



November 1, 2013

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Mary Nichols, Chairman
California Air Resources Board
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Re: AB 32 Scoping Plan Update

Dear Chairman Nichols,

On behalf of the California State Association of Counties (CSAC), we appreciate the opportunity to provide comments on the California Air Resources Board (CARB) Discussion Draft of the Global Warming Solutions Act of 2006 (AB 32) Scoping Plan Update (Scoping Plan Update). CSAC recognizes the importance of assessing our current climate strategies, and prioritizing goals that will help us meet our AB 32 targets while also evaluating how to align the State's longer-term greenhouse gas (GHG) reduction strategies, outlined in Executive Orders S-3-05 and B-16-2012, with other State policy priorities.

Counties recognize the dramatic impact that climate change will have on our society and the need for immediate action to reduce California's GHG emissions. We support efforts to develop a mid-term goal that will drive progress forward while allowing the State to continually assess GHG reduction strategies ensuring our reduction measures are technologically feasible and cost-effective, as required by AB 32.

Local Government Takes Action

Local governments are demonstrating leadership at the local level by addressing climate change and creating innovative programs that tackle GHG emissions reductions in their respective communities. Many have initiated efforts to reduce GHG emissions beyond those required by the State. As stated in the Scoping Plan Update, roughly 70 percent of California jurisdictions have either completed policies or programs to reduce GHG emissions or are in the process of adopting them. These communities are leading the way, developing creative programs for climate protection that best suit the unique characteristics of their communities.

We applaud the State for recognizing local governments as a critical partner in meeting the State's GHG goals noting that: "Local governments are essential partners in achieving California's goals to reduce greenhouse gas emissions. They have broad influence and, in some cases, exclusive authority over activities that contribute to significant direct and indirect greenhouse gas emissions through their planning and permitting processes, local ordinances, outreach and education efforts, and municipal operations."

Local leadership enables cities and counties to work together with a number of partners to initiate projects that target the biggest GHG reductions, promote energy efficiency and create jobs, all of which will spur local economies as well as the State's economy. In

addition, local entities are a natural focus of efforts to direct investment to disadvantaged communities, as required by Senate Bill 535 (Chapter 830, Statutes of 2012).

As the Institute for Local Government (ILG), the research and education affiliate of CSAC and the League of California Cities, has documented, counties have invested significant staff and financial resources to pioneer a wide variety of best practices to reduce GHG emissions across a broad range of local functions. Local agencies are implementing innovative approaches to address climate change through energy efficiency and conservation, water and wastewater systems, green building, waste reduction and recycling, climate-friendly purchasing, renewable energy and low-carbon fuels, efficient transportation, land use and community design, open space protection and offsetting carbon emissions. Counties are also actively participating in rigorous voluntary programs designed to achieve measureable reductions in GHG emissions and energy use, such as the Beacon program administered by ILG through the Statewide Energy Efficiency Collaborative, on behalf of the California Public Utilities Commission.

Cap-and-Trade Program

As encouraging as these projects/programs are, many local governments throughout the state lack adequate resources and personnel to plan and implement measures that reduce GHGs. Local governments receive limited funding from a variety of sources (American Recovery and Reinvestment Act (ARRA) grants, California Public Utilities Commission programs, etc.) which typically include restrictions on their use that, inadvertently, place constraints on the scope and/or capacity of planned actions to meet their fullest impact on emissions reductions.

We believe the State would be well served by the establishment of a local GHG Emission Reduction Program where Regional and Local Agencies working with Non-Profits can serve as a delivery tool for a range of investments. Prioritizing local governments, especially those that are behind the curve in addressing climate change, as a key solution to meeting our climate change goals should be a significant element of the Scoping Plan Update. Continuing to provide tools and resources to local governments to reduce GHG emissions unique to California's local jurisdictions is critical to meeting our 2050 goals.

As described further below, CSAC also strongly recommends that the Board include a program in the Scoping Plan Update that uses Cap-and-Trade auction revenues derived from fuels for investment in transportation infrastructure projects and programs that are coordinated with land use policies. Empirical research demonstrates that investment in transportation infrastructure that is integrated with land use decisions is the most cost-effective and efficient way to achieve long-term GHG emissions reductions from the transportation sector.

