detail.php?id=1178](http://pubs.its.ucdavis.edu/publication_detail.php?id=1178)).

**6. Assist local governments and regional agencies in measuring and tracking greenhouse gas emissions at the community level**

Local governments throughout the state need access to simple but effective analytic tools and robust protocols to efficiently evaluate the greenhouse gas reduction potential of various land use and transit plans. Once a community chooses and implements a particular approach, they need additional tools and protocols to measure and track the effectiveness of their program over time. Without such support, local governments and agencies will find it difficult to choose and evaluate the most effective programs for their community over time. And without significant local government action, we believe the AB 32 targets cannot be achieved.

**Economic Analysis/Environmental Justice:**

The draft plan references an economic analysis of potential impacts on low-income communities, due for release in Summer 2008. The City of Berkeley is very interested in this analysis and the potential impacts of the plan on low-income residents in our community. Of particular interest is the evaluation of potential increased costs that may be passed to residents/consumers through electricity and fuel surcharges, along with any programmatic fees that might be levied through other avenues. Low-income residents must not be disproportionately affected by these costs relative to their ability to pay.

In addition, the City of Berkeley suggests that economic analysis of various energy efficiency measures be conducted in a way that captures the added value of "packaging" energy efficiency measures (highly effective, more costly measures with less expensive measures). Balancing highly-effective but more costly measures with less expensive measures that can be installed in a single installation will result in a "blended" payback, thus improving the cost effectiveness of the total energy efficiency package, with fewer administrative fees or repeat clients.

### **Recycling and Waste:**

Local governments have achieved tremendous success at implementing waste diversion programs at the community level. The draft plan does little to leverage that proven ability and encourage such efforts. By focusing on landfill methane capture only, the draft fails to address the significant climate protection benefits of waste diversion practices such as recycling, reuse, and composting. Please consider the following recommendation:

- 7. Revise the target associated with recycling and waste to include the potential emissions reductions achieved through waste diversion programs***

### **Public Health Analyses:**

The City of Berkeley eagerly awaits the evaluation of potential public health benefits and impacts of the draft plan. The draft plan does well to begin to address the relationship between global warming, air pollution, and public health, but does not address other important areas in which efforts to reduce greenhouse gas emissions and improve public health dovetail. Thus the City of Berkeley makes the following recommendations:

- 8. Include in the public health analyses information regarding the impact of the plan on obesity, heart disease, and other health concerns that can be affected by land use policy***
- 9. Include in the public health analyses information regarding the public health impact of the aerosols associated with low carbon fuels***

### **Renewable Distributed 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. As a result, the City of Berkeley makes the following recommendation:

- 10. 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***

**Use of Possible Revenues Generated from Plan Implementation:**

Given the unique ability of local governments to address the main sources of greenhouse gas emissions, and given the need for an increased level of collaboration between state and local government to achieve the AB 32 goals, the City of Berkeley supports the following recommendations:

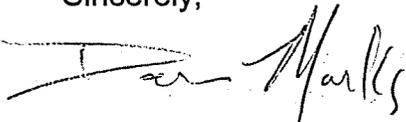
**11. Revenue generated from implementation of the scoping plan should be used to assist local and regional agencies (1) with the design, implementation, and evaluation of GHG reduction initiatives; and (2) to develop adaptive management strategies**

**12. The plan should also address enabling local governments to establish "mitigation fees" to pursue reductions. For example, local governments could levy fees on vehicles garaged within their communities if better data was available from the State regarding vehicle registrations.**

In general, the plan needs more detail regarding sources of funding for implementing the recommended measures.

Thank you again for your leadership and hard work on this critically important issue. The City of Berkeley looks forward to partnering with state, regional, and local agencies to turn this plan into action.

Sincerely,



Dan Marks  
Director

cc: Mayor and Council  
Phil Kamlarz, City Manager  
Deanna Despain, Acting City Clerk