

MEETING
STATE OF CALIFORNIA
ENVIRONMENTAL PROTECTION AGENCY
AIR RESOURCES BOARD

CAL/EPA HEADQUARTERS BUILDING
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THURSDAY, MAY 22, 2014

9:05 A.M.

JAMES F. PETERS, CSR, RPR
CERTIFIED SHORTHAND REPORTER
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A P P E A R A N C E S

BOARD MEMBERS:

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Ms. Sandra Berg

Mr. Hector De La Torre

Mr. John Eisenhut

Mayor Judy Mitchell

Mrs. Barbara Riordan

Supervisor Phil Serna

Dr. Alex Sherriffs

Professor Daniel Sperling

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Mr. Richard Corey, Executive Officer

Dr. Alberto Ayala, Deputy Executive Officer

Ms. Edie Chang, Deputy Executive Officer

Ms. Lynn Terry, Deputy Executive Officer

Ms. La Ronda Bowen, Ombudsman

Ms. Ellen Peter, Chief Counsel

Ms. Christina Morkner-Brown, Staff Counsel

Mr. Steve Cliff, Assistant Chief, Stationary Source
Division

A P P E A R A N C E S C O N T I N U E D

STAFF:

Mr. Nesamani Kalandiyur, Manager, Transportation Analysis Section, Air Quality Planning and Science Division

Ms. Kurt Karperos, Chief, Air Quality Planning and Science Division

Ms. Karen Magliano, Assistant Chief, Air Quality Planning and Science Division

Ms. Cynthia Marvin, Chief, Stationary Source Division

Mr. David Mehl, Manager, Energy Section, Stationary Source Division

Ms. Terry Roberts, Manager, Sustainable Communities Policy and Planning Section, Air Quality Planning and Science Division

Ms. Marcelle Surovik, Air Pollution Specialist, Energy Section, Stationary Source Division

Mr. Jon Taylor, Chief, Transportation Planning Branch, Air Quality Planning and Science Division

Mr. Michael Tollstrup, Chief, Project Assessment Branch, Stationary Source Division

ALSO PRESENT:

Mr. Lee Adams, Sierra County Supervisor

Mr. Azibuike Akaba, Regional Asthma Management and Prevention

Ms. Martha Argüello, Physicians for Social Responsibility

Mr. Will Barrett, American Lung Association of California

Ms. Danielle Blacet, Association of California Water Agencies

Ms. Martha Ann Blackman

A P P E A R A N C E S C O N T I N U E D

ALSO PRESENT:

Mr. Tony Boren, Fresno County Council of Governments

Mr. Craig Breon, Sierra Club - Keru - Kaweah

Mr. Jack Broadbent, Bay Area Air Quality Management District

Ms. Julia Bussey, Chevron Corporation

Mr. Frank Caponi, Los Angeles County Sanitation Districts

Mr. Cesar Campos, Central California Environmental Justice Network

Ms. Ann Chan, Natural Resources Agency

Mr. Ralph Chandler, California Refuse and Recycling Council

Ms. Pat Chen, South Coast Water District

Mr. Andy Chesley, San Joaquin Council of Governments

Mr. Ron Davis, Cal Desal

Ms. Sarah Deslauriers, California Wastewater Climate Change Group

Mr. Evan Edgar, California Compost Coalition

Ms. Kelley Gage, San Diego County Water Authority

Ms. Bonnie Holmes-Gen, American Lung Association

Mr. Ahron Hakimi, Kern County Council of Governments

Ms. Claire Halbrog, Pacific, Gas & Electric

Mr. Jamie Hall, CalStart

Mr. Bob Harding, Metropolitan Water District of Southern California

Mr. Frank Harris, Southern California Edison

A P P E A R A N C E S C O N T I N U E D

ALSO PRESENT:

Mr. Brad Heavner, California Solar Energy Industry Association

Mr. Chuck Helget, Republic Services

Mr. Curt Johansen, Council of Infill Builders

Ms. Carey Knecht, Climate Plan

Mr. Nick Lapis, Californians Against Waste

Ms. Barbara Lee, California Air Pollution Control Officers Association

Mr. Rey León, San Joaquin Valley Latino Environmental Advancement Project

Mr. Howard Levenson, CalRecycle

Mr. Bill Magavern, Coalition for Clean Air

Mr. Paul Mason, Pacific Forest Trust

Ms. Jerilyn Lopez-Mendoza, Southern California Gas

Ms. Jeanne Merrill, California Climate and Agriculture Network

Ms. Katherine Mitchell, Bioenergy Association of California

Ms. Amy Mmgu, California Chamber of Commerce

Ms. Erica Morehouse, Environmental Defense Fund

Mr. Ed Murray, Aztec Solar, Inc.

Mr. Brian Nowicki, Center for Biological Diversity

Ms. Rachel O'Brien, Consumer's Union

Mr. Daniel O'Connell, American Farmland Trust

Mr. Rob Oglesby, California Energy Commission

A P P E A R A N C E S C O N T I N U E D

ALSO PRESENT:

Ms. Michelle Passero, Nature Conservancy

Ms. Mary Pitto, Rural Cities

Ms. Betty Plowman

Ms. Nancy Rader, California Wind Energy Association

Mr. Eddy Reyes

Ms. Katelyn Roedner, Diocese of Stockton

Ms. Dorothy Rothrock, California Manufacturers and
Technology Association

Mr. Hank Ryan, Small Business California

Ms. Phoebe Seaton, Leadership Council

Mr. David Schonbrun, Transdef.org

Ms. Sandy Schubert, Department of Food and Agriculture

Mr. Mik Skvarla, California Council for Environmental and
Economic Balance

Ms. Lora Smith, RN, California Nurses Association

Mr. Miguel Solorio, Comite ALMA

Ms. Mari Rose Taruc, Asian Pacific Environmental Network

Ms. Tara Thronson, Valley Vision

Ms. Candida Vanegas

Dr. Barry Wallerstein, South Coast Air Quality Management
District

Mr. Michael Wang, Western States Petroleum Association

Mr. Chuck White, Waste Management

A P P E A R A N C E S C O N T I N U E D

ALSO PRESENT:

Mr. V. John White, Center for Energy Efficiency and
Renewable Technologies

Ms. Kate White, California State Transportation Agency

Ms. Ella Wise, Natural Resources Defense Council

Mr. Carlos Yamzon, Stanislaus County Council of
Governments

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1 P R O C E E D I N G S

2 CHAIRPERSON NICHOLS: Good morning. Good
3 morning, ladies and gentlemen. People, if you'll -- this
4 is not working. Well, he said it was.

5 Is it on now?

6 Okay. Can you hear me?

7 If you can, wave your hand. It doesn't sound
8 like it's on.

9 There we go. Okay. Good morning, everybody.
10 The May 22nd, 2014 public meeting of the Air Resources
11 Board will come to order. We will start by rising and
12 saying the Pledge of Allegiance to the flag.

13 (Thereupon the Pledge of Allegiance was
14 recited in unison.)

15 CHAIRPERSON NICHOLS: Madam Clerk, would you
16 please call the roll.

17 BOARD CLERK JENSEN: Dr. Balmes?

18 BOARD MEMBER BALMES: Here

19 BOARD CLERK JENSEN: Ms. Berg?

20 BOARD MEMBER BERG: Here.

21 BOARD CLERK JENSEN: Mr. De La Torre?
22 Mr. Eisenhut?

23 BOARD MEMBER EISENHUT: Here.

24 BOARD CLERK JENSEN: Supervisor Gioia?
25 Mayor Mitchell?

1 BOARD MEMBER MITCHELL: Here.

2 BOARD CLERK JENSEN: Mrs. Riordan?

3 BOARD MEMBER RIORDAN: Here.

4 BOARD CLERK JENSEN: Supervisor Roberts?

5 Supervisor Serna?

6 BOARD MEMBER SERNA: Here.

7 BOARD CLERK JENSEN: Dr. Sherriffs?

8 BOARD MEMBER SHERRIFFS: Here.

9 BOARD CLERK JENSEN: Professor Sperling?

10 Chairman Nichols?

11 CHAIRPERSON NICHOLS: Here.

12 BOARD CLERK JENSEN: Madam Chairman, we have a
13 quorum.

14 CHAIRPERSON NICHOLS: Great. And I know that two
15 of our Board members are on their way, Mr. De La Torre,
16 and Professor Sperling, so they will be joining us soon.

17 Okay. A couple of announcements before we get
18 started. First of all, for anybody who isn't familiar
19 with our procedures, if you want to testify, we need you
20 to fill out a request-to-speak card. They're available in
21 the lobby outside this room. And we appreciate it if you
22 turn it into the Clerk. Shortly after we start an item,
23 we would like all the cards to be collected. It's not
24 helpful when people start -- you know, wait and then
25 decide to testify at the end. Sometimes it's necessary,

1 but normally it just creates chaos. So I may announce at
2 some point that we're just kind of cutting off the list if
3 we get to be -- if we get too many people.

4 Speakers need to be aware that we do impose a
5 three-minute time limit. We appreciate it if you state
6 your name when you come up to the podium, and then put
7 your testimony in your own words, rather than just reading
8 it, because we can listen better that way, and we will
9 read whatever is submitted to us in writing. We get all
10 the written testimony.

11 I'm required to point out the exits at the rear
12 of the room and to the two sides here of the platform, the
13 dais. If there is an alarm that sounds, we need to vacate
14 the room immediately and go down the stairs, not the
15 elevator, until we get the all-clear signal to come back.
16 We do have fire drills from time to time, so appreciate
17 your cooperation with that.

18 Okay. The first item on our agenda this morning
19 is a consent calendar. And, Mr. Corey, would you present
20 that?

21 Actually, you don't have to present it. I just
22 have to ask the Board Clerk if any witnesses have signed
23 up to testify. No wonder you looked confused.

24 EXECUTIVE OFFICER COREY: I was prepared to
25 anyway.

1 (Laughter.)

2 CHAIRPERSON NICHOLS: You could present it, I'm
3 sure, but no, we don't need to. So I just have to ask the
4 Clerk if any witnesses have signed up to testify.

5 BOARD CLERK JENSEN: (Shakes head.)

6 CHAIRPERSON NICHOLS: No. Okay.

7 Do any Board members want to take this item off
8 the consent calendar?

9 Seeing none. Then I will close the record on
10 this agenda item. This is six research proposals, by the
11 way, for the Board's consideration. We did receive the
12 proposals in advance, and it's actually quite an
13 impressive list, but we just decided not to take the time
14 to go through them here at the meeting.

15 So if you've had an opportunity to review the
16 proposals, may I have a motion and a second to adopt
17 Resolution numbers 14-8 through 14-13?

18 BOARD MEMBER BALMES: So moved.

19 BOARD MEMBER SHERRIFFS: Second.

20 CHAIRPERSON NICHOLS: Okay. We have a motion and
21 a second. And I think we can just do this by a voice vote
22 then. All members who wish to vote for these proposals,
23 please say aye.

24 (Ayes.)

25 CHAIRPERSON NICHOLS: Opposed?

1 Abstentions?

2 (Unanimous vote.)

3 CHAIRPERSON NICHOLS: Okay. Great.

4 We now move to another consent item, which is the
5 Regional Haze Mid-Course Review. Did we have any
6 witnesses sign up For this one?

7 BOARD CLERK JENSEN: (Shakes head.)

8 CHAIRPERSON NICHOLS: Also, no.

9 Okay. Then I can close this item unless anybody
10 wants to hear it.

11 BOARD MEMBER RIORDAN: Madam Chairman, I would
12 then move staff recommendation on this particular item.

13 CHAIRPERSON NICHOLS: Okay, number 14-15.

14 And do we have a second?

15 BOARD MEMBER SERNA: Second.

16 CHAIRPERSON NICHOLS: We have a second.

17 All in favor, please say aye?

18 (Ayes.)

19 CHAIRPERSON NICHOLS: Any opposed?

20 Any abstentions?

21 (Unanimous vote.)

22 CHAIRPERSON NICHOLS: This is great actually. We
23 are making progress on this.

24 (Laughter.)

25 CHAIRPERSON NICHOLS: Why don't we just do this

1 all the time.

2 (Laughter.)

3 CHAIRPERSON NICHOLS: If anybody wants to know,
4 the Regional Haze Program is an excellent program that
5 tries to get States to work on natural visibility
6 conditions. And it's not necessarily the thing that we
7 talk about the most, but it actually is of great value.
8 So thank you.

9 All right. Now, we move to the Climate Change
10 Scoping Plan, why is I'm sure most people are here. This
11 is the first update to our initial scoping plan that was
12 developed in 2008. AB 32 requires that the scoping plan
13 be updated every five years.

14 A draft of this update was presented to the Board
15 for discussion last October, and a revised update was
16 presented for discussion in February. So I think the
17 Board is quite familiar with the basic outlines of this
18 document.

19 Today, the staff will present the final version
20 of the update for Board approval. This maybe a good
21 moment to pause for a minute and reflect that on the first
22 scoping plan, and some of us were here when we adopted
23 that, it was the first time anything like that had ever
24 been done actually, a complete climate change plan, one
25 that included a mix of measures, both strong source

1 regulations as well as a market component.

2 And the goal this time around was to really move
3 the marker further forward, not just to put a plan
4 together, but I think to show how we can stretch beyond
5 the 2020 point to look at the long range and deeper kinds
6 of transformations that we're going to need to stabilize
7 comment and also to really incorporate all the various
8 sectors of our State and of our economy that need to be
9 involved in this effort.

10 This is obviously a plan that's about a lot more
11 than just emissions limitations on a relatively small
12 number of large sources of industry, or even of the energy
13 sector and cars. It affects a much broader cross section
14 of our State. And it was developed with a tremendous
15 amount of input, indeed in some ways, much more intensive
16 input, particularly from our sister agencies, than we had
17 in 2008 as well. This is no longer just an Air Resources
18 Board product. It really represents a great deal of work
19 on the part of many agencies, and I know a number of them
20 are here today, so I won't try to speak for them, but I
21 just want to indicate my appreciation for all of the hard
22 work and thought that went into their input here.

23 So with that, I will turn it over now to our
24 Executive Officer, Richard Corey, who looks like he's
25 actually made it back from Japan.

1 EXECUTIVE OFFICER COREY: I have. Thank you,
2 Chairman Nichols.

3 With the development of the initial scoping plan,
4 California became the first State in the nation with a
5 comprehensive set of greenhouse gas emission reduction
6 strategies involving every sector of the economy. And the
7 scoping plan stimulated a long list of successful State
8 and local initiatives including several ARB measures,
9 advanced clean cars, and the Cap-and-Trade Program.

10 The first update to the scoping plan identifies
11 the next steps for California's leadership on climate
12 change. It builds upon the successful framework
13 established by the initial scoping plan by outlining
14 priorities and recommendations for the State to achieve
15 its long-term climate objectives.

16 The unified approach in the plan is designed to
17 ensure the State is able to meet its long-term climate
18 objectives in the most cost effective ways, while
19 simultaneously supporting a range of economic,
20 environmental, and public health priorities.

21 Staff released a draft -- or rather a discussion
22 draft, of the update for public comment in October 2013
23 that was discussed at the October 24 Board meeting. Staff
24 revised the update based on stakeholder input, released a
25 revised proposed update for public comment on February

1 10th, 2014, and presented it to the Board for discussion
2 later that month.

3 After considering public input and direction
4 received from the Board, ARB staff released a final
5 version of the first update earlier this month. Today's
6 staff presentation will highlight changes made to the
7 February draft, as well as outline steps the State must
8 take to put us on the plan for action going forward.

9 As part of the public process, staff also
10 prepared an environmental analysis for the update in
11 accordance with ARB's certified regulatory program to
12 comply with the California Environmental Quality Act.

13 The Environmental Analysis was released in March
14 2014 for a 45-day public comment period. Staff then
15 prepared written responses to comments received on that
16 analysis and posted the response document earlier this
17 month. The Board will consider the written response
18 document for approval as part of the action today.

19 I'll now ask Marcelle Surovik of the Stationary
20 Source Division to begin the staff presentation.

21 Marcelle.

22 (Thereupon an overhead presentation was
23 presented as follows.)

24 AIR POLLUTION SPECIALIST SUROVIK: Thank you, Mr.
25 Corey.

1 Good morning Madam Chairman and members of the
2 board. I will be discussing the first update to the
3 climate change scoping plan that is before you today for
4 approval.

5 --o0o--

6 AIR POLLUTION SPECIALIST SUROVIK: The initial
7 scoping plan outlined the State's strategy to meet 2020
8 greenhouse gas emissions limit, and set a path to reduce
9 emissions to meet California's long-term climate goals.
10 The initial scoping plan was built on the principle that a
11 balanced mix of strategies is the best way to cut
12 emissions and grow the economy in a clean and sustainable
13 way.

14 --o0o--

15 AIR POLLUTION SPECIALIST SUROVIK: The scoping
16 plan must be updated at least every five years per AB 32.
17 The first update builds upon the successful framework of
18 the initial scoping plan by outlining priorities and
19 recommendations for the State to achieve its longer term
20 climate objectives. The update details progress toward
21 meeting the 2020 limit. The State has steadily
22 implemented a set of actions that are driving down
23 greenhouse gas emissions, cleaning the air, diversifying
24 the energy and fuels that power our society, and spurring
25 innovation in a arrange of advanced technologies. These

1 efforts have put California on course to achieve the
2 near-term 2020 emissions limit.

3 The update includes recommendations for new
4 actions in California's major economic sectors that will
5 move the State farther along the path to a low-carbon,
6 sustainable future. Some of the actions are near term,
7 while others are focused on longer term efforts that will
8 provide major benefits well into the future.

9 The update identifies the need to build on
10 California's framework for climate action by establishing
11 a mid-term statewide GHG emission reduction target. A
12 mid-term target informed by climate science will be
13 critical in helping to frame the additional suite of
14 policy measures, regulations, planning efforts, and
15 investments in clean technologies that are needed to
16 continue driving down emissions.