In addition to our comments on including Cap-and-Trade funding strategies in the Scoping Plan Update, CSAC has the following sector specific observations and recommendations:

Transportation, Land Use, Fuels and Infrastructure

The transportation sector remains the largest source of GHG emissions in California and will still account for 35 percent of emissions statewide in 2020. CSAC supports a continued multi-pronged approach that includes measures to reduce vehicle miles traveled, incentivizes and provides the opportunity for active transportation options, and

transit. CSAC supports the Scoping Plan Update's recommendation to support regional planning, local leadership, and implementation of adopted Sustainable Communities Strategies (SCSs) to help ensure that the expected GHG reductions are achieved. The Scoping Plan Update should go further and build upon the SB 375 framework to support and incentivize regional and local efforts to reduce emissions from the transportation sector outside California's 18 Metropolitan Planning Organizations (MPOs) (e.g., regional blueprints and regional transportation plans that reduce GHG emissions but that do not include an SCS). Moreover, an investment in local planning efforts will only improve the quality of regional planning documents, policies, and investments and ultimately the ability for California to collectively reduce GHG emissions.

As the Scoping Plan Update notes, California has an effective policy framework for addressing emissions from the transportation sector. Land use and development polices and decisions coupled with transportation investments take decades to fully realize but have long-lasting impacts on our climate future. The Scoping Plan Update should place a much stronger emphasis on funding the actual implementation of SCSs and other similar regional and local GHG emission reducing plans as revenues sources for implementation of SB 375 are actually declining (Proposition 1B, ARRA grants, federal budget cuts, and state gas tax). CARB has already committed to this effort when it adopted its "ambitious and achievable" targets for GHG emissions reductions from the transportation sector.

Another measure relied upon in the Scoping Plan Update to meet the transportation sector emissions reductions goals (as in the previous Scoping Plan) is the significant and widespread deployment of Zero Energy Vehicles (ZEVs). The Governor's Executive Order B-16-2012 set a goal of 1.5 million ZEVs by 2025. While this goal is critical in order to meet our climate goals, it exacerbates a long-standing and ill-addressed problem – insufficient funding for existing transportation infrastructure – infrastructure that ZEVs (including other modes such as transit, biking and walking) rely upon. Traditional funding for transportation is generated by a per gallon tax on gasoline and diesel. Even our work to reduce VMTs through integrated land use, housing, and transportation planning – another critical endeavor – intensifies the funding dilemma. With this in mind, CSAC supports the identification of new sustainable revenues to bring the transportation network, including state highways, local streets and roads, bicycle and pedestrian facilities, transit, and rail into a state of good repair. The Scoping Plan Update should support this type of effort, including the creation of a program to use Cap-and-Trade revenues derived from fuels for regional and local transportation projects and programs that are coordinated with land use policies to meet the transportation sector GHG emissions reductions goals.

Energy

CSAC recognizes that reducing energy consumption is an important way to reduce GHG emissions and supports green building programs that encourage the use of sustainable building practices, incorporating energy efficiency and conservation technologies into state and local facilities. CSAC supports the Scoping Plan Update's recommendation to develop education/outreach programs to enhance the effectiveness of energy efficiency and demand-response programs.

In addition, CSAC supports the Scoping Plan Update's recommendation to promote research and development of bioenergy generation projects. California disposes an estimated 37 million tons of waste in landfills each year, of which roughly 30 percent -

more than 10 million tons per year – are organic materials. CSAC strongly believes that new bioenergy development can help increase the diversion of organic materials from landfills and help the state achieve 75 percent diversion and climate goals. Biomass can be used to produce renewable energy, such as transportation fuels, while reducing the dependence on fossil energy sources. CSAC strongly supports the development of increased biomass generation through non-combustion conversion technologies that have several potential environmental benefits over landfilling and incineration.

Water

CSAC recognizes that climate change has the potential to seriously impact California's water supply. CSAC continues to assert that adequate management of water supply cannot be accomplished without effective administration of both surface and ground water resources within counties, including the effective management of forestlands and watershed basins. CSAC supports the Scoping Plan Update's recommendation to provide regional funding for local water management plans and water and energy efficiency projects, and climate change and mitigation activities.

Recycling/ Waste Management

CSAC supports the Scoping Plan Update's statement that California's waste management sector is an integrated system and that enhanced collaboration with State and local agencies is necessary as waste-related issues are diverse and interconnected. We are strongly encouraged by the Waste Management Sector Plan, the accompanying document developed by CARB and Cal Recycle staff, and the Scoping Plan Update's recommendations because they recognize that solid waste management is an integrated system that should be analyzed through life cycle approaches. CSAC strongly supports recommendations related to Permitting, Infrastructure, Offsets, Funding/Incentives, Extended Producer Responsibility, Markets/Quality of Products, and Public Education/Acceptance. We believe that these efforts are not only reasonable, but they are absolutely necessary to ensure that the waste management sector can develop and expand the solid waste and recycling infrastructure necessary to achieve the goals of the Scoping Plan Update, including any action that would remove organic wastes at landfills.