17 --o0o--

18 AIR POLLUTION SPECIALIST SUROVIK: ARB released a
19 discussion draft of the update for public comment on
20 October 1, 2013 and presented the draft to the Board later
21 that month. Staff released a draft proposed update on
22 February 10th, 2014, and presented it to the Board for
23 discussion at its February 20th meeting. At that meeting,
24 the Board directed staff to make specific changes to the
25 draft report.

1 After considering public comments received and
2 Board direction, ARB staff released the final update on
3 May 15th. The update reflects the input and expertise of
4 a range of State and local government agencies, public
5 input, and recommendations from business, environmental,
6 environmental justice, and community-based organizations,
7 input from our economic and science advisors, and
8 recommendations from the Environmental Justice Advisory
9 Committee.

10 The next few slides will highlight changes made
11 to the February draft, as well as outline steps the State
12 must take to put the plan into action.

13 --o0o--

14 AIR POLLUTION SPECIALIST SUROVIK: There are
15 several key differences between the February proposed
16 update and the final update before you today. For
17 example, the update now includes a multi-phase approach to
18 assessing the effects, both benefits and potential
19 impacts, of AB 32 programs on disadvantaged communities.

20 ARB will undertake this assessment in
21 coordination with the Cal/EPA, the Office of Environmental
22 Health Hazard Assessment, and other agencies. In the
23 first phase, which begins this year, ARB will identify
24 sources of existing data and evaluate changes in emissions
25 of criteria and toxics air pollutants at individual

1 facilities in order to understand localized impacts.

2 Future phases would expand the scope to include
3 mobile sources and emission reduction and economic data
4 from projects funded through the investment of cap and
5 trade auction proceeds to benefit disadvantaged
6 communities.

7 Staff intends to hold public forums on these
8 efforts later this summer, and update the Board on the
9 efforts by the end of the year.

10 The final update now provides more details on the
11 SB 535 implementation process, including ARB's development
12 of guidance for administering agencies on what qualifies
13 as a benefit to disadvantaged community and how those
14 benefits can be quantified, tracked, and reported.

15 The update now reflects ARB's recently released
16 2012 statewide GHG emission inventory, and UC Berkeley's
17 research results on the development of a new methodology
18 for assessing carbon stock changes for California's
19 forests and natural lands.

20 And finally, the climate science discussion
21 reflects more recent findings linking California's drought
22 to climate change.

23 --o0o--

24 AIR POLLUTION SPECIALIST SUROVIK: ARB prepared
25 an environmental analysis of the update which was released

1 for a 45-day public comment period on March 14th. ARB
2 received and responded to seven comment letters on the
3 draft analysis. The final environmental analysis and
4 staff's written responses to comments received were
5 released on May 15th.

6 --o0o--

7 AIR POLLUTION SPECIALIST SUROVIK: Today staff is
8 recommending that the Board approve the written responses
9 to comments received on the environmental analysis, and
10 the environmental findings on the update, and the first
11 update to the Climate Change Scoping Plan.

12 --o0o--

13 AIR POLLUTION SPECIALIST SUROVIK: If the Board
14 approves the update today, the next steps will be putting
15 the plan into action. The plan identifies measures that
16 ARB and other agencies intend to evaluate in the near
17 future. These include: a measure to control fugitive
18 methane and carbon dioxide emissions from oil and gas
19 production, processing, and storage tanks, which is
20 expected to go before the Board later this year; measures
21 to reduce fugitive emissions for natural gas transmission
22 and distribution pipelines and associated facilities; and
23 emissions for new or upgraded efficient CHP systems.

24 In addition, ARB will develop an economic
25 analysis workplan by the end of 2014 for estimating the

1 overall costs and benefits of the suite of AB 32 measures
2 on the California economy, and identifying the
3 distribution of impacts on industry, small businesses,
4 households, environmental justice communities, and the
5 public sector. ARB will also develop a short lived
6 climate pollutant strategy by the end of 2015 that will
7 include an inventory of sources and emissions and
8 additional control measures.

9 The State will begin convening the interagency
10 workgroups called for in the sector recommendations.
11 These include an energy GHG emission reduction workgroup,
12 a forest climate workgroup, an agriculture workgroup,
13 land-use planning workgroups for both agriculture and
14 natural and working lands and a natural and working lands
15 climate investment workgroup.

16 And ARB, in coordination with other agencies,
17 will continue consulting with experts in the field of
18 economics, climate science, and environmental justice, as
19 we move forward implementing the recommendations in the
20 plan, and continue to evaluate the economics -- economic
21 and health impacts and benefits from AB 32 implementation.

22 --o0o--

23 AIR POLLUTION SPECIALIST SUROVIK: This concludes
24 my portion of the presentation. We will now hear from our
25 State agency partners, who contributed greatly and

1 provided expertise during the development of the update,
2 particularly to the sector recommendations.

3 These include: Ann Chan, Deputy Secretary for
4 Climate Change and Energy at the Natural Resources Agency,
5 representing the natural and working lands sector; Sandy
6 Schubert, Undersecretary of the Department of Food of Food
7 and Agriculture, representing the agriculture sector; Kate
8 White, Deputy Secretary, Environmental Policy and Housing
9 Coordination, at the California State Transportation
10 Agency, representing the transportation sector; Howard
11 Levenson, Deputy Director of the Materials Management and
12 Local Assistance Division at CalRecycle, representing the
13 waste sector; and, Rob Oglesby, Executive Director of the
14 Energy Commission, representing the energy and water
15 sectors.

16 In addition, we will hear from the members of the
17 Environmental Justice Advisory Committee, which provided
18 valuable input and recommendations in consideration of
19 disadvantaged communities. These include: Martha
20 Argüello, from the Physicians for Social Responsibility,
21 and Mari Rose Taruc from the Asian Pacific Environmental
22 Network.

23 Finally, we'll hear from our sister air pollution
24 control agencies. Barbara Lee, from the California Air
25 Pollution Control Officers Association; Jack Broadbent

1 from the Bay Area Air Quality Management District, and
2 Barry Wallerstein from the South Coast Air Quality
3 Management District.

4 We will begin with Ms. Chan.

5 MS. CHAN: Good morning.

6 CHAIRPERSON NICHOLS: Good Morning.

7 MS. CHAN: I'm Ann Chan. I'm the Deputy
8 Secretary for Climate Change and Energy at the California
9 Natural Resources Agency, and I'd like to commend the
10 substantial amount of work that has gone into developing
11 the scoping plan update.

12 The Resources Agency has appreciated the
13 opportunity to work closely with ARB in the development of
14 the plan and looks forward to continuing to work with ARB
15 on the implementation of the plan.

16 Resources Agency led a working group that
17 provided technical advice on the natural and working lands
18 section of the scoping plan update. And that working
19 group included Cal Fire, the Department of Fish and
20 Wildlife, the Department of Conservation, State Parks,
21 OPC, DWR, and CDFG.

22 Among other things, the working group helped to
23 draft the scoping plan's natural and working lands working
24 paper that's in Appendix C of the Scoping Plan Update.
25 And in addition, Resources Agency participated in review

1 and development of both the water and energy chapters of
2 the scoping plan update, along with DWR and the Energy
3 Commission.

4 I know my colleague, Rob Oglesby, is here to
5 speak with you about those chapters in a little while, so
6 I'll confine my comments here to the natural and working
7 lands section.

8 The California natural and working lands land
9 base plays a very unique and significant role in
10 regulating climate change. Wild fire and conversion of
11 those lands to other uses can generate carbon emissions,
12 but these lands are also unique in the context of the
13 State's climate emissions goals, in that they are the only
14 sector capable of taking carbon out of the atmosphere and
15 storing or sequestering emissions.

16 As the impacts of climate change are
17 accelerating, natural and working lands must be more
18 prominently factored into the State's climate policies,
19 not only to successfully achieve our GHG goals, but also
20 to meet public health and safety goals, such as food
21 security and emergency management goals, as well as other
22 policy goals, such as adequate water quality and supply.

23 The Scoping Plan Update is a significant step in
24 the right direction, with its recommendations for a forest
25 carbon plan, continued work on forest biomass issues,

1 convening a natural and working lands investment group,
2 and engagement with local and regional partners on urban
3 forestry, development of green infrastructure,
4 conservation of natural working lands, including
5 agricultural crop lands.

6 And once again, the Resources Agency looks
7 forward to continuing to work with ARB on the
8 implementation of the scoping plan update.

9 Thank you.

10 CHAIRPERSON NICHOLS: Thank you. This is just
11 the beginning. I really appreciated all of your support.
12 Okay. It looks like you guys have all organized
13 yourselves, so I don't have to call on anybody.

14 Good morning.

15 MS. SCHUBERT: Hello, thank you so much. I am
16 Sandra Schubert with the California Department of Food and
17 Ag, and we appreciate the opportunity to be here and
18 provide comments. And I just want to second Deputy
19 Secretary Chan's comments on the collaboration and
20 interagency participation with the Air Resources Board.
21 It's greatly appreciated. Working together with our
22 different expertise, we only enhance our ability to
23 address these complex issues.

24 So agriculture, no surprise, is very directly
25 affected by weather and climate. It's outside. It's

1 grown in soil, and it -- the current drought does nothing
2 but emphasis how climate change patterns can affect
3 agriculture. And the planning and adapting for these
4 types of changes can only help increase resilience of our
5 agriculture in California, and that's important for so
6 many different reasons.

7 It's a strong economic sector. Farm to gate,
8 it's 800,000 jobs in California, but it's also significant
9 for imports and exports, and it's also important for food
10 security as we look to feed a burgeoning population that
11 may be nine billion people. So estimates are that we have
12 to produce enough -- as much food in the next 50 years as
13 we have in the next 10,000 years combined.

14 And California, with its unique Mediterranean
15 environment, can be part of helping that, and can also
16 help lead the way in showing how agriculture can help not
17 just sequester emissions, but address the challenges that
18 we see.

19 So the estimates are eight percent of greenhouse
20 gas emissions come from agriculture. Methane is one of
21 those areas. And there are recommendations to try to look
22 at this in the short-term, including looking at if there's
23 a need for standards. I want to commend the current
24 offset protocol in the State and Federal Dairy Digester
25 Group, which has taken a lead in trying to address these

1 issues in the short term. And the report recommends
2 continuing those efforts, and we completely support those
3 efforts, in seeing how we can go forward.

4 It also recommends the workgroup for looking at
5 targeting and tools for decreasing ag's energy usage and
6 increasing -- when it comes to water and increasing water
7 use efficiency. We've started taking some of those steps
8 through some funds that have come through the
9 Cap-and-Trade Program, ten million, in trying to do some
10 assistance currently on those issues to address drought
11 issues.

12 There are several other things that are in there
13 concerning working with the Bioenergy Energy Interagency
14 Working Group to look at how we can promote biofuels, and
15 they're a greenhouse gas reduction potential; how we can
16 look at zero and low emission fuels; and, how agriculture
17 can contribute to that. And it has been -- so there are
18 many different things in here that CDFA wants to commend
19 the Air Resources Board for looking into, and we look
20 forward to working on in the future.

21 We feel that there's a lot of progress that can
22 be made, and we've already started making progress and
23 some of the steps that have been taken through multiple
24 interagency processes, even before these recommendations
25 have come out. So thanks again for the collaboration, and

1 we look forward to the steps going forward.

2 CHAIRPERSON NICHOLS: Thank you, Ms. Schubert.

3 May I ask a question just before you sit down,
4 because there's such a significant overlap or relationship
5 between agriculture and water, and water is treated as a
6 separate sector in scoping plan.

7 Do you see that as another avenue, either for a
8 separate working group or a combined working group? And
9 have you given any thought to how we might most
10 efficiently pursue our joint objectives here?

11 MS. SCHUBERT: So, you know, there has been an
12 attempt to do as much cross-sector collaboration as we can
13 in trying to crosswalk through the different sectors. I
14 think it's always worth -- I know we're having
15 agricultural and State Water Resources Control Board and
16 DWR conversations about agriculture and water and water
17 use. And I think it could only be added and helpful, if
18 we had the added aspect of the things that are of concern
19 to the Air Resources Board in the Energy area also,
20 because those agencies, including DWR, are also trying to
21 reduce emissions and get energy efficiency through some of
22 their water use efforts.

23 So our WEEP program that I mentioned -- notice
24 WEEP, Water Energy and Enhancement Program. We
25 collaborated with -- we worked with DWR to make sure what

1 we were doing in that in trying to promote the greenhouse
2 reduction efforts complemented their current efforts. So
3 I would welcome any further efforts to collaborate. I
4 leave it to you guys to determine whether it needs to be a
5 separate working group or maybe we need to enhance
6 conversations between the agriculture and the water
7 working group.

8 We do participate and we also participate with
9 the Natural Resources and Working Lands Working Group.

10 CHAIRPERSON NICHOLS: Thank you. Thanks very
11 much.

12 MS. WHITE: Good morning, Chairman Nichols, Board
13 members, staff. I'm Kate White, and I'm Deputy Secretary
14 for Environmental Policy and Housing Coordination at the
15 State Transportation Agency. Thank you very much for the
16 invitation to speak today. And we are very pleased with
17 the scoping plan before you and staff's diligent work to
18 coordinate with us incorporating a whole series of
19 strategies necessary to lead our State into a more
20 sustainable future. So thank you.

21 We applaud ARB's leadership on clean fuels and
22 vehicles for moving both people and goods and look forward
23 to working with you on the sustainable freight initiative.
24 In addition, I wanted to highlight three additional key
25 strategies that we appreciate are integrated into the

1 scoping plan.

2 First, we're very pleased to see our rail
3 modernization program as a cornerstone of electrifying
4 transportation in California. As noted in the scoping
5 plan, the high-speed rail program will result in both
6 short-term emission reductions and play a transformative
7 role in the longer term reductions in California, as we
8 add 15 million more people by 2050.

9 So in the short-term, High-Speed Rail Authority
10 is investing now in a series of local transit systems,
11 including electrifying the Caltrain corridor in the Bay
12 Area by 2019. The first construction contract to begin
13 the high-speed rail system was awarded last year for the
14 work in the Central Valley. And we will complete our
15 station area planning by 2017, and the initial operating
16 segment then by 2022. And by 2029, high-speed rail will
17 run from San Francisco to Los Angeles as an attractive
18 alternative to air travel.

19 And what we've been looking at is what are the
20 mode shift's impacts. There's not a lot of research on
21 this, and we hope to have some new research for you soon,
22 because, you know, high-speed rail doesn't exist in this
23 country yet.

24 But looking at Europe's example, we see a lot --
25 a dramatic mode shift potential. So after high-speed

1 rail, for example, launched in Europe, air trips were cut
2 in half between Paris and London. And, of course,
3 airplanes are about nine times as polluting as rail.

4 We also have committed to powering the high-speed
5 rail system with 100 percent renewable energy, which we
6 hope will help shape the energy market. And secondly, we
7 appreciate the scoping plan elevating the Strategic Growth
8 Council, the Housing and Community Development
9 Department's and the MPO's key roles in investing in local
10 communities to plan and implement sustainable community
11 development.

12 The research definitely shows that locating more
13 housing and jobs near transit reduces auto trips,
14 encourages city-centered growth instead of sprawl. And
15 equitable transit oriented development in particular has a
16 number of co-benefits providing more affordable
17 communities, housing plus transportation costs, and access
18 to regional economic opportunities.

19 Siting and preserving affordable housing
20 opportunities at transit can serve to increase transit
21 usage, resulting in the ability to reduce GHG emissions
22 associated with vehicle miles traveled.

23 And finally, in honor of bike month, I want to
24 thank you for including the very cleanest low-tech
25 solution to our transportation challenges, walking and

1 biking. According to Caltrans household travel survey, we
2 have seen a doubling of active transportation in the last
3 decade. Now, 23 percent of household transcripts are by
4 biking, walking, and transit.

5 And through investing in safe, inviting sidewalks
6 and bike lanes on our streets, we will continue that
7 positive trend, helping not only with VMT and GHG
8 reductions, but also improving the health and vibrancy of
9 our communities. So thank you to the ARB staff, and look
10 forward to partnering with you and our sister agencies to
11 advance a more sustainable transportation and land-use
12 system in California. Thank you.

13 CHAIRPERSON NICHOLS: Thank you, Ms. White.

14 MR. LEVENSON: Good morning, Madam Chair and
15 Board members. I'm Howard Levenson, Deputy Director at
16 CalRecycle and I'm here on behalf of our Director, Carol
17 Mortensen who's over at the Capitol with some budget
18 subcommittee meetings this morning.

19 Like my colleagues, probably it's a broken
20 record, I want to express our deep appreciation to ARB
21 staff for all the collaborative work that they've done
22 with us on the scoping plan update, and also indicate that
23 CalRecycle certainly fully supports the recommendations in
24 the waste sector chapter. That chapter is based not just
25 on workshops that your staff has held under the auspices

1 of the update, but also on a number of very detailed
2 workshops that CalRecycle and ARB staff hosted during 2012
3 and 2013. So a lot of effort has gone into reaching out
4 to stakeholders and incorporating those comments into this
5 chapter.

6 The chapter sets the stage for very significant
7 greenhouse gas reduction emissions in the next few years
8 and well beyond the year 2020, and it recognizes the
9 connections that the waste sector has with many of the
10 other sister agencies, some of whom are speaking today,
11 not just the ARB, but the Energy Commission, the Public
12 Utilities Commission, Department of Water Resources, CDFA,
13 and many others.

14 It's also totally consistent with and supportive
15 of CalRecycle's own primary mission, which is to divert 75
16 percent of the solid waste that's going into landfills
17 via -- and doing that via source reduction, recycling, and
18 composting anaerobic digestion -- digestion. So we would
19 see direct emission reductions from moving organics out of
20 landfills, and then indirect emission reductions
21 associated with substituting recycled content materials
22 for virgin materials in manufacturing.

23 So one of the most important recommendations in
24 the chapter is -- the waste sector chapter is to work
25 together to eliminate the disposal of organic materials in

1 landfills, which are key sources of methane and for which
2 there are many other benefits. So the recommendation --
3 this recommendation, along with the stated willingness in
4 the scoping plan for the ARB to take direct regulatory
5 action if there's insufficient progress towards this goal,
6 has really been key already in some of the legislative
7 discussions that are going on now with respect to two
8 bills in particular, AB 1826, which would establish a
9 mandatory commercial recycling program, and AB 1594 which
10 would phase-out allowing green waste that's used as a
11 daily cover at landfills to count as recycling. So just
12 the inclusion of this in the scoping plan has been very
13 significant already.

14 The scoping plan has also supported the decisions
15 that ARB and the Governor's office have made, in terms of
16 cap-and-trade revenues. And so there's a proposal for
17 some of the funding from cap and trade to be used for --
18 by CalRecycle for investments in recycling manufacturing
19 infrastructure and composting and anaerobic digestion
20 infrastructure within the State. So we're hopeful that
21 those will move forward.

22 There's many, many other recommendations in the
23 chapter that we look forward to working with your staff
24 on. We've been fully engaged with your staff over the
25 last many, many years on this, and we're committed to

1 moving forward. A number of the recommendations that
2 we're working on already include permitting issues,
3 working on procurement policies relative to recycled
4 content product, providing more incentives for this kind
5 of infrastructure in the State.

6 So, in closing, I just want to thank the many
7 members of your staff that we have worked with. This has
8 really cut across probably most of the divisions within
9 ARB. And we've had great support from top-down executive
10 management, Richard, Edie, Cynthia, Mike, and, you know,
11 down into the staff and the key collaborators, such as Dan
12 Donohoue.

13 So thank you very much for your support and we
14 look forward to working with you on implementing this.

15 CHAIRPERSON NICHOLS: Thank you.

16 Mr. Oglesby, you found your way back here.

17 MR. OGLESBY: Indeed. Indeed. So I'm -- for the
18 record, I'm Rob Oglesby. I'm the Executive Director of
19 the California Energy Commission. And I'm also wearing
20 another hat here today as Chair of the WET-CAT Committee
21 to present on the water aspects of the scoping plan.

22 First, I want to join in the previous speakers
23 who compliment the staff on the hard work they've done to
24 develop the scoping plan. It's both comprehensive and
25 very clear and easy to understand, and I think it's very

1 useful to -- as a -- to inform public policy, but also to
2 inform the public, and they've done a very outstanding
3 job.

4 Also compliment the process which led to the
5 development of this Scoping Plan Update, including the
6 workshops that not only were conducted in Sacramento, but
7 throughout the State, that provided a great opportunity
8 for the public to come and provide input to help inform
9 the scoping plan and -- the Scoping Plan Update. And what
10 a milestone it is to say this is a Scoping Plan Update.
11 It's been a long journey, and with a lot of historic
12 decisions and progress made along the way.

13 I'd like to highlight some of the key features of
14 the chapter that relate to energy. And first and
15 foremost, I think it's important that the scoping plan
16 update recognizes the progress that needs to be made in
17 continuing the renewable portfolio standard, and the
18 introduction of renewable resources into our energy
19 policies.

20 This plan includes recommendations that primarily
21 focus on the integration of renewable resources. So it's
22 important that we not only continue to expand the use of
23 renewable energy, but that our sister agencies that have
24 been collaborating in this report, such as Cal ISO,
25 develop policies and practices that help integrate

1 renewables as we go forward.

2 The Scoping Plan Update also includes important
3 emphasis on expanding and developing demand response rules
4 and programs, as well as having -- assigning the CPUC to
5 improve the interconnection rules for distributed
6 generation.

7 And the Air Resources Board also has some
8 assignments under this, and specifically to look at
9 examining the barriers to combined heat and power, which
10 is an energy resource that has been underutilized in the
11 State, and promises to deliver both energy and reduce
12 greenhouse gas emissions.

13 But one of the most important aspects of the
14 Scoping Plan Update is its emphasis on efficiency,
15 efficiency, and efficiency. In particular, great progress
16 needs to be made in appliance efficiency and building
17 efficiency standards. In building efficiency standards
18 for both commercial and residential for new construction
19 much progress has been made, but we still have a very
20 vexing challenge of getting efficiency and connected
21 emission reductions from the built environment.

22 We have a great deal of existing structures in
23 the State that are not efficient, and we need to find ways
24 to encourage assessments and retrofitting and upgrades of
25 those buildings.

1 Let me turn to water very briefly. We had again
2 a very collaborative process in developing the water
3 recommendations with your staff and with the other
4 agencies. All of the recommendations are consistent with
5 the State Water Action Plan. And again, they include
6 assignments and follow up to the various State agencies,
7 one of which relates to -- at least one of which relates
8 to the Energy Commission's authority to develop standards
9 for appliance -- water fixtures and appliances.

10 And I'm happy to report that we're already
11 underway for the first round of those enhanced
12 efficiencies. Right now, we have a rule-making going
13 right now for toilets, urinals and faucets, which promise
14 to deliver more water conservation throughout the State.

15 The -- all of the agencies that are tasked with
16 developing further progress include an emphasis on
17 conservation, also rate structure reform. And in response
18 to your comments earlier, Chair Nichols, about involving
19 the Department of Food and Agriculture, they have been a
20 partner in these discussions. But in particular and
21 specifically, they are involved with the Water Board and
22 the State Water Resources Department related to
23 groundwater -- developing a groundwater management
24 strategy.

25 There are -- I'll close with the recommendation

1 to do various -- for all agencies to do various policy and
2 permit reforms that will help water conservation, reuse,
3 recycling, and wastewater-to-energy goals.

4 So with that, I'll close, and thank you for the
5 opportunity to comment on this Scoping Plan Update.

6 CHAIRPERSON NICHOLS: Thanks for all your help.

7 I have one question for you. I had a meeting
8 last night with a couple of members of the legislature,
9 one of whom was commenting on what he saw as a lack of
10 data to support the building efficiency-to-energy saving
11 findings. In other words, what he said was sort of in a
12 rather off-handed way, you know, and this requires further
13 conversation obviously, that he didn't think that there
14 was good data to actually support the notion that
15 investing in improving buildings actually reduces energy
16 use. It's sort of the equivalent of the old argument
17 about how if you make cars more efficient, people will
18 just drive more, so you don't really save any gas by, you
19 know, improving the CAFE standards. This is an area that
20 the Energy Commission has done work in, I believe, isn't
21 that correct?

22 MR. OGLESBY: Well, yeah, I said, A, there is
23 robust data, but I think it touches on an area where
24 additional work is needed. I think in areas like building
25 efficiency standards, particularly for new buildings, we

1 have great data, we have good models, and all can be
2 improved, but we have a very solid footing on that.

3 I think the comments may have come from some of
4 the discussions underway about how solid the models that
5 are used for existing structures, because those also take
6 into account behavior. And I'd say it's analogous to
7 emission inventory data. It's something where it's
8 useful. It's used as a tool, but it can always be
9 improved.

10 And I guess the third element I would point out,
11 because we're working on another aspect of data, and
12 actually have a budget change proposal to enhance our
13 capabilities there, is to strengthen the data that we need
14 to make better policies that relate to energy, and also
15 energy resources.

16 And so to take advantage of data resources that
17 will allow us to do more fine grained analysis of energy
18 efficiency, energy consumption, and so forth, it would
19 help advance it. And so we really need to come into the
20 modern world, in terms of our access to data, and the
21 tools we use to use the data.

22 But on -- again, on new buildings, it's very
23 solid. I think that it's -- with the evolution of
24 technology and data resources, it's something that we can
25 continue to improve on in other areas.

1 CHAIRPERSON NICHOLS: So you are actually in the
2 process of doing some work then that will improve the
3 quality/quantity of data that we have about the impact of
4 efficiency improvements in existing buildings.

5 MR. OGLESBY: Particularly with respect to the
6 already built resources. As I said, the new structures,
7 new commercial buildings, and residential is very solid.

8 CHAIRPERSON NICHOLS: Great. Thank you.

9 Okay. Thanks.

10 Next from the Environmental Justice Advisory
11 Committee. Good morning.

12 MS. ARGÜELLO: Good morning. And thank you. And
13 before I start I also wanted to thank the staff for the
14 support that they gave to the Committee in finishing our
15 work.

16 My name is Martha Argüello. I'm the Executive
17 Director of Physicians for Social Responsibility, and a
18 member of the EJAC I and II.

19 And California now is a majority people of color
20 State. And many of our own communities of color hold some
21 of the strongest views that we should be protecting the
22 environment and acting quickly to address climate change.
23 It is our communities, communities of color, who stood and
24 defended AB 32 when the oil industry attacked it in the
25 guise of Prop 23. And it is in that context that the

1 second EJAC came together to develop our recommendations.

2 And we thought that it's possible, not easy, but
3 we have to start doing it, and we have to do it
4 aggressively to move to achieving these multiple goals of
5 improving health in low-income communities and improving
6 air quality, stabilizing the climate as quickly as
7 possible, and setting the groundwork for a just
8 transitioned to a new clean energy economy.

9 I'm going to go review the five priority
10 recommendations. And really again, our goal was what can
11 we do to, first -- to meet the goals of AB 32, to first do
12 no harm to environmental justice communities and actually
13 make things better?

14 So we want -- we were very happy to see stronger
15 language in the final scoping plan around assessing both
16 the benefits and potential negative impacts of AB 32 in
17 environmental justice communities. The issue of data and
18 transparency is incredibly important to the environmental
19 justice community, and to the public health community, and
20 we want to make sure that we have ways to do mid-course
21 corrections, and remember that State agencies are
22 responsible and must be responsive to -- for communities
23 hit first and worst by climate change.

24 We want to set aggressive and accelerated
25 reductions for the reduction curve beyond 2020, because

1 it's critical of importance to pursue these early
2 reductions. Again, we're very happy to see the plan to
3 address the short-lived climate pollutants. That is
4 something that has been incredibly important to the
5 international environmental justice community, and to the
6 public health community.

7 We want to see California reduce its energy use,
8 and move quickly to a transition to zero and near zero
9 emissions. We want to prevent new oil and gas operations,
10 because we know that those are the sectors that are
11 keeping us from meeting our climate change goals. We want
12 particular focus on refineries and power plants and
13 extreme forms of energy extraction, such as unconventional
14 oil extraction, tar sands, oil by rail, biomass
15 incineration, waste to energy, and artificially induced
16 geothermal wells from coming online, because of their
17 greenhouse gas and health impacts.

18 We want to see support for transit operations and
19 restoration of transit services in disadvantaged
20 communities. The plan should recognize and promote those
21 greenhouse gas reductions and co-benefits of providing
22 affordable transit. Particularly, we talked about
23 providing those transit services for youth and restoring
24 those services for the transit dependent and low-income
25 families.

1 Finally, we want to ensure and we think that the
2 adaptive management plan and the data collection plan is a
3 good first step. We have to move quickly to address -- to
4 identify and address the potential negative impacts of the
5 of Cap-and-Trade Program. We should begin by selling all
6 allowances and not extending transition assistance to the
7 industrial sector with free allowances. We like that we
8 want to develop more California-based protocols.

9 Initially, when we participated in the drafting
10 of AB 32, we were very clear that we wanted the benefits
11 to stay in California. We think that these
12 recommendations will help us move away from our current
13 model that places most of the burdens on low-income
14 communities, and very few of the benefits come back to our
15 communities.

16 We know that achieving environmental justice
17 comes at a cost, but the cost pales in comparison of not
18 doing so. The social, economic, and environmental costs
19 are staggering. And the cost of loss of faith in our
20 democratic process is equally as important for
21 environmental justice communities.

22 We have to tell them that we don't advance
23 California on their backs, but we advance California by
24 lifting our communities out of poverty with clean
25 environments and good jobs.

1 Thank you.

2 MS. TARUC: Our second half. I'm Mari Rose Taruc
3 with the Asian Pacific Environmental Network.

4 What we see and hope improves in the scoping plan
5 update related to our priority recommendations are three
6 important actions. And they -- you could take them as
7 mantras, if you may, because what we heard over and over
8 from the Environmental Justice Advisory Committee is do no
9 harm, be inclusive, be aggressive.

10 And so in do no harm, what we saw, especially in
11 our recommendation for an environmental justice assessment
12 and the adaptive management plan under cap and trade, we
13 saw that written into the scoping plan. And it's
14 important in studying the impacts of AB 32, and its
15 component programs, on our communities.

16 Also, around a recommendation on energy, we see
17 that the dirty energy economy has caused environmental
18 racism. So our energy options moving forward should not
19 allow anymore pollution burdens in our communities.

20 Under cap and trade, this is where we didn't
21 agree as much. You know that the environmental justice
22 community opposes cap and trade. And so if you are so
23 intent on using it, you must build in protections and
24 mitigations for low-income communities of color who live
25 at the fence line of these smoke stacks.

1 The adaptive management plan must operate in
2 real-time to respond to real-time public health
3 consequences. Do not let free allowances and cheap
4 offsets to be a pass for industry to increase local
5 pollution.

6 Under be inclusive -- so our second mantra. Be
7 inclusive of environmental justice and low-income
8 communities. We think the good side of the environmental
9 justice assessment that's written into the scoping plan is
10 to make sure that the benefits of AB 32 reach the most
11 impacted and vulnerable communities to climate change from
12 health, to jobs, to investments.

13 The auction proceeds for greenhouse gas reduction
14 is only one part of what you can do to be inclusive. On
15 energy, you can also make sure clean energy programs reach
16 environmental justice communities, like a solar-for-all
17 program sounds good to us. And that in investments that
18 you invest in low income people of color to express their
19 climate solution for transportation. And the way we know
20 how to do this is by riding the bus and ride sharing. And
21 so we want to see funding an expansion of public transit,
22 so it is affordable and fully operational to get people in
23 and out of their cars -- or out of their cars.

24 The third mantra around being aggressive -- and
25 this is a picture of the Chevron refinery explosion that

1 sent 15,000 neighbors of ours in Richmond in August 2012.
2 In being aggressive, we give you a thumbs up on the
3 aggressive mid-term targets offered in the scoping plan,
4 based on sound science to stabilize the climate. We give
5 you a thumbs up on the 100 percent renewable energy path
6 that is in the energy chapter of the scoping plan. We
7 know that that's what's really needed if we are to reach
8 our steep emissions reduction targets toward 2050.

9 We also give a thumbs up to Senator De León and
10 the sponsors of SB 535 to target climate investments to
11 disadvantaged communities, and to also the ARB and the
12 other agencies that were supporting the success of
13 implementing these targeted greenhouse gas reduction
14 programs.

15 We support aggressive investments in
16 environmental justice communities, where the sources of
17 these GHG emissions are in the first place.

18 And then our final ask is that the EJ Advisory
19 Committee is a Committee written into statute for both the
20 planning and implementation of AB 32. The EJAC was
21 reconvened to advise the scoping plan update, but the
22 other half of what's in statute is that -- is to also
23 continue the work with the environmental justice community
24 and AB 32 implementation, so that environmental justice is
25 actively integrated into the State's climate programming.

1 We actually have letters from 51 communities, 11
2 organizational experts in AB 32, and 86,000 nurses. We
3 have nurses from the California Nurses Association here
4 with us to stand in support of the Environmental Justice
5 Advisory Committee and its continued function to help
6 California achieve its multiple goals of AB 32. And we
7 ask you to stand with us and with them, so that AB 32 may
8 move forward in doing no harm in being inclusive, and
9 being aggressive.

10 Thank you.

11 CHAIRPERSON NICHOLS: Thank you. Excuse me. Is
12 that the conclusion then?

13 MS. TARUC: Yes.

14 CHAIRPERSON NICHOLS: Okay. Thank you. Welcome,
15 to the nurses who have come with you. I very much
16 appreciate the work that the Committee has put in and your
17 support for the changes that have been made in the plan,
18 and we will be getting back to you as far as how we can
19 best respond to your proposals that have not yet been
20 acted on. So thank you.

21 Ms. Lee.

22 MS. LEE: Good morning, Madam Chairman and
23 members of the Board. My name is Barbara Lee. I'm the
24 Air Pollution Control Officer in northern Sonoma County,
25 and I'm also the Chair of CAPCOA's Climate Protection

1 Committee.

2 I'm here today on behalf of CAPCOA's 35 air
3 districts to support, endorse, and urge you to approve the
4 staff's recommendations in the update to the scoping plan.
5 The passage of AB 32 and the establishment of its targets
6 for 2020 resulted in a seachange in awareness of climate
7 change throughout the State.

8 I can tell you that I and my colleagues working
9 at the local level see this daily in our work with local
10 governments, with community leaders, businesses, and the
11 people we see every day. Your Board and your staff have
12 shown tremendous leadership charting the path to achieve
13 the goals of AB 32 and creating the individual rules and
14 programs that are realizing those goals that you planned
15 for in the original scoping plan.

16 I want to recognize especially the efforts made
17 by Richard Corey, Edie Chang, and Cynthia Marvin, as well
18 as their staff, not only in bringing the Scoping Plan
19 Update forward, but also for their ongoing and abiding
20 partnership with the air districts in crafting and
21 implementing this program and indeed the many programs on
22 which we collaborate.

23 This scoping plan rightly recognizes the
24 long-term alignment of our climate protection goals, and
25 the obligations we have to achieve clean air under the

1 federal Clean Air Act.

2 There is a tremendous amount of work ahead of us
3 to achieve climate protection and clean air for all
4 Californians. CAPCOA has said before, and I want to
5 reiterate again today, that we stand ready to support you
6 and to work with you together in implementing the updated
7 scoping plan, as well as our other programs under the
8 State implementation plan for clean air.