While the waste management sector has tremendous potential to help the State achieve multiple GHG emissions reduction goals, we strongly urge CARB to allow for the implementation of the State's 75% policy goal, established by AB 341 (Chapter 476, Statutes of 2011). To this end, we encourage CARB to allow for the full deployment of the following strategies before increasing new GHG reduction targets for this sector.

1. Full Implementation of Mandatory Commercial Recycling (MCR) Regulations to Achieve 69% Diversion. According to CalRecycle's own estimates, this measure could potentially increase statewide diversion to nearly 69%.
2. Facilitate the Development of Diversion Infrastructure for Food Waste to Achieve 75% Diversion, and allow for different implementation programs for urban and rural areas of California.
3. Expand Product Stewardship and Extended Producer Responsibility (EPR) Programs to Reduce Waste. The primary focus of these programs should be to focus on toxic and hard to handle materials in the waste stream.
4. Utilize lifecycle analysis to select sustainable conversion technologies and options that will achieve greater diversion. Such an LCA must be conducted objectively with the best information in the published literature, and consistent with national and international protocols.

5. Support continued operation of environmentally protective, well-designed landfills to manage residuals and post-MRF wastes, including diversion and responsible beneficial use programs at landfills.

In addition, CSAC is concerned about language in the Waste Management Sector Plan and the Scoping Plan Update that suggests bringing landfills into the cap-and-trade program. CARB has just implemented the most stringent landfill methane reduction measure in the world. This work has already achieved significant GHG reductions. One of the requirements of participating in cap-and-trade is accuracy in GHG measurements. The interdependent relationship of carbon flowing in this system coupled with difficulties in accurate direct measurements (e.g., measuring emissions from landfills) make including waste management facilities in the cap-and-trade program extremely difficult.

Finally, we strongly encourage CARB to expand and maximize waste management alternatives, such as conversion technology. Conversion Technologies (CTs) are non-combustion chemical, thermal and biological processes that have been used for over 25 years as a valuable tool for diverting waste from landfills by converting it into domestic, non-fossil fuel, and renewable energy (biofuel and electricity). CT's are designed to convert post-recycled residual waste and can recover materials, such as metals, that are otherwise not feasibly recovered. Hundreds of conversion technology facilities are currently operating around the world, reducing the financial, social and environmental costs of landfilling.

Together with source reduction, recycling, and composting, conversion technologies are a critical component of solid waste management that can help local jurisdictions divert materials from landfill disposal. In addition, as acknowledged in the Scoping Plan Update the waste sector has important impacts for other focus areas. In addition to its impacts on the waste sector, the use of conversion technologies can help the State meet its Low Carbon Fuel Standard, and its distributed and renewable energy goals.

For more detailed comments on this section, please refer to our comment letter submitted to CARB and Cal Recycle in conjunction with the Solid Waste Industry Group dated July 12, 2013.

Agriculture

CSAC strongly supports the Scoping Plan Update's recommended action of promoting funding for Williamson Act subventions to help preserve agricultural lands. However, we urge CARB to consider funding for all lands under Williamson Act contract and not solely those on the edge of the urban interface.

We strongly believe that the Williamson Act is the single most effective agricultural land preservation program in California, protecting roughly 16.5 million acres of farmland across the State. Over the last 48 years, the program has worked to preserve California's vital food-producing farm and grazing land as well as open space and wildlife habitat, and key watersheds. The Governor suspended subvention payments to local governments in the 2009 state budget and has not funded the program since that time. Many of the counties that participate in the program have been grappling with how to continue to fund the program absent state subvention, and the majority of counties are not accepting new applications.

The millions of acres of farm and ranch land currently under the Williamson Act are not just working landscapes. They are the landscapes that will help serve as the foundation for meeting California's growing water quality needs and climate change goals via carbon sequestration now and into the future. The Williamson Act represents a successful program that with a limited amount of funding can make a significant impact towards protecting our working lands and open space.

CSAC recognizes the tremendous effort required to update this comprehensive statewide plan to reduce GHG emissions, and we would like to commend CARB for its leadership on this important issue. Thank you for the continued opportunity to play an active role in this process. Should you have any questions or need additional information regarding our comments, please do not hesitate to contact Cara Martinson (916) 327-7500 ext. 504 or at cmartinson@counties.org, or Kiana Buss at (916) 327-7500 ext. 566, or kbuss@counties.org.

Sincerely,



Cara Martinson
Associate Legislative Representative
California State Association of Counties



Kiana Buss
Legislative Representative
California State Association of Counties

cc: Members of the California Air Resources Board