9 At your direction, CAPCOA and ARB staff have an
10 established working group on adaptive management to
11 evaluate the air quality impacts of the Cap-and-Trade
12 Program and to look for any unintended consequences of
13 that program's implementation. We stand ready to assist
14 your staff in the examination of the indicators of impact
15 of the broader climate protection program and we are
16 especially interested in collaborating on developing tools
17 and processes to provide the best information in a timely
18 and resource efficient way.

19 In addition to these efforts, we are engaged with
20 your staff in an evaluation of ways to address short-lived
21 climate pollutants, in promoting low-carbon land-use
22 strategies, incentivizing energy efficiency and renewable
23 energy projects, and, of course, our partnership on a
24 broad array of mobile source incentive programs.

25 CAPCOA and its member districts are also deeply

1 engaged with local governments and communities in the
2 development and implementation of local climate plans. We
3 hope the examples of this important work compiled in
4 Appendix D gives you comfort in the commitment and
5 progress made at the local level and also encouragement
6 that this sector will continue to make an important
7 contribution to climate protection in California.

8 In closing, I would like to express our deep
9 appreciation for your vision, your leadership, and your
10 partnership. Thank you for the opportunity to address you
11 this morning. We look forward to working with you going
12 forward.

13 CHAIRPERSON NICHOLS: Thank you. Good morning.

14 MR. BROADBENT: Good morning, Madam Chair,
15 members of the Board. My name is Jack Broadbent and I
16 serve as the Executive Officer for the Bay Area Air
17 Quality Management District. And I very much appreciate
18 the opportunity to be here to speak on behalf of the Bay
19 Area District relative to the AB 32 Scoping Plan Update.

20 Many of my remarks are going to echo Ms. Lee's
21 remarks that she was speaking on behalf of CAPCOA. But
22 first of all, I just wanted to mention that obviously the
23 Bay Area Air District is in full support of AB 32 Scoping
24 Plan Update.

25 And I also want to take this opportunity to

1 compliment your staff for this effort. It's been a
2 collaborative effort, and it's been also one in which I
3 think really does represent a new time and place for the
4 relationship, I think, between the districts and CARB.

5 I also want to just compliment your staff on the
6 aggressiveness of the plan as well as the
7 comprehensiveness of the plan. And it's on this last
8 point I want to really speak to three specific issues.

9 One, frankly because of the seriousness of the
10 issue, local action is critical, as far as implementing
11 the AB 32 scoping plan. The Bay Area District stands
12 ready to continue to assist in the implementation of the
13 plan. And indeed, we already, through MOUs, implement the
14 landfill gas collection and control measure, as well as
15 the non-residential refrigeration system's measure. Those
16 are just examples.

17 And I think frankly moving forward, we can do --
18 we can undertake similar efforts when it comes to refinery
19 methane emissions and black carbon reduction measures as
20 well.

21 So a second point on the local action really has
22 to do with the points you've heard about the localized
23 impacts. And I think, frankly, the air districts are
24 poised and in the best position to help. We, of course,
25 maintain very extensive emissions inventories and work

1 very closely with your staff, but we also work very
2 closely with the sources that are under the AB 32
3 cap-and-trade system, in the sense that we have community
4 monitoring systems in and around these facilities, and
5 many of these facilities have fence line monitors as well.

6 So we think, frankly, and I would strongly
7 recommend, that the CARB staff rely on the air districts
8 for this information as we move forward to ensure that we
9 address any type of localized impacts that could occur.

10 Finally, I just wanted to make mention of a point
11 that I think needs to be addressed as we move forward.
12 And I'm confident we can -- that we can make progress in
13 this area. And this has to do with the fact that there
14 is, I think, a great need for us to sit down and figure
15 out how do we deal with CEQA mitigation moving forward.

16 You have very large projects in the Bay Area
17 being undertaken right now by our refinery operators. And
18 indeed, they're looking to the Cap-and-Trade Program for
19 CEQA mitigation. That makes sense. We're talking about a
20 lot of emissions, but I think we need to sit down and talk
21 about how do we do that for smaller projects.

22 The CEQA mitigation world has evolved to the
23 point that there is a great deal of rigor in this area.
24 That makes a lot of sense, but it may not necessarily make
25 sense to send developers and small project operators to

1 the cap-and-trade market for CEQA mitigation.

2 CAPCOA has established an RX, and I think, in
3 working very closely with CARB staff, we continue to
4 really evolve this tool, but we also need to think through
5 how do we make sure that we can identify additional
6 opportunities for greenhouse gas reductions that aren't
7 already being accounted for under the cap-and-trade
8 system.

9 With that Madam Chair, I thank you for this
10 opportunity, and we look forward to continuing to assist
11 in its implementation of the scoping plan.

12 So thank you.

13 CHAIRPERSON NICHOLS: Thank you, Mr. Broadbent.
14 I also would point out that you and South Coast and Ms.
15 Lee, on the behalf of CAPCOA, have all been very active in
16 working on some of our other very important measures to
17 transform the vehicle fleet and working at the local level
18 on making sure that we're coordinating in our work on
19 transportation planning, SB 375, et cetera. So this is
20 really a very broad, very broad and deep collaboration
21 that's not just focused on the stationary sources, but
22 thank you for your help.

23 MR. BROADBENT: Very proud to do so. Thank you.

24 CHAIRPERSON NICHOLS: Thanks.

25 Mr. Wallerstein.

1 DR. WALLERSTEIN: Good morning, Madam Chair,
2 members of the Board. I'm Barry Wallerstein with, the
3 Executive Officer of the South Coast Air Quality
4 Management District and it's a pleasure to address you
5 this morning on the scoping plan update.

6 The first thing that I'm really struck by is we
7 ought to really take a moment and just think about how far
8 we've come on climate change from the initiation to where
9 we are today, and how many people doubted that you would
10 be able to do it so successfully, and create the
11 leadership within this State, the nation, and the globe.
12 And so I think you are to be congratulated on that. And
13 this update is just, you know, another ribbon to hang on
14 the wall, in my view, and I'm here to recommend its
15 approval.

16 As you've heard from others that have come before
17 you already, the staff's openness and working with
18 everyone in collaboration is to be commended.

19 Folks have talked about how well written the
20 document is, how thoughtful it is, but I want to add one
21 more thing, attractive.

22 (Laughter.)

23 DR. WALLERSTEIN: It is an attractive document,
24 which can lure readers from a broad audience.

25 CHAIRPERSON NICHOLS: That's so L.A.

1 (Laughter.)

2 DR. WALLERSTEIN: And I think --

3 CHAIRPERSON NICHOLS: I say that as one of you,
4 as you know.

5 (Laughter.)

6 DR. WALLERSTEIN: And I think that's really
7 important when we're talking about climate change that the
8 general public can pick up the document, and take interest
9 in it, and become part of the movement to improve the
10 globe.

11 There is a section in the document that
12 highlights the synergy between your efforts on greenhouse
13 gases, criteria pollutants, and air toxics. And I think
14 that's incredibly important from a number of perspectives,
15 the global perspective, the local perspective, but also
16 when we talk about the measures to achieve our multiple
17 objectives, it is very important from a cost effectiveness
18 perspective, and it is also important from a technology
19 perspective. And that's an important addition that's in
20 this update.

21 And when I speak of the synergy, I think it's
22 also important to point out from the South Coast's
23 perspective, there's been some debate in the State about
24 setting interim goals for climate, 2020, 2050. Let's pick
25 something in between, probably in the 2030 time frame. It

1 just happens to be the ozone attainment dates for South
2 Coast, San Joaquin.

3 And so when the State looks at an interim goal, I
4 would say to you, and to others, that our ozone attainment
5 goals actually establish a floor for an interim goal for
6 greenhouse gases. We should quit the debate and get on
7 with the process of setting such a goal that will again
8 build upon the synergy and the leveraging between climate,
9 criteria pollutants, and also the benefits of air toxics.

10 Your update also highlights your efforts that are
11 underway in developing a freight plan as a key component
12 of what you're doing on climate change, and again notes
13 that it will provide these dual benefits with toxics and
14 criteria pollutant reductions. And when that comes before
15 you later this year or early next year, that will be a
16 very, very important milestone for this agency, the State,
17 and local air districts as we seek to protect public
18 health.

19 Others have mentioned the inclusion of the
20 sections on short-lived pollutants, such as black carbon.
21 This again is a very important area and one of leadership
22 that you are establishing, and we commend you for that.
23 On the topic of adaptive management, we've made some
24 progress in setting some processes and developing some
25 data, but I think there's more to be done there, and you

1 can count on us to work with your staff to answer the
2 questions and issues that have been raised by your
3 Environmental Justice Advisory Committee.

4 So with that, I'd like to close and say that I
5 look forward to the continuing collaboration. Thank you
6 for the opportunity to address you today, and urge you to
7 approve the staff recommended Scoping Plan Update.

8 CHAIRPERSON NICHOLS: Thank you very much.

9 Okay. Does that conclude the list of witnesses
10 who are here to assist the staff in making the
11 presentation?

12 AIR POLLUTION SPECIALIST SUROVIK: (Nods head.)

13 CHAIRPERSON NICHOLS: You got a lot of other
14 people to do your work for you. Good work.

15 (Laughter.)

16 CHAIRPERSON NICHOLS: This is how we're going to
17 succeed in addressing climate change is by involving many
18 other people. So this is excellent.

19 And thanks to everybody who took the time and
20 made the effort to come and join us on top of all the work
21 that you did -- you and your staffs did in helping to
22 actually bring this plan to its present condition where we
23 can act on it today.

24 Okay. If that's true, then I think we should
25 move to the witness list. And I see that the very first

1 person who signed up is Frank Harris of Southern
2 California Edison. You can see that we have a list posted
3 up on the Board here. So people, if you're planning to
4 testify, we'd appreciate it if you would sort of keep
5 track of where you are on the list.

6 Thank you.

7 Mr. Harris, good morning.

8 MR. HARRIS: Good morning, Madam Chair, members
9 of the Board and staff. As you mentioned, my name is
10 Frank Harris. I represent Southern California Edison.
11 And we appreciate the opportunity to address the Board on
12 the issues relating to the update to the AB 32 scoping
13 plan. Edison has submitted written comments, but I'd like
14 to highlight a few items from that -- those today.

15 First of all, a comprehensive long-term climate
16 policy must incorporate robust and up-to-date analysis.
17 Staff has achieved a significant milestone today, but this
18 effort should be considered a living process with policy
19 being informed by the most up-to-date understanding of
20 technology and emission reductions opportunities.

21 The combined heat and power target presented in
22 the 2008 scoping plan is a clear example of why this is so
23 important. As the electric grid becomes cleaner,
24 potential GHG reduction opportunities from CHP are waning.

25 Further, as a result of the recession and the

1 potential for a long-term transformation and what drives
2 the California economy, the market demand for economically
3 efficient CHP may also be decreasing. Policy must
4 recognize these two facts.

5 Additionally, a long-term plan must encourage
6 cross-sector abatement activity. GHG emissions don't know
7 which economic or industrial sector -- or the atmosphere
8 doesn't understand economic or industrial sector
9 boundaries. In order to promote the most cost effective
10 emission reduction opportunities, consistent with AB 32,
11 the policy must promote potential cross-sector emission
12 reduction opportunities. It's reasonable to expect, for
13 example, that emissions in one sector may be substituted
14 for emissions from another sector with the overall level
15 of emissions decreasing. The policy must recognize and
16 also encourage this type of energy efficiency.

17 Technological development is certainly the key to
18 success. Any emission reduction pathway must include
19 realistic technical development timelines. The staff
20 presentation showed a linear reduction pathway from 2020,
21 yet it's very likely -- very likely to expect that
22 technology will come along to help us solve this problem
23 at an increasing rate as time goes on. A linear reduction
24 pathway is straightforward. Unfortunately, it doesn't
25 likely represent the pathway by which the needed

1 technological development will be realized.

2 Essentially, the theme that brings all this
3 together is flexibility. The long-term climate challenge
4 is significant and action from all sectors of our economy
5 will contribute to the solution. It's a clear example of
6 a scenario where the traditional top-down approach simply
7 will not work. There's no single agency, organization, or
8 firm that can know the best solutions.

9 Innovative solutions will develop on the ground
10 level and it's likely that meaningful solutions will come
11 from yet unknown sources. California's long-term climate
12 policy should support this.

13 Thank you very much.

14 CHAIRPERSON NICHOLS: Thank you. And thanks for
15 all your input to the plan as well.

16 Supervisor Adams. I apologize. We normally --
17 come forward. We usually recognize elected officials
18 first. I didn't realize that you were one of those. So
19 you're for RCRC, right?

20 SIERRA COUNTY SUPERVISOR ADAMS: I am.

21 CHAIRPERSON NICHOLS: Yes. Thank you. Welcome.

22 SIERRA COUNTY SUPERVISOR ADAMS: Thank you very
23 much.

24 Good morning, Chair Nichols and members of the
25 Board. I am Sierra County Supervisor Lee Adams, here

1 today on behalf of the 34 member counties of the rural
2 county representatives of California.

3 Because of the far-reaching implications on local
4 government and their constituents, RCRC has been actively
5 involved in the implementation of AB 32 since it was
6 signed into law in 2006.

7 We appreciate this opportunity to provide input
8 on the draft proposed first update and its effect on
9 counties related to agencies and rural communities.
10 First, we would like to address the recommendation on the
11 solid waste sector regarding organics management.

12 RCRC has been working closely with the public and
13 private sector, solid waste industry, Assemblyman
14 Chesbro's Office, CalRecycle, and Californians Against
15 Waste to try and address concerns of all parties involved
16 to create practical legislation on the issue. We
17 recognize that implementation of any organics recycling
18 goal will take a partnership between the generators, the
19 solid waste industry, the public sector, both at the local
20 and State level.

21 We are advocating a phased-in approach that has
22 the flexibility to take into consideration facility
23 infrastructure capacity and to allow jurisdictions to
24 implement programs that meet local needs and work within
25 existing infrastructures and resources. As currently

1 proposed, Assemblyman Chesbro's AB 1826 will have a
2 phased-in approach beginning in 2016 with businesses that
3 generate eight cubic yards or more of organic waste per
4 week, and ending in 2019, businesses that generate at
5 least one cubic yard of organic waste.

6 RCRC's primary concern continues to be a
7 recognition and acceptance by the State that if there are
8 no facilities to process organic waste that is available
9 within a reasonable vicinity, and that the local
10 jurisdiction has done what it can to assist in the
11 implementation of the organics recycling program under its
12 control, that local jurisdictions not be penalized. I
13 would trust that all can appreciate the economy of scale
14 in my county, in particular, of just 3,200 people.

15 Cities and counties are the ones that permit
16 these facilities, and we know only too well the time
17 involved and costs associated with the permitting process.
18 We believe that there will not be the facility capacity
19 needed by 2019 to process all the organic waste generated
20 that is covered by AB 1826.

21 In fact, we challenge the State to partner with
22 local government and private industry to take the lead on
23 permitting such a facility.

24 We're still working with Assemblyman Chesbro and
25 other stakeholders on some final amendments that will put

1 us in a position to fully support the bill. We are
2 confident that we can be successful in working out these
3 final concerns.

4 Additionally, we would also encourage the Board
5 to actively support reinstatement of the Williamson Act
6 subvention payments to counties to help preserve --

7 CHAIRPERSON NICHOLS: Sorry, three minutes goes
8 by really fast. We do have your written testimony. If
9 you could just summarize, if you want to finish your
10 sentence or two, that would be fine.

11 SIERRA COUNTY SUPERVISOR ADAMS: Sure. We
12 realize that, you know, Williamson Act and preservation of
13 agricultural land is critical to reduction of greenhouse
14 gases. We would also appreciate strategizing more with
15 the U.S. Forest Service because of the impact of fire on
16 public land as well, and what that does to carbon
17 sequestration.

18 Thank you.

19 CHAIRPERSON NICHOLS: Thank you very much for
20 coming. And I would just point out that both with respect
21 to the last item that you just mentioned, agricultural
22 land preservation, and also on the methane issues that
23 relate to organics, the Governor's budget did propose
24 funding out of the Greenhouse Gas Reduction Fund, which is
25 the State's proceeds from the Cap-and-Trade Program, be

1 directed to those items.

2 Now, of course, that hasn't passed yet, and
3 they're still in discussion, but I hope that you're also
4 following those discussions as well.

5 SIERRA COUNTY SUPERVISOR ADAMS: We hope that
6 becomes reality. Thank you.

7 CHAIRPERSON NICHOLS: Okay. Thank you.

8 All right. Ms. Mitchell.

9 MS. MITCHELL: Good morning. I'm Katherine
10 Mitchell. And I'm speaking for the Bioenergy Association
11 of California.

12 The Bioenergy Association represents local
13 governments, public agencies, and private companies using
14 organic waste to produce renewable electricity and clean
15 low carbon transportation fuels. We want to thank the Air
16 Board for its incredibly leadership on climate change, and
17 for incorporating significant public input into the first
18 update to the scoping plan.

19 We also want to thank the Air Board for its
20 emphasis on science in addressing climate change, and its
21 recognition of three factors, in particular: the need to
22 address short-lived climate pollutants, such as methane
23 and black carbon, and the immediate public health benefits
24 of reducing the those emissions; the importance of
25 reducing wildfire risk - wildfire causes 52 percent of all

1 black carbon emissions in California, and this risk is
2 rapidly rising; and the important role that organic waste
3 can play in producing renewable energy, and also ultra
4 low-carbon fuels.

5 The Bioenergy Association is pleased to see the
6 role of bioenergy in many of the sector-specific
7 strategies, particularly in the waste sector.

8 I would like to point out one important omission
9 in the update that we hope the Air Board and other
10 agencies will address, and that is how to reduce emissions
11 from the natural gas sector.

12 In California, we have the renewable portfolio
13 standard in the electricity sector, and the low-carbon
14 fuel standard for transportation fuels, but no policy
15 requiring the increased use of biomethane, renewable
16 natural gas.

17 There are two important proceedings at the
18 California Public Utilities Commission right now, one on
19 the gas utilities use of cap-and-trade revenues, and one
20 on pipeline biomethane. We urge the Air Board to work
21 with the CPUC to ensure that these proceedings do end up
22 increasing the use of renewable natural gas in California.

23 Thank you for your time.

24 CHAIRPERSON NICHOLS: Thank you very much. I'm
25 going to call out of order a member of the Environmental

1 Justice Advisory Committee who apparently did not arrive
2 in time to speak with the group. Mr. León.

3 MR. LEÓN: Thank you. And sorry. We traveled in
4 from the San Joaquin Valley, and the drought held us back
5 a little bit.

6 (Laughter.)

7 MR. LEÓN: I'm just kidding.

8 CHAIRPERSON NICHOLS: I think I'll use that one.

9 (Laughter.)

10 MR. LEÓN: But, you know, all seriously, my
11 pleasure to be here with all of you. And I know the Air
12 Resources Board is always striving hard and really setting
13 the stage and the example in the country. You know,
14 California, I think, is ahead of everybody else. And
15 really where I think the ship, right, that's leading the
16 cause here in terms of climate change policy to really
17 lessen the impacts on the residents.

18 And today, I brought residents from both Fresno
19 and Kings county that arrived with me, as well. And, you
20 know, as you know, the drought, in all seriousness, is a
21 huge impact in the San Joaquin Valley. And we believe it
22 is due to climate change and we believe that it's going to
23 get worse. It will not get better.

24 And, you know, as one of the members of the EJ
25 Advisory Committee, we did as much as we could in the time

1 that we had available. And the leaders that shared
2 presentations earlier, I think they're really our
3 chieftains in providing that leadership. But I just want
4 to make sure that I remind everybody about the farm worker
5 communities in the San Joaquin Valley and the other
6 valleys that are tremendously impacted now, have been, and
7 I think with -- while we continue to witness climate
8 change impacts, we'll still be, and more so, impacted, and
9 just in terms of the economy, which has always not been
10 good, but in terms of environmental health, in terms of
11 health, in terms of just every segment you can think of.

12 I mean, in the San Joaquin Valley, we are already
13 known as the Appalachians of the west, you know. And so
14 we really seek to see that the Air Resources Board is very
15 mindful in working to mitigate the impacts, especially as
16 we are witnessing the economy hit the ground floor. And
17 that's not good for our health. It's not good for the
18 educational advancement of our families, which is
19 detrimental to seek -- for the pathway out of poverty.

20 And so with that, it's -- I mean, we're -- I'm
21 always talking about the diversification of our economy,
22 in terms of not just being based on the ag industry,
23 because a hit to the ag industry, it's -- you can't escape
24 it in the San Joaquin Valley.

25 And I'm hoping that some day we're able to locate

1 green manufacturing or something that is not going to
2 impact us, even worse with pollution sources, but
3 something that could be established in the concentrated
4 clusters of poverty, that is the west side of the San
5 Joaquin valley, the Huron area, so that we could be able
6 to employ people and not keep them impoverished with an
7 industry that just doesn't change, and when it's impacted,
8 it only gets worse.

9 But thank you very much for your time, and we
10 will continue to be working towards the goals of
11 environmental justice and the principles, but I really,
12 really ask that the Air Resources Board leadership help
13 the San Joaquin Valley and the other areas that are
14 challenged not just in one way. It's a downward spiral
15 many times. But thank you very much.

16 CHAIRPERSON NICHOLS: Thank you for making the
17 trip and bringing your colleagues along with you.
18 Appreciate that.

19 Okay. Mr. White. Chuck White. Is he next? Did
20 I miss somebody?

21 Oh, Ms. Mitchell, I apologize -- who are you?

22 MS. PITTO: Mr. Chuck White and Mr. Chuck Helget
23 are not here yet.

24 CHAIRPERSON NICHOLS: I see.

25 MS. PITTO: So I am the next on the list.

1 CHAIRPERSON NICHOLS: Got it. Thank you.

2 MS. PITTO: And good morning, Madam Chair --

3 CHAIRPERSON NICHOLS: Good morning.

4 MS. PITTO: -- and members of the Board.

5 I'm also with the rural county representatives of
6 California, and am speaking on behalf of the California
7 Association of Counties today just strictly with respect
8 to the solid waste issues.

9 As you previously heard Supervisor Adams say,
10 there's been a coalition of both public and private sector
11 working together on this issue. And our goal has always
12 been to work cooperatively with ARB, CalRecycle, and other
13 State agencies and the legislature to develop workable
14 plans and policies that achieve better solid waste
15 diversion, and to recognize the inherent value in waste
16 products or waste materials.

17 We want to express that we are generally
18 supportive of the Scoping Plan Update as proposed in two
19 ways. First, it acknowledges that much has already been
20 accomplished by our sector, which is the landfill methane
21 rule, AB 341, which has adopted a 75 percent diversion
22 goal through reduction of -- or through reduction,
23 recycling, and composting; also, the mandatory commercial
24 recycling regulations that have been adopted by CalRecycle
25 and are being implemented by our counties and cities. And

1 it builds upon the AB 939 foundation of the 50 percent
2 diversion.

3 The second way we want to express our support is
4 we're also very appreciative that we believe the document
5 truly reflects the stakeholder input throughout the
6 process.

7 I did want to say that we've been working with on
8 the -- specifically with the two bills, AB 1826 and AB
9 1594, we've been working with the author's office, and
10 with CalRecycle, and Californians Against Waste to try to
11 address the concerns of all parties.

12 Successful implementation of organics diversion
13 will take a partnership between everybody, including the
14 generators, the solid waste industry, public sector,
15 including State and the local levels.

16 Many of our local governments have already
17 adopted aggressive programs for addressing climate change,
18 but not all governments are doing it or can do it the
19 same. So our challenge is to do a statewide program and
20 policies that ensure they can be implemented by all sizes
21 and shapes of local government and their service
22 providers.

23 We fully support the draft Scoping Plan Update
24 recommendations for the need of funding and incentive
25 programs for infrastructure development, and for

1 addressing permitting and siting challenges. Sufficient
2 infrastructure development is key to the success, and it's
3 going to be the most difficult to achieve.

4 We want to thank you for this opportunity.

5 CHAIRPERSON NICHOLS: Perfect. Thank you.

6 Mr. Caponi.

7 MR. CAPONI: Good morning, Madam Chair, members
8 of the Board. My name is Frank Caponi with Los Angeles
9 County Sanitation Districts. Following up on Mary's
10 testimony, we're here today just to express how strongly
11 we are working as an industry with CalRecycle and the ARB
12 staff to try to implement the organics regulations that
13 are before the legislature currently.

14 It's important to really bear in mind - Mary
15 alluded to this - there's really daunting challenges that
16 are going to be there to get to that 75 percent diversion.
17 Industry estimates roughly about \$2 billion in
18 infrastructure to get there. And right now, we're looking
19 at about \$30 million in grants. So we have a long way to
20 go. We have a lot of work to do, and we're all trying to
21 partner to get there as best we can.

22 I just wanted to also make the Board aware, the
23 scoping plan addresses relooking at landfills as we move
24 forward in this whole process. It's important to
25 recognize the work that the industry has done on the

1 landfill regulation that did pass your Board about three
2 years ago. It's the most stringent regulation probably in
3 the world and industry is implementing it. And we are
4 collecting data, and we'll be working with staff to really
5 make a determination if there's a need for further
6 regulation as we move forward.

7 In that regard, the scoping plan also addresses
8 the fact that the inventory perhaps underestimates
9 methane. And the landfill and the wastewater industry is
10 particularly called out. We don't necessarily agree with
11 that and we do want to work with the inventory staff on
12 that. And there's also a call for further research in
13 that area, and we certainly want to work with staff on
14 further research.

15 One miscellaneous item I wanted to bring up going
16 through the Statement of Overriding Considerations. One
17 thing did caught my eye is a statement that anaerobic
18 digestion and composting would lead to significant
19 long-term operational related odors. I was very struck by
20 that. I could tell you as an industry representative and
21 someone that's worked in this industry for almost 33 years
22 now, this is unacceptable. We would never, ever tolerate
23 long-term odor impacts.

24 Obviously, there are short-term impacts
25 associated with our industry and we don't have a perfect

1 record, but there would never be a situation where any
2 facility, no matter what it is, would be allowed to have a
3 long-term operational odor impact. Just as an anecdote, I
4 would tell you, you haven't lived until you've smelled a
5 slurried food waste that has sat around for a while and
6 destined for an anaerobic digester.

7 (Laughter.)

8 MR. CAPONI: But that doesn't -- that doesn't say
9 that that's allowable. We just have greater challenges,
10 and we have to step up to the plate, and we have to solve
11 those kind of problems.

12 Thank you.

13 CHAIRPERSON NICHOLS: Okay. Thank you.

14 Ms. Morehouse.

15 MR. MOREHOUSE: Good morning. Erica Morehouse
16 with Environmental Defense Fund. And we're here in strong
17 support of the scoping plan update. And this update not
18 only demonstrates the California is ready to meet its 2020
19 goals, and while growing the State's economy, but it also
20 starts the important planning process that will set
21 California on the track to being an ambitious leader on
22 climate action beyond 2020.

23 And I just want to highlight three areas of
24 particular support for us. First, setting mid-term
25 reduction targets to reduce emissions beyond 2020 without

1 leaving any sector of the economy behind. As the update
2 notes, the success -- the successful programs like
3 Cap-and-Trade must continue as it provides guaranteed and
4 cost effective reductions.

5 California's Cap-and-Trade Program is admirably
6 broad, but in order to avoid catastrophic climate change,
7 we must not miss any opportunity to mitigate CO₂ emissions
8 especially in uncapped sectors.

9 And, for example, as the world's fifth largest
10 supplier of food and agricultural commodities,
11 California's agricultural and working lands have
12 significant opportunity to continue to demonstrate
13 leadership and set the standard in land-based solutions on
14 climate change.

15 And secondly, we support California's
16 consideration of Reducing Emissions from Deforestation and
17 forest Degradation, or REDD, the chopping and burning of
18 tropical forests, like those in the Amazon, is responsible
19 for over 15 percent of the world's emissions. And that's
20 more than all of the world's cars and trucks combined.

21 And as the Board continues to plan for the future
22 reductions, we urge inclusion of mechanisms recognizing
23 and crediting REDD in California. And this will provide
24 important cost containment and offset supply as reduction
25 requirements become more stringent, and position

1 California as an international leader that encourages
2 action in other jurisdictions.

3 And finally, we appreciate the emphasis on
4 short-lived climate pollutants. California has made
5 progress in this area, particularly in clean air programs
6 that reduce diesel pollution, but clearly there's a lot
7 more work that needs to be done, and a need to address
8 short-lived climate pollutants in a comprehensive way that
9 will quickly address climate change and air quality.

10 Reducing these emissions will save people money,
11 but also save lives. And we urge speedy and decisive
12 action. Thank you so much for the -- for this strong plan
13 and the opportunity to comment.

14 CHAIRPERSON NICHOLS: Thanks.

15 Ms. Thronson.

16 MS. THRONSON: Chair Nichols, Board members,
17 thank you for the opportunity to speak today. My name is
18 Tara Thronson, and I'm a project manager at Valley Vision,
19 a local nonprofit consultant firm. And I manage our air
20 quality and broadband portfolios. And I'm here to speak
21 about the intersection of those two.

22 Valley Vision serves as the host agency for our
23 regional broadband consortium funded by the California
24 Public Utilities Commission. And as part of this work and
25 our partnership with the California Emerging Technology

1 Fund, we've documented how broadband serves as an enabling
2 technology to achieve emission reductions.

3 You can receive -- achieve reductions in many
4 areas, including reduced vehicle miles traveled associated
5 with Telemedicine, telecommuting, the ability to manage
6 resource efficient buildings and precision agriculture.

7 Valley Vision appreciates the staff's efforts to
8 include two success stories in the scoping plan. And we
9 are here today to further emphasize the importance of
10 broadband as a necessary infrastructure and key area for
11 focused investment and coordinated planning.

12 We heard today a lot about the increased need for
13 our agriculture to -- for food production, as well as
14 managing issues of climate change, such as the drought.
15 Long range wireless broadband enabled systems for
16 precision farming can increase productivity by at least 50
17 percent, and increase water efficiency by 20 percent,
18 saving money, reducing water-related energy demand, and
19 avoiding the associated greenhouse gas emissions, yet gaps
20 exist in our State, in both rural, urban, and suburban
21 areas.

22 The State has set goals to achieve broadband to
23 98 percent of the households in California. And, at this
24 time, we're at 96.2 percent. That sounds high, but
25 there's a lot of people in California that still are not

1 connected.

2 Additionally, we have -- the State has set goals
3 for 80 percent adoption of subscriptions at home. Today,
4 we're at 69 percent. Of note, many of the communities
5 without broadband access today are environmental justice
6 communities. As the AB 32 scoping plan is the guiding
7 document of State policies and programs to reduce
8 greenhouse gas emissions, the final Scoping Plan Update
9 should include broadband enabled technologies, and
10 incentives to provide deployment and use of broadband as a
11 strategy to help meet AB 32's greenhouse gas emission
12 reduction goals.

13 This will also help align State policies and
14 investments across major efforts such as the Environmental
15 Goals and Policy Report of OPR, and priorities of GO-Biz.
16 We have submitted written comments and we are happy to be
17 a resource as you move forward.

18 Thank you for your consideration.

19 CHAIRPERSON NICHOLS: Thanks for your work on
20 this.

21 Ms. Gage.

22 MS. GAGE: Good morning, Madam Chair, members of
23 the Board. My name is Kelley Gage and I'm here
24 representing the San Diego County Water Authority. We are
25 a wholesale water agency. We serve 24 member agencies and

1 a population of 3.1 million people in the San Diego
2 region, and we support a \$191 billion economy.

3 So I'm here today to ask the Board to consider
4 delaying approval of the final -- the Scoping Plan Update.
5 We are asking for the delay to allow water agencies more
6 time to work with our ARB staff and the Board for input
7 into the water sector of the section of the plan.

8 The one-size-fits-all language that's currently
9 in that section -- we're speaking directly to the
10 sequential loading order language that's in there right
11 now -- does not work. And the water picture in California
12 is very diverse, and we feel that this one-size-fits-all
13 language is not going to work for implementation.

14 So the Water Authority, we submitted comments on
15 the October discussion draft of the document, and we also
16 submitted comments on the February 2014 public release
17 version of the plan. And unfortunately, our comments were
18 not incorporated into this final version of the document
19 that is before you today.

20 But the Water Authority is committed to reducing
21 our greenhouse gas emissions. In fact, this year in
22 March, our board of directors adopted our first climate
23 action plan that has stated state-of-line goals to be
24 reached by 2020. And in addition for the last 20 years,
25 the Water Authority has partnered with our local energy

1 utility, San Diego Gas and Electric, on many programs on
2 water energy efficiency programs. And, in fact, we have
3 saved nearly 800,000 acre feet of water since 1991 through
4 these programs.

5 However, these conservation efforts only
6 represent one part of a multiple strategy approach to
7 providing safe and reliable water to our region.

8 So the specific suggestion for a sequential
9 loading order policy for the water sector for investment
10 and action is completely at odds with the primary mission
11 of water suppliers, and is contrary to this successful
12 long-term strategy implemented in San Diego County and
13 across the State, which is water supply diversification.

14 The Water Authority has planned to improve
15 reliability and manage our shortage through developing a
16 diverse portfolio of water supplies, which includes
17 aggressive conservation and water use efficiency.

18 The dire conditions in California right now this
19 year in available water supply only validate that the
20 diversification is the right strategy moving forward. So
21 again, we strenuously urge you delay approval of the
22 scoping plan update until a better more comprehensive
23 approach is developed.

24 CHAIRPERSON NICHOLS: Excuse me, I'm going to
25 give you a chance here to have a little more time, because

1 I'm going to ask you a question and I would like an answer
2 to it.

3 MS. GAGE: Okay. Sure.

4 CHAIRPERSON NICHOLS: What language is it that
5 you can point to in the scoping plan that's before us
6 right now that contains these terrible provisions that
7 you're describing?

8 MS. GAGE: Sure. I believe it's on page 73 of
9 the plan.

10 CHAIRPERSON NICHOLS: Okay.

11 MS. GAGE: This is the actual text, the actual
12 language, "Establishing a conservation first policy for
13 water sector investment and action would help to..." --

14 DEPUTY EXECUTIVE OFFICER CHANG: Excuse me. It's
15 on page 63.

16 MS. GAGE: Sixty-three.

17 CHAIRPERSON NICHOLS: Okay. So it's not in the
18 recommended actions. It's in the sort of descriptive
19 language.

20 DEPUTY EXECUTIVE OFFICER CHANG: Right. This
21 the -- one, two -- it's the third from the bottom
22 paragraph.

23 CHAIRPERSON NICHOLS: Okay. "Establishing a
24 conservation first policy for water sector investment
25 would help to sustain declining per capita usage. This

1 would be similar to the State's loading order policy for
2 energy. Conservation first would be implemented...", and
3 blah, blah.

4 Okay. So your comment is that that is
5 objectionable because?

6 MS. GAGE: It is too confining. To say to water
7 agencies that are very varied throughout the State on
8 where their sources of water and availability comes from.
9 The energy intensity of these waters, whether you live
10 close to the water source, have to pump it miles to get to
11 the end user, to treat the water, the instances are
12 different across the State.

13 CHAIRPERSON NICHOLS: But I don't read it as
14 saying that way. That's my problem. I don't see that as
15 being contained --

16 MS. GAGE: So what we're -- how we're reading
17 this is that --

18 CHAIRPERSON NICHOLS: Yes.

19 MS. GAGE: -- the order here, the policy here is
20 to do conservation first and then establish a loading
21 order of energy intensity of supplies, and that's not how
22 we do planning in the water industry. We actually do our
23 water supply planning with the criteria of reliability
24 first, safety first, and other criterion, including energy
25 usage, but that is not our main criterion.

1 CHAIRPERSON NICHOLS: Understand. I get what
2 you're saying.

3 MS. GAGE: Yes. And we --

4 CHAIRPERSON NICHOLS: I think you're overreading
5 the language, but I appreciate your focus, and we'll take
6 a look at that.

7 Thank you.

8 MS. GAGE: Great. Thank you.

9 CHAIRPERSON NICHOLS: Okay. So Mr. Heavner.

10 MR. HEAVNER: Good morning, Madam Chair, members
11 of the Board. My name is Brad Heavner. I'm with the
12 solar -- California Solar Energy Industries Association,
13 CalSEIA. Thank you very much for the opportunity to speak
14 this morning and for your leadership on this issue and for
15 staff's development of this incredible document. This is
16 exemplary throughout the world, and one of the most
17 important processes for addressing what is the greatest
18 environmental and perhaps even social challenges of our
19 time.

20 I'm here to talk about solar water heating, and
21 its importance in this plan. And in one sense you might
22 think this is a very specific technology with a narrow
23 focus, but please remember the numbers and realize that
24 this has the potential to address a very significant
25 portion of the State's greenhouse gas challenge. It is

1 estimated that heating water in homes and businesses
2 constitutes three and a half to four percent of total
3 statewide greenhouse gas emissions. And when we are
4 headed towards a goal of near zero emissions in the coming
5 decades, we really can't leave a four percent part of the
6 problem on the table.

7 Several studies have pointed to the potential of
8 solar water heating to reduce emissions by greater than
9 six million metric tons. And we really need to tap the
10 potential fully of this technology.

11 Currently, the ball is in the CPUC's court. They
12 have an incentives program that is managed by legislation
13 in 2007, AB 1470. Unfortunately, they were very slow to
14 write the rules and to get the program underway. And then
15 the research that formed the foundation of this program
16 was conducted during the historic spike in natural gas
17 prices. You're familiar with the natural gas price curve.
18 It spikes way up in 2008. And it was in that context that
19 this will bill was passed and the rules were begun to be
20 written.

21 And so the program is just starting to get off
22 the ground now. The Commission -- the Utilities
23 Commission is considering further adjustments to the
24 program that we believe will create greater momentum, and
25 really achieve economies of scale and allow this to become

1 a universal technology.

2 It could be that further action is needed though.
3 There's a 2017 sunset on that program, and so that's not
4 much time left to really gain the momentum that we need.
5 Other Board actions, most notably bringing natural gas
6 under the State carbon cap next year, will have an impact
7 on this. And hopefully, you know, bring it closer to a
8 true evaluation of the impacts of fossil fuels in natural
9 gas prices, so that this technology can compete on a more
10 equal footing.

11 It is likely, however, that more action will be
12 needed. It remains to be seen whether that will be at the
13 Utilities Commission or through a collaborative effort
14 with you, or if the ball is better in your court, at that
15 point, to run a program to create a market for solar water
16 heating technology.

17 Our recommendation in our written comments was
18 that that be included within the key recommended actions
19 of the energy sector. But with or without that specific
20 language in the scoping plan update, we look forward to
21 working with ARB in creating a market for this.

22 Thank you.

23 CHAIRPERSON NICHOLS: Thank you very much.

24 Dr. Balmes pointed out to me, and then I went on
25 and discovered even further, that we have several people

1 who seem to have signed up, I'm guessing, to make the same
2 point, that Kelley Gage made, but I just want to double
3 check, because you're all allowed to speak, but it might
4 be helpful if we could get you all at once. Bob Harding,
5 Ron Davis, Pat Chen, who are number 17, 18, and 19. And
6 then also, I'm guessing, possibly the person from ACWA,
7 number 26, right? Am I correct if those of you who -- if
8 you would raise your hand or stand up if you're part of
9 that group.

10 (Thereupon they stood up.)

11 CHAIRPERSON NICHOLS: Okay. Is this all on the
12 same issue, that is you're all reading this as requiring a
13 loading order that's going to somehow force you to put
14 greenhouse gases over everything else in connection?

15 (Nodding heads.)

16 CHAIRPERSON NICHOLS: Why don't you just come on
17 down. Let's take care of this, if we can, all at once.

18 Okay. Ladies and gentlemen, so I don't want to
19 pre-grudge how you're -- what order you're going to speak
20 in, but maybe if you've conferred with each other, you
21 could sort of collectively inform us about what it is that
22 you're seeking here.

23 MR. DAVIS: Very well. Thank you, Madam Chair
24 and members. I'm Ron Davis. I'm the Executive Director
25 at Cal Desal, a nonprofit trade association --

1 THE AUDIENCE: We can't hear.

2 MR. DAVIS: I'm Ron Davis. I'm the Executive
3 Director for Cal Desal, which is a nonprofit trade
4 association that advances desalination and salinity
5 management. You are correct, we are here for one
6 paragraph, and so we would like to -- we all have the same
7 issues. We have had some people here that have traveled,
8 so I'll defer to them to go ahead and make their case,
9 because they have specific issues. So I'll first
10 introduce Mr. Harding with the Metropolitan Water District

11 CHAIRPERSON NICHOLS: Thank you.

12 MR. HARDING: Madam Chair, Bob Harding,
13 Metropolitan Water District. I'd first like to say
14 Metropolitan is committed to conservation and other
15 water-use efficiency projects. We have spent almost \$700
16 million over the past several decades in implementing
17 these. I think no other agency has spent that much.

18 In addition, our member agencies have also
19 committed a lot of money to conservation and water use
20 efficiency. So we are not opposed to water use efficiency
21 or conservation.

22 However, what we are opposed to is this loading
23 order, which would essentially prioritize conservation
24 before anything else. Our IRP, Integrated Water Resources
25 Plan, is a balanced mix of water supplies and

1 conservation. And that is, in fact, the industry
2 standard. And to prioritize anything over another part of
3 your portfolio would severely limit our ability to ensure
4 water supply reliability in Southern California.

5 So we are asking that you delete this paragraph,
6 or San Diego also asks for a delay, however you think it
7 would be best to address this.

8 Your own -- I did know that your own staff
9 presentation noted their balanced approach to this, and,
10 you know, the ability to use many options. And we would
11 simply ask for that same consideration. I would also make
12 one other point, that on page 62 you note that a CEC
13 report that agricultural and urban water supply uses 19
14 percent of the water -- or of the energy in the State.

15 We think that that is not an accurate
16 representation of the usage by local entities. We'd be
17 happy to discuss with staff. We think it's closer to
18 three percent for electricity and 0.14 percent for natural
19 gas. That's the extent of my comments and I appreciate
20 the opportunity.

21 CHAIRPERSON NICHOLS: Thank you. And I don't
22 think there's any statement in here, and I'm sorry if you
23 read it this way, that suggests that Metropolitan or the
24 other agencies haven't been doing a terrific job on
25 conservation. I think this is a very long range, you

1 know, ambitious plan, that's looking at investments for
2 the future. So I'm sorry that this seems to have been
3 read in such an alarming way.

4 MR. HARDING: I stated that just to say that we
5 are in favor -- you know, conservation is a huge part of
6 our portfolio, but the load ordering would cause us
7 issues.

8 CHAIRPERSON NICHOLS: Understand. Okay. Next.

9 MS. BLACET: Hi. I'm Danielle Blacet with the
10 Association of California Water Agencies, and we represent
11 430 public water agencies throughout the State. And along
12 with supporting the comments that my colleagues have made,
13 we just wanted to reiterate that, you know, we do
14 understand the significant impact that climate change is
15 having on the water resources in our State. It's no more
16 clear than what we're all going through during this
17 drought.

18 And so we're very committed to make sure that
19 there is a comprehensive set of actions that addresses
20 those issues. But again, we're very concerned that a
21 proposal that would either go through legislation or joint
22 agency actions to establish this loading order would be
23 something that wouldn't allow our agencies the flexibility
24 they need, whether it be in a regular water year or in a
25 severe drought to make the choices they need to get a

1 reliable water supply to them -- to their customers.

2 So that is our concern, and we hope that we can
3 come to an agreement. We also wanted to express our
4 appreciation for staff working with us. There is some
5 language that we had requested in our comment letter that
6 was included in the proposed first update, regarding some
7 acknowledgments about our efforts and asking the State to
8 encourage and facilitate projects that have co-benefits of
9 water-use efficiency and energy efficiency, so we wanted
10 to express that appreciation.

11 Thank you.

12 CHAIRPERSON NICHOLS: Great. Thanks.

13 MS. CHEN: Good morning. My name is Patricia
14 Chen. I represent South Coast Water District. And first
15 of all, I'd like to support all the prior comments that
16 were made. And I'm here to give kind of the local agency
17 perspective on the same issue.

18 The District is a retail water agency that serves
19 approximately 12,500 water accounts with an estimated
20 population -- winter population of 40,000 in the South
21 Lagoon and Dana Point areas. The District will important
22 approximately 5,800 acre feet of potable water from
23 hundreds of miles away via the State Water Project and the
24 Colorado River aqueduct.

25 The District service area has been identified by

1 the Bureau of Reclamation as an area of potential water
2 supply crisis by 2025. The District is extremely
3 concerned about the water supply shortage in Southern
4 California and the current statewide drought emergency.
5 The District offers incentives and rebates for
6 conservation, including toilet replacements, turf removal,
7 replacements with California friendly native plants and
8 outside irrigation timers and clocks.

9 With these education campaigns, incentives, and
10 outreach programs, the District's water usage has not gone
11 up, even though its surface area and population has grown.

12 With the support of MWD, the District spent \$5.8
13 million to construct its local groundwater facility that
14 produces potable water from brackish groundwater using and
15 RO system that meets ten percent of its water supply
16 requirements.

17 The District is currently expanding its
18 groundwater facility with the goal of doubling its
19 production of potable water. The District also promotes
20 the use of and currently delivers approximately 1,000 acre
21 feet per year of recycled water for outdoor irrigation.
22 Uses including at parks, schools, recreation facilities,
23 such as golf courses and hotels.

24 The District spent \$2.8 million last year to put
25 in a recycled water system filtration -- yeah, filtration

1 system using RO to improve the quality of recycled water
2 by removing the high TDS content that is inherent in
3 potable water supply that is delivered to the District
4 via -- I'm sorry, through the State water systems.

5 As a participating member of the Doheny Ocean
6 Desal Project in south Orange County, the District has
7 also been proactive in studying and planning for a slant
8 well intake system that would provide a local supply of
9 ocean desal water. Notably, the local environmental
10 community has supported this project.

11 The District fully appreciates the need for
12 conservation and energy efficiency in water system
13 operations in order to reduce greenhouse gas emissions.
14 And it certainly supports many of the recommendations in
15 the proposed update.

16 However -- if I could just finish that one
17 point -- a conservation first, or loading order policy,
18 which prioritizes water conservation and energy efficiency
19 ahead of developing new water supplies, would effectively
20 halt the ability of the District to provide a local
21 resource of water supply.

22 This oversimplistic approach ignores the
23 complexity of water supply issues, and particularly the
24 need for water supply reliability and diversification.

25 Thank you so much.

1 CHAIRPERSON NICHOLS: Thank you. Well, this has
2 been really a helpful illustration of how people can read
3 a document and find it much more exciting than we did
4 frankly.

5 (Laughter.)

6 CHAIRPERSON NICHOLS: So that's great. Thank
7 you. We will have some more discussion about this item
8 before the end of the day. And so, of course, your
9 welcome to stay, but it's just helpful to have that sort
10 of concentrated discussion all at one time. So thank you
11 for that input.

12 Okay. Mr. Heavner now gets to finally come
13 forward, if he's here.

14 MR. HEAVNER: I've gone. I just finished
15 speaking.

16 CHAIRPERSON NICHOLS: You finished. That's
17 right. Okay. You did. You're solar. David Schonbrunn.

18 MR. SCHONBRUNN: Good morning. David Schonbrunn
19 with Transdef. We're transit advocates that focus on the
20 intersection of climate change and transportation.
21 There's a lot to like about this update. The new found
22 focus on short-lived climate pollutants is great. We
23 really appreciate the commitments to increase the rate of
24 emissions reductions and to set a mid-term target.

25 I'd like to summarize three problematic areas we

1 covered in written comments that have not been addressed
2 in the plan. First, this update has not established a
3 causal connection between the first scoping plan's
4 measures and the reduced emissions of the past five years.
5 Unless you know how effective the measures have been so
6 far, you have no basis for confidence in the ability of
7 this update to achieve its goals. We need to know the
8 impact of the recession on electrical consumption and on
9 VMT.

10 Second, high-speed rail should not be shown in
11 your plan as a GHG emissions reduction measure. There are
12 at least two major reasons why the claimed GHG emissions
13 reductions are a very expressive fantasy. A, they depend
14 on \$30 billion of project funding that the Authority
15 doesn't have and can't get. B, the emissions calculations
16 leave out the massive amounts of concrete that the project
17 design calls for. The amounts are large enough to
18 increase the State's overall cement production, which is a
19 large source of GHG emissions.

20 A paper I submitted to staff calculated that the
21 entire HSR project, including the cement and other
22 construction materials would actually increase GHGs for
23 the first 20 to 30 years of operations. That makes the
24 environmental assessment's GHG impacts assessment
25 incorrect. Construction 8B and Cumulative 8 should be

1 significant and unavoidable. Interestingly, Attachment D
2 to Resolution 14-16 is silent on GHG impacts, even though
3 they were covered in the EA.

4 The flawed assessment was based on a paper issued
5 by the High-Speed Rail Authority, and which was endorsed
6 by your Board's Chair. Standing behind an incomplete
7 analysis like this harms the scientific credibility of
8 this agency.

9 Finally, this is a science-based plan in the most
10 part. That's good, but it's missing an analysis and a
11 plan for the political dimension. Political support is
12 essential to implementing this plan. ARB needs to be
13 formally thinking about the politics of it.

14 Thank you.

15 CHAIRPERSON NICHOLS: Thank you.

16 I understand that the two people who weren't here
17 when we called on them first have arrived. I'm just going
18 to wait until we finish this page, and then I'll call on
19 the Chucks.

20 Okay. Nancy Rader and then Ralph Chandler. I'm
21 sorry, Claire Halbrook.

22 I'm making too many notes on my agenda here.

23 MS. HALBROOK: That's okay. Hi. I'm Claire
24 Halbrook with Pacific, Gas, and Electric Company. PG&E
25 appreciates the opportunity to speak to the Board today

1 regarding the scoping plan update, and we would like to
2 greatly thank ARB staff for responding to stakeholder
3 requests for greater detail to be included.

4 We believe the update does much to focus on
5 encouraging reductions from all of California's major
6 economic sectors, while also underscoring the need for
7 flexibility in reaching our climate goals. We also
8 update -- we also note the updates call for further work
9 this year and next to develop comprehensive strategies for
10 key sectors, including the utility sector. And we look
11 forward to continuing our work with ARB, the Energy
12 Commission, the ISO, and the CPUC to develop these
13 strategies.

14 This update also highlights the need for ongoing
15 economic assessments, and includes a far more developed
16 scope for this work than previous drafts. In an effort to
17 guide the State's GHG reduction efforts towards the best
18 available options, Assembly Bill 32 makes specific
19 reference to ensuring the cost effectiveness and
20 technological feasibility of all measures, and defines
21 cost effectiveness as the cost per unit of greenhouse gas
22 reductions.

23 We request that explorations a post-2020 GHG
24 reduction programs uphold this premise by applying a solid
25 analytical framework to evaluate the comparative cost

1 effectiveness of both current and newly proposed measures.
2 We believe this is particularly critical as ARB looks
3 towards a possible mid-term GHG reduction target in the
4 2030 time frame.

5 We also support the update's nuance assessment of
6 the potential for combined heat and power to deliver cost
7 effective, long term GHG reductions. PG&E continues to
8 support efficient CHP, such as bottoming cycle, to deliver
9 longer term greenhouse gas reductions as our State
10 electric grid becomes increasingly cleaner.

11 Finally, PG&E continues to believe that a well
12 designed, multi-sector Cap-and-Trade Program linked with
13 emerging regional, national, and international programs,
14 either through adoption of California's Cap-and-Trade
15 Program or simply through aligning our reduction targets,
16 will allow California to meet its GHG reduction goals in a
17 cost effective manner, and set the stage for successfully
18 addressing what is clearly a global issue.

19 ARB and California should continuing -- continue
20 to proactively seek linkage with other cap-and-trade
21 programs.

22 Thank you.

23 CHAIRPERSON NICHOLS: Thank you.

24 Okay. Now, Nancy Rader and Ralph Chandler.

25 MS. RADER: Good morning. Actually, that's Nancy

1 Rader with the California Wind Energy Association.

2 CHAIRPERSON NICHOLS: Thank you.

3 MS. RADER: We're pleased to be here to strongly
4 support your adoption of the first update to the AB 32
5 scoping plan.

6 From our perspective, AB 32 has fostered nothing
7 short of remarkable progress in the electricity sector.
8 The electric utilities have learned how to successfully
9 procure renewable energy. The Cal ISO has revamped its
10 electricity markets to both efficiently integrate
11 renewable energy resources while ensuring system
12 reliability.

13 And the renewable energy industries have
14 mobilized to produce very robust competition, which is
15 very beneficial to the consumers in this State as
16 renewable energy prices continue to fall.

17 CalWEA is proud of the contribution that wind
18 energy has made. Wind energy capacity in the State has
19 almost -- or more than tripled in the last decade, mostly
20 in the last couple of years. Wind energy in and outside
21 of California is providing about seven percent of
22 California's electricity supply. There are 21
23 manufacturing facilities in California supplying the wind
24 energy industry, and the industry is supporting local
25 county governments with over \$70 million annually in

1 property tax revenues, and \$27 million goes to ranching
2 and farming landowners.

3 But to maintain that momentum, it's really
4 critical that the State move quickly on the first updates
5 call to establish mid-term targets to the 2050 goals. The
6 wind industry knows very well the impacts of start/stop
7 energy policy in this country. And I'm referring to
8 Congress's start/stop policies on the production tax
9 credits. It's very disruptive to planning manufacturing
10 facilities, planning projects, and just maintaining the
11 staff and the continuity. So it's really critical that
12 we, you know, create a bridge to that next goal, and that
13 the State energy agencies begin to plan for that goal as
14 quickly as possible.

15 And the first step, of course, is for your
16 adoption -- for you to adopt the first update to the
17 scoping plan today.

18 Thank you very much.

19 CHAIRPERSON NICHOLS: Thanks.

20 Mr. Chandler. And then we'll hear from Chuck
21 White and Chuck Helget.

22 MR. CHANDLER: Thank you, Madam Chair and
23 members. My name is Ralph Chandler. I am speaking today
24 on behalf of the California Refuse and Recycling Council.
25 I will note, however, that I served as the Executive

1 Officer to the then Integrated Waste Management Board for
2 ten years during the 939 era.

3 CRC is on record of supporting both the short-
4 and long-term objectives of the scoping plan in its
5 update. CRC, however, would like to comment on the
6 recommended actions for the waste sector, with the goal of
7 ensuring that those recommended actions are implemented to
8 their maximum benefit.

9 Three areas I'd like to touch upon briefly. The
10 first is the removal of green waste or organics from land
11 disposal. Whether that objective is done through direct
12 regulation by this Board or through the legislation that
13 is moving through the legislature today, we think it's
14 critical that ARB, with its sister agencies, expedite the
15 review and approval process that we believe will be
16 necessary to have the infrastructure for the needed
17 composting and anaerobic digestion facilities that will be
18 required as a result of this increased diversion of
19 organics and green waste from land disposal.

20 We note that the report references a working
21 group that will come out with a report later this summer,
22 and we would hope that there would be specific action
23 steps in there to ensure that we have the infrastructure
24 necessary to accommodate this material towards a
25 beneficial use.

1 The second area has to do with the identified
2 quote incentive mechanisms. The plan identifies a variety
3 of funding mechanisms, including grants, loans,
4 cap-and-trade investment plan. We note that just
5 yesterday the Assembly appeared to have removed the \$30
6 million of the administration's proposal for CalRecycle's
7 budget for the organics and recycled fibers program. We
8 know that's still under discussion, but we are concerned
9 to see that we have these policy objectives going forward,
10 but without the commensurate perhaps funding mechanisms in
11 place.

12 We, as an industry, support the payment programs,
13 much like CalRecycle used today in the Plastics Market
14 Development Fund where there's a per ton subsidy provided
15 for the diversion of the material from land disposal when
16 it's used in California and manufactured in California
17 into a new product.

18 So we would strongly encourage you to continue to
19 focus on drilling down deeper on effective incentive
20 mechanisms. We find that grants oftentimes require a lot
21 of staff work and often result in awards to a select few
22 and are often oversubscribed.

23 The last area has to do with markets. And I can
24 speak from experience that as you divert this material
25 from land disposal, unless there's strong sustainable

1 markets, it's oftentimes very difficult. We see this
2 material then perhaps exported to foreign countries. The
3 carbon footprint on that transportation is -- does not add
4 up and we need to build strong domestic markets here in
5 California nearby.

6 I'll just conclude by saying I hope that the
7 State will step up through its CalRecycle minimum content
8 program and buy -- State Agency Buyback Program to
9 strengthen what California State agencies can do in that
10 regard.

11 Thank you.

12 CHAIRPERSON NICHOLS: Thank you. Good to hear
13 from you again.

14 Okay. Mr. White.

15 MR. CHUCK WHITE: Thank you very much, Madam
16 Chair, members of the Board. Chuck White with Waste
17 Management.

18 I'm sorry I was late this morning. I had to
19 conduct a -- and participate in a long-scheduled seminar
20 on getting biomethane into the California pipeline system.
21 As you probably are aware, the CPUC has adopted standards
22 that allow a wide variety of biomethane to get it and put
23 it in the pipeline. The issue now before the CPUC is the
24 cost of meeting these very -- putting low carbon -- very
25 low carbon biomethane for use.

1 And we're hoping that we can find a way to help
2 finance the getting of this and perhaps through
3 cap-and-trade revenues that we're also working with the
4 CPUC on.

5 CHAIRPERSON NICHOLS: That was a really, really
6 good reason for being late.

7 (Laughter.)

8 MR. CHUCK WHITE: I hope you would appreciate
9 that. Yes, thank you very much.

10 We also represent -- or are representing SWIG. A
11 couple of our spokespeople got up earlier before we were
12 able to arrive. Chuck Helget will be following me I hope.
13 And we represent the solid waste industry. We think we're
14 the largest segment of the solid waste industry providing
15 services in California. Our goal has always been to work
16 cooperatively with ARB, CalRecycle and other State
17 agencies, and the legislature to develop workable plans
18 and policies to achieve greater waste diversion and
19 recognize the inherent value of waste materials.

20 We are supportive of the SPU, as proposed. It
21 acknowledges much has been accomplished by our sector.
22 The landfill methane rule has been implemented and we
23 believe is substantially increasing the amount of methane
24 we're collecting at landfills and are able to then use
25 beneficially.

1 We need a place to put it. Hopefully, we can put
2 it in pipelines along with other types of projects we're
3 developing with the sewage treatment plants and other
4 stand-alone anaerobic digesters to handle food waste
5 throughout California, but we need help in making these
6 things an economic reality.

7 AB 341 has been adopted creating a 75 percent
8 diversion goal, mandatory recycling regs have been adopted
9 by CalRecycle. This is built on the AB 939 foundation
10 that required 50 percent diversion, and, by the way,
11 California is now at 66 percent diversion. So we think
12 we're doing a good job in cooperation with our public and
13 private partners.

14 It's all been done that way through a
15 partnership. We applaud CalRecycle and CARB for
16 recognizing the importance of incentive programs. You
17 just can't push the waste out. You need to help pull it
18 out too by creating a place to take it and put it in
19 creating value. And we really need your help in creating
20 that value.

21 The \$30 million grant program is a start. We
22 estimate about \$2 billion is going to be required to be
23 invested in California waste and recycling systems to meet
24 the objectives of both CalRecycle and the CARB. We're
25 ready to do our part. We appreciate any help you can

1 provide us in this.

2 And we certainly encourage CARB and CalRecycle to
3 improve State procurement of recycled content materials
4 and the acquisition of waste derived energy material that
5 can be -- resources that can be used for both fuel and
6 energy.

7 We've recently worked with -- at UC Davis, and
8 they estimate that about -- there's enough waste in
9 forest, agricultural, and urban sources to provide about
10 two billion gallons of low-carbon fuel in California.
11 That strains your -- that's roughly equivalent to what you
12 need to meet the current low-carbon fuel standard. We
13 need help getting this material into the pipeline. We
14 need help stabilizing the value of RINs and LCFS credits.

15 And that's all I have to say. Thank you very
16 much.

17 (Laughter.)

18 MR. CHUCK WHITE: But I would like to turn it
19 over to Mr. Helget, if I may. He's going to summarize
20 some of the work we're doing with the legislature to meet
21 your objectives and our objectives as well.

22 Thanks.

23 CHAIRPERSON NICHOLS: Thanks.

24 Mr. Helget.

25 MR. HELGET: Madam Chair, members of the Board.

1 Thank you for this second opportunity to speak. I don't
2 have as good an excuse to offer as Chuck. I was just flat
3 late. So I apologize.

4 (Laughter.)

5 MR. HELGET: The scoping plan update -- and I
6 represent Republic Services and also part of the Solid
7 Waste Industry Group coalition.

8 The Scoping Plan Update, in our view, strikes --
9 does strike a nice balance by encouraging regulatory and
10 statutory actions to phase out organic materials at
11 landfills, while at the same time focusing on financial
12 incentives to build adequate in-State infrastructure and
13 incentive activities to accomplish your GHG goals. And we
14 think those are both important combinations.

15 As Chuck I think discussed in much greater
16 detail, we can pull these organics out of landfills. We
17 just have to have some place to go with them. We have to
18 build the processing infrastructure to process this
19 material effectively, and we need anaerobic digestion
20 facilities, and we need composting operations to be
21 expanded in order to manage this.

22 The effectiveness of the methane emission control
23 measure that this Board adopted early on, mandatory
24 commercial organics which has been implemented last year,
25 and impending AB 1826, Mr. Chesbro's bill, and AB -- and

1 the ADC bill proposed by Mr. Williams, will help us reach
2 the 75 percent diversion and GHG reduction emissions that
3 are outlined in the Scoping Plan Update.

4 We are hopeful that these measures, and we
5 believe that they will, will be enough to avoid more
6 severe measures discussed in the Scoping Plan Update, such
7 as placing landfills under the cap -- in the Cap-and-Trade
8 Program or banning organics from landfills. We think that
9 moving forward with those two pieces of legislation will
10 get you to your goals and we'll get us to the 75 percent
11 diversion goals that are outlined in AB -- were outlined
12 in AB 341.

13 The program under AB 1826, if I might speak on
14 that for a bit, it's a bill that's been introduced by
15 Senator Chesbro. The bill has passed the Assembly, and it
16 would establish a mandatory commercial organics recycling
17 program in California. It's a phased-in approach, as is
18 outlined in your own scoping plan.

19 In the first year, it would allow us a little bit
20 of time to, in 2016, bring in larger operators, larger
21 organics generators into the program, 2017, that the
22 threshold for businesses covered would be reduced. And
23 then in the final year, we would be dealing with all
24 facilities that generate one or more cubic yards of
25 organics per week. And we think that threshold gets us to

1 around 80, even more -- a larger portion of the commercial
2 waste stream, a very effective approach in our view.

3 So we would encourage the Board to approve the
4 scoping plan and please consider the fact that we're
5 moving forward with this legislation and very optimistic
6 that it will pass.

7 Thank you.

8 CHAIRPERSON NICHOLS: Thank you.

9 Thanks for the shout-out to Mr. Chesbro as well.
10 I do think that the partnership with the legislature and
11 with ARB and CalRecycle has been one of the nicest
12 examples of what can be accomplished using this scoping
13 plan as a spring board for other action. And I also am
14 looking forward to the next steps on this.

15 MR. HELGET: If I may respond?

16 CHAIRPERSON NICHOLS: Yeah.

17 MR. HELGET: I did overlook the fact that we are
18 working very closely with Mr. Chesbro, and it is a
19 coalition that extends from every part of this State,
20 local government, solid waste industry, composters, you
21 know, we're all working on this legislation. So I think
22 optimism is well placed.

23 CHAIRPERSON NICHOLS: Thank you.

24 Okay. I guess we get to turn the page at this
25 point, and -- page two. If I could ask people -- again, I

1 haven't been too forceful about this, but if you could be
2 ready to come up, you know, when your -- when it's your
3 turn, we'll save ourselves all a little bit of time, and
4 get a chance to get a lunch break.

5 As I understand it, Ms. Blackman has taken her
6 name off the list, so it's -- Cal Chamber is next.

7 MS. BLACKMAN: Madam Chair?

8 CHAIRPERSON NICHOLS: Yes.

9 MS. BLACKMAN: I did not take it off.

10 CHAIRPERSON NICHOLS: You want to talk?

11 MS. BLACKMAN: Yes.

12 CHAIRPERSON NICHOLS: Okay. Then come forward.

13 Sorry. I misunderstood.

14 MS. BLACKMAN: Thank you.

15 Madam Chair, members of the Board, staff, thank
16 you for the opportunity to be here. They might have
17 thought I was not going to speak because I gave you a
18 poem. I'm not going to read the poem, but I give that to
19 you for your calming down for what you might need at any
20 given time.

21 (Laughter.)

22 MS. BLACKMAN: Okay. Thank you. I would

23 CHAIRPERSON NICHOLS: That's always good.

24 MS. BLACKMAN: Thank you.

25 I would like to commend the Board and the staff

1 and the collaborating agencies on the unprecedented
2 accomplishment of the climate change scoping plan, and of
3 the initiatives that it is giving so much good to this
4 community, and to this State, and to the planet.

5 Building upon this framework, we can move the
6 marker even further forward as we plan for the future.
7 Mine is a simple and yet powerful request, one that paves
8 the pathway for profound answers to the climate change
9 problems that plague our planet.

10 I'm asking the Board to give serious
11 consideration to the inclusion of lifecycle emission
12 factors, starting perhaps with the energy sector, but also
13 eventually moving on to other areas.

14 In the Climate Change Scoping Plan update,
15 there's a portion on page 23 that says monitoring and
16 measurement efforts are a crucial component of the
17 regulatory process, because they provide objective
18 measures to identify the need for regulatory action, and
19 to verify the performance of implemented regulations.

20 ARB's current monitoring and modeling practices
21 are essential. However, the equation that will not
22 closely reflect reality, the carbon footprint, it cannot
23 be determined without utilizing lifecycle emission
24 factors. This is a simple but incredibly powerful request
25 that I make of you.

1 To think about the results of what we are doing
2 to ourselves and to our planet and how we can use the
3 scientific -- the best scientific data to make this world
4 a better place for ourselves, and for our families.

5 Thank you kindly.

6 CHAIRPERSON NICHOLS: Thank you.

7 MS. MMAGU: Good morning, Madam Chairwoman and
8 members of the Board. Amy Mmagu on behalf of the
9 California Chamber of Commerce.

10 The California Chamber of Commerce is the largest
11 broad based business advocate in the State, representing
12 over 13,000 California businesses, both large and small.
13 Many of Cal Chamber's larger members are directly covered
14 by the cap-and-trade regulations, while many other smaller
15 members will likely experience indirect impacts in the
16 form of new costs passed down from upstream fuel and
17 energy providers as a result of AB 32 regulations.

18 The 2013 Scoping Plan Update should simply
19 implement AB 32. The Scoping Plan Update shifts the focus
20 from reductions to 2020 beyond that to 2050 goal. In
21 addition, we appreciate the discussion and the update on
22 the economic analysis. We believe an independent economic
23 analysis is crucial to understand our current climate
24 change programs to understand what has worked and what --
25 and at what cost. It is imperative that we conduct an

1 analysis before looking beyond 2020.

2 We appreciate your hard work on this document,
3 and the opportunity to comment today and look forward to
4 continuing to work on the implementation of AB 32.

5 Thank you.

6 CHAIRPERSON NICHOLS: Thank you.

7 Dorothy Rothrock.

8 MS. ROTHROCK: Thank you, Chair and members. My
9 name is Dorothy Rothrock. I'm with the California
10 Manufacturers and Technology Association, and I also Chair
11 the AB 32 Implementation Group. And I love to take the
12 opportunity to update you periodically on how
13 manufacturing is doing in California.

14 The latest numbers are that since 2010, U.S. job
15 growth in manufacturing has increased more than five
16 percent. In California, we've enjoyed just half a percent
17 increase in manufacturing jobs in that period.

18 So far as new investments are concerned, we have
19 11 percent of U.S. manufacturing in California, but yet we
20 are -- in 2013, we only receive 1.5 percent of major new
21 investments. That's a nice backdrop to my comments,
22 because, of course, we need to do some work to keep
23 California manufacturing robust and healthy.

24 We believe we should have focused more on the
25 implementation issues between now and 2020 in the Updated

1 Scoping Plan. Particularly, we need a faster
2 determination of what the allowance allocation scheme for
3 manufacturers will be in the third compliance period. We
4 very much appreciate the second compliance period, free
5 allowances up to 100 percent of benchmark, but in the
6 third compliance period, it's an open question. Their
7 study under the scoping plan won't be done until 2016,
8 which we think is really too late for the third compliance
9 period that starts in 2017.

10 This is the planning horizon for new investments
11 in manufacturing. Later, you may hear from the Western
12 States Petroleum Association about fuels coming in under
13 the cap in 2015, as well as natural gas for all consumers.

14 In the third compliance period, because of
15 everybody being under the cap, there's going to be huge
16 pressure on allowance prices. I think that the
17 combination of reducing free allowances for manufacturers
18 and the upward pressure on prices is going to create a
19 potential real problem for the manufacturers.

20 We're recommending therefore that we should keep
21 manufacturing at 100 percent all the way to 2020 and not
22 consider that issue reducing until the post-2020 period.

23 With regard to target setting, we note that there
24 is economic analysis that's going to go on for the
25 determination of the post-2020 targets, but we're really

1 encouraging more specific marginal cost analysis that will
2 be looking at the technologies that are really going to be
3 available to get us to our targets, understand those
4 costs, and identify where we need to be bringing down
5 those costs or adjusting our targets to make sure that
6 everything we're doing is technologically feasible.

7 In the scoping plan, it's -- oh, I'm running out
8 of time. This is good stuff though.

9 (Laughter.)

10 MS. ROTHROCK: In the scoping plan, you mentioned
11 that estimating the economic impact of the current suite
12 of AB 32 measures will provide guidance in establishing
13 long-term emission targets. But in the section where
14 you're talking about the climate science and the targets
15 that you want to set in relationship to the climate
16 science, you don't talk about how economics may influence
17 the setting of the target.

18 I'd love to see some more robust analysis of how
19 the economic issues are going to influence the targets
20 that you set. I will leave it --

21 CHAIRPERSON LLOYD: Thank you. Do you have -- it
22 says here you didn't give us a written testimony, is that
23 right?

24 MS. ROTHROCK: We've -- yes, the AB 32
25 Implementation Group gave written comments.

1 CHAIRPERSON NICHOLS: Okay. It's under the
2 implementation.

3 MS. ROTHROCK: A long time ago.

4 CHAIRPERSON NICHOLS: Oh, long ago. Not for
5 today?

6 MS. ROTHROCK: Not this morning.

7 CHAIRPERSON NICHOLS: Oh, yes. Okay. We do have
8 it. All right.

9 MS. ROTHROCK: Thank you.

10 CHAIRPERSON NICHOLS: Thank you for your input.
11 Paul Mason.

12 MR. MASON: Good morning, Chairman Nichols,
13 members of the Board. Paul Mason for Pacific Forest
14 Trust. And I want to start by also echoing what was said
15 earlier that the document is very impressive, both in its
16 content and vision, as well as accessibility. And I think
17 that is tremendously valuable. We also very much
18 appreciate the ongoing recognition that forests and
19 natural lands can play an extremely important role in
20 California's greenhouse gas goals, either as part of the
21 problem or part of the solution.

22 And I think that the information that's come into
23 light as part of the updated inventory really puts a very
24 sharp focus on that. You know, I've been here many times
25 before talking about the importance of making sure that we

1 don't lose ground in the forest sector to conversion of
2 forests to other uses. And that's certainly being
3 highlighted in the new inventory as one of the ways that
4 we're losing far more carbon than we had thought before,
5 and losing in a way where that's an ongoing and permanent
6 loss to our capacity.

7 So, you know, we do believe that continuing to
8 address that's going to be very important. One of the
9 things that I want to highlight, and I believe you
10 received a letter from Senator Pavley and Assemblyman
11 Chesbro earlier this week as well, highlighting the
12 importance of trying to take a broad look at biological
13 carbon on the landscape. I very much appreciate that
14 there is a forest carbon or forest climate plan, and
15 that's a very interagency process. I think that's very
16 good and promising.

17 One thing that I'm concerned about is that we
18 fall into silos and start thinking of forests as those
19 areas that are regulated by the forest practice rules.
20 And the landscape is really a continuum from your timber
21 up in the hills, down through your oak woodlands, down
22 into agricultural areas, wetlands. And to the extent that
23 we can take a more holistic look at the landscape and
24 recognize that these systems all flow together - there's
25 no bright lines on the landscape. Those only happen in

1 our agency flow charts - and try and get outside of our
2 agency silos, if you will, draw in some external
3 expertise, you know, draw on our academic resources, a
4 blue ribbon team from outside that includes both State
5 leaders as well as outside leaders, to try and take a
6 broader look at these biological carbon resources, I think
7 would be the one overarching recommendation that we would
8 have for the -- that section of the scoping plan while
9 recognizing that it continues to be a very visionary and
10 positive document.

11 Thank you very much.

12 CHAIRPERSON NICHOLS: Thank you.

13 Sort of interesting that that comment just
14 follows directly after the one about manufacturing. It
15 gives some sense of really the breadth of what we're
16 trying to do here, and the need to have a more balanced
17 approach to looking at the whole picture.

18 Okay. Good morning.

19 MR. MURRAY: Good morning, Madam Chair and
20 members of the Committee. Thank you for allowing me to
21 speak. My name is Ed Murray. I'm the president of Aztec
22 Solar. I'm a Rancho Cordova developer and installer of
23 solar water, heating, electric, and pool solar systems.
24 We want -- I'm also on the board of directors for the
25 California Solar Energy Industry Association, and the

1 Solar Industry Association nationally.

2 I wanted to bring to your attention that solar
3 water heating is a fair-haired step child of solar
4 electricity. Unfortunately, it's not mentioned quite as
5 much as solar electricity is, but there is a lot going
6 well for solar water hearing. We can mitigate 70 percent
7 of the hot water loads and natural gas heating. And 70
8 percent means that every 50 gallon gas water heater
9 annually uses about -- or expels about one and a half tons
10 of CO₂. We can mitigate 70 percent of that, so it brings
11 down the CO₂ quite a bit.

12 We also have a smaller footprint with solar water
13 heating and solar electric systems on rooftops. So every
14 zero net energy home should include solar water heating.
15 Without a solar water heating system, you would not have a
16 zero net energy home.

17 Finally, solar -- natural gas is used to create
18 electricity that also is used to heat water. And we'll be
19 able to have more supply of natural gas to use for
20 electricity if we use solar water heating and install on
21 the rooftops directly, and use the solar water heating
22 directly into the households. I just hope that we're able
23 to include solar water heating in this scoping plan.

24 Thank you.

25 CHAIRPERSON NICHOLS: Thank you.

1 Hi. Go ahead.

2 MR. EDGAR: Chair and Board members, my name is
3 Evan Edgar. I'm the engineer for the California Compost
4 Coalition. I have poem. It's AB 32 Scoping Plan first
5 update. It reads like poetry. I have a dream about
6 getting organics out of the landfill by 2020. As I said
7 last time, getting landfills totally phased out would be
8 environmental poetic justice.

9 I'm here today on behalf of private independent
10 composters. We are organic composters. We are recyclers.
11 We are haulers. We actually are wine makers and we're
12 organic farmers. We close that loop locally. We are a
13 part of the fork-to-farm movement by taking food from the
14 fork to the farm to composting to grow more food.

15 We understand the linkage and the power of
16 organics. We understand the each truck that picks up
17 organics we can make enough fuel for three trucks,
18 heavy-duty trucks that is carbon negative fuel by using
19 dry anaerobic digestion.

20 We also understand the linkage of water and
21 agriculture and compost, that by using compost we reduce
22 water usage 30 percent in agriculture and we sequester the
23 carbon and soil with nutrients for many decades.

24 We understand net zero. Net zero by 2035. We
25 can be net zero by 2020 by having a carbon negative fleet

1 of the 15,000 heavy-duty trucks in California; by having
2 carbon neutral energy, by using biomass and biomethane;
3 and by having zero waste by 2025.

4 But let me be direct with you. We support direct
5 regulations. By phasing out dirty diesel on heavy-duty
6 trucks in a clean CNG, you spawn an industry in order to
7 have a fleet demanding to use renewable CNG. That's good
8 stuff. By having direct regulations to phase out organics
9 from landfills is great.

10 Phasing in is starting very slowly. The two
11 bills that were mentioned today, AB 5094 is stuck in
12 suspense today -- yesterday. That's not moving. That was
13 a green waste for alternative daily cover. And the second
14 bill won't really be effective till about 2019. The
15 threshold on the 2019 would then include all restaurants
16 under 60 employees and all fast food. So by phasing in a
17 delayed phase-in till 2019, it would exclude fast food and
18 all restaurants under 60 employees.

19 So we look forward to direct regulation by CARB
20 in order to really make the power of organics work for
21 California by taking those organics out of the landfills
22 to make a carbon negative fuel, to carbon neutral energy,
23 and compost for agriculture for the fork-to-farm movement
24 is very important. So we support all aspects of AB 32
25 with a -- from all aspects and all sectors, because the

1 waste sector is not just about landfills anymore. It's
2 about hauling organics. It's about making energy out of
3 biomass and biomethane. It's about compost for ag and
4 water efficiency.

5 So the next update in 2019, maybe there won't be
6 anymore landfills as part of that, and that would be
7 environmental poetic justice.

8 Thank you.

9 CHAIRPERSON NICHOLS: Thank you. We have just
10 gotten to our third page -- we are going to be getting to
11 our third page with 47 people signed up. Just so you
12 know, I'm cutting off any further decisions to testify at
13 this point. If you haven't signed up yet, hopefully
14 somebody else will make your point for you.

15 Okay. Let's go ahead now with Will Barrett.

16 MR. BARRETT: Good morning. I'm Will Barrett
17 with the American Lung Association of California. The
18 Lung Association submitted comments along with our
19 colleagues in the Global Warming Action Coalition, and
20 also with about 30 colleagues/partners in our Health
21 Professionals for Clean Air Network to support this plan
22 along the way and to offer input.

23 We also support the comments that were made by
24 the EJ Advisory Committee this morning. And I'll touch on
25 a few of the points that we made in our letters, and

1 you'll hear from other colleagues throughout the testimony
2 as well.

3 We and our partners support the adoption of the
4 plan and appreciate the strong focus on actions needed now
5 to preserve and maintain California's climate leadership
6 and protections up to and beyond 2020. We support strong
7 action and a mid-term 2030 target for statewide emission
8 reductions. We also appreciate the near-term focus on
9 advancing transportation sector targets, including for the
10 low-carbon fuel standard and SB 375 regional targets this
11 year.

12 On the SB 375 targets, the next round of the SCS
13 process should take a larger role in contributing to
14 California's climate goals given the progress made to
15 date. We would also recommend that in the green building
16 and water sectors, that the strategies outlined in the
17 plan be more strongly aligned with these SCS plans going
18 forward.

19 On the LCFS, just yesterday the Lung Association
20 and Environmental Defense Fund released a report called,
21 "Driving California Forward", that highlights the health
22 and economic benefits of AB 32's transportation fuel
23 policies. Our study found that we could avoid \$23 billion
24 in health and other societal impacts by 2025 as the LCFS
25 and fuels under the cap transition California to a cleaner

1 future.

2 So we do urge the Board to undertake similar
3 assessments of the health benefits of AB 32 programs going
4 forward. We are -- at the Lung Association, we're working
5 with Strategic Growth Council closely on the deployment of
6 the urban footprint model to help explain the health and
7 other benefits of smart growth planning under SB 375. We
8 would like to see more of that type of assessment going
9 forward.

10 We strongly support the increased focus on black
11 carbon and other short-lived climate pollution in the
12 update. These pollutants accelerate climate change and
13 are deadly in our local communities, especially in our
14 disadvantaged communities near ports, railyards, freeways
15 and other hot spots.

16 On the energy sector, we just wanted to state in
17 our letter that we do need strong plans to achieve zero
18 emission energy solutions and we need the planning to
19 start now for a diverse, open, and inclusive process to
20 achieve those goals.

21 And in closing, we urge you to adopt the scoping
22 plan update today, and carry on with the important work of
23 protecting California's health from the worst impacts of
24 climate change. So we do look forward to working with you
25 and thank the staff for developing a great plan and look

1 forward to implementing that plan going forward. So thank
2 you very much.

3 CHAIRPERSON NICHOLS: Okay. Thanks.

4 Hank Ryan.

5 MR. RYAN: Good morning, Madam Chair, Board
6 members, and staff. My name is Hank Ryan from Small
7 Business California. We signed on to the letter from the
8 California Business Alliance for a Green Economy.

9 First, I want to just go back a few years. Small
10 Business California participated in an ETAAC panel. And
11 several times during that processes, Bob Epstein mentioned
12 that by 2050 we needed to get to an 80 percent reduction.
13 That was very hard to swallow.

14 It's going to be a difficult task, but I commend
15 this scoping plan specifically in the areas -- in the
16 areas of methane, which really can bring a major payback,
17 but also for energy efficiency measurement, which I think
18 really needs to be done better.

19 I want to thank Board Member De La Torre for
20 asking Small Business California for suggestions regarding
21 energy efficiency. And obviously, we look at small
22 business -- small and medium business energy efficiency as
23 a greater need, especially in disadvantaged areas.

24 Financing is something we've worked on from the
25 ETAAC panel forward to bring that to where more

1 comprehensive energy efficiency investments can be in
2 place. That means we don't go for the low-hanging fruit
3 and things that could disappear over time, but we go
4 deeper into these buildings.

5 What I would most strongly suggest regarding
6 energy efficiency and measurement at the same time is to
7 look more at whole building energy efficiency with the
8 priority on our cooling load. We have various zip codes
9 or counties in California where the cooling load is very,
10 very high. That's going to give us the most bang for the
11 buck. I say we go there first, and we look at starting at
12 the envelope with super insulation, so those systems that
13 manage HVAC and others can be turned down, and don't need
14 to be expanded as much. That's going to show up at the
15 meter. And with those kinds of investments, we're going
16 to see better measurement because it's going to be seen at
17 the meter.

18 So I thank you for the opportunity to make these
19 comments and I hope we can continue to work with CARB.
20 And again, Board Member De La Torre, thank you for your
21 request.

22 CHAIRPERSON NICHOLS: Okay.

23 MS. SMITH: Good morning. My name is Lora Smith,
24 and I'm with the California Nurses Association. I'm a
25 registered nurse and I work down in the Los Angeles Harbor

1 area. California Nurses Association would like to say
2 thank you with the Environmental Justice Committee, and
3 say that we do support their recommendations, their five
4 priority recommendations, and with some little addendum on
5 the -- on number five, the fifth recommendation having to
6 do with the cap and trade.

7 We would like to see that about ten percent of
8 the funds gleaned from the allowance -- the sale of
9 allowances be documented strictly to -- excuse me -- got
10 to relax -- strictly to health care facilities, such as
11 our public facilities, the harbor, UCLA, et cetera, and
12 health clinics that are available for the underserved and
13 the impacted community residents within the harbor area.

14 I work at a little company, San Pedro Hospital.
15 I'm an ICU nurse. And so I'm not out in this forum very
16 much, but I was brought here to show -- to document what I
17 see as a nurse within the hospital in the impacted areas.

18 We always thought that our air quality in the
19 harbor was wonderful, mainly because we have the
20 prevailing winds that blow from out Catalina Channel into
21 downtown L.A., Long Beach, et cetera. So we always
22 thought that our area was clean, our air was clean. Well,
23 obviously it's not.

24 We had an organization within San Pedro Hospital
25 called the Coastal Asthma Program. And they went out into

1 the impacted areas, and the numbers that they gave me were
2 very surprising as to our incidence of asthma. And the
3 average patient with three or more symptoms within a
4 ten-mile radius of the ARCO refineries down in Wilmington
5 was about 35 percent. The average patient at a clinic in
6 Rancho San Pedro, which is two blocks from the cruise
7 terminals and the cargo shipping was 42 percent.

8 And so that's an awful high number, when the
9 national average, and this is statistics from 2011, were
10 only five to seven percent nationwide. That's amazing.

11 And so I guess I was quite lulled by our fresh
12 air that we thought we were getting. And here, our
13 children and our asthmatics within the community are
14 highly impacted by the waste products within our air in
15 our system.

16 So we would love to see ten percent of the funds
17 gleaned from the cap-and-trade allowances, the sales of
18 those allowances, to be designated to the public health
19 care services, our public hospitals, our clinics, and our
20 emergency services.

21 Thank you.

22 CHAIRPERSON NICHOLS: Thank you.

23 CCEEB next and then WSPA.

24 MR. SKVARLA: Hi. My name is Mik Skvarla. I'm
25 with Lucas Advocates. I'm here on behalf of California

1 Council for Environmental and Economic Balance.

2 Since 2008, a lot of work has been done on the
3 scoping plan. And we do appreciate the interaction with
4 staff and all the time that the Board has allowed the
5 staff to be available to us and our concerns.

6 Today, we still have a couple concerns with
7 moving forward on the scoping plan. The first one being
8 kind of, in our name's sake, is the economic analysis. We
9 believe 2018 is too late. The scoping plan sets in motion
10 a number of additional policies without regard to the
11 potential costs. And we understand that as those policies
12 are approached, that the appropriate APA process will go
13 along with it and hopefully economic analyses that show us
14 what we need.

15 But again, as an overall policy and an overall
16 approach that this takes, we believe an economic analysis
17 would have benefited the process. Again, we would like to
18 reemphasize some of the key tenets of AB 32, which are
19 maximum technological feasibility and cost effectiveness,
20 as we move forward with the additional parts of the
21 scoping plan that have been included, and as we further
22 approach the 2020 mark.

23 Our second point would be on the short-lived
24 climate pollutants and localized impacts. CCEEB continues
25 to believe that ARB must -- and California must make

1 significant progress towards our criteria pollutant goals,
2 such as particulate matter and toxic air contaminants. We
3 do believe that the State's existing framework on the
4 Clean Air Act side of things is doing a great job, and
5 we've seen that in recent conversations regarding black
6 carbon and the diesel rules.

7 We think we should continue to look through that
8 lens and perhaps not burden AB 32 with the additional
9 policies of some of these short lived climate Pollutants
10 that are explicitly and better regulated through the lens
11 of the Clean Air Act.

12 My final point would be on the post-2020
13 conversation. We believe that California's post-2020
14 greenhouse gas goals should be conditional on the
15 interactions with external governments and jurisdictions.
16 California going at it alone or even with small
17 jurisdictions is going to have a significant economic
18 impact and won't have a substantial impact on climate
19 change worldwide. A global problem requires a global
20 solution. And to the extent that the Board and staff can
21 continue to make the linkages and outreach necessary to
22 achieve those international goals that are needed in order
23 for us to achieve what's needed in order to avoid climate
24 change, we would appreciate that effort and would give our
25 time to assist that.

1 In that regard, we would like to associate it
2 with the Environmental Defense Fund and their comments on
3 REDD. So thank you.

4 CHAIRPERSON NICHOLS: Thanks.

5 Michael, there you go.

6 MR. WANG: Good morning, Madam Chair. Mike Wang
7 with the Western States Petroleum Association. I want to
8 thank you for the opportunity to testify today.

9 As you know, we've submitted comments in the
10 past, and I will not go through them in detail. I'll just
11 give you some highlights this morning.

12 We feel that the update should focus on achieving
13 the 2020 goals as outlined by AB 32. The plan should
14 clearly recognize and perhaps pay a little bit more
15 attention to the fact that the State is within four
16 percent of meeting the 1990 levels as required by AB 32.

17 And the ARB plan should therefore review the
18 incremental steps needed to fully implement the 2020
19 requirements. And instead, it seems that the update is
20 moving ahead with 2030 and 2050 emission reduction
21 strategies and policies without the statutory authority
22 necessary to implement those policies and strategies.

23 Now, notwithstanding the lack of statutory
24 authority, the ARB should conduct a thorough cost and
25 feasibility analysis and establish objective conditions

1 before developing a plan for proposed 2020 GHG and
2 short-lived climate pollutants. Now, we see in the
3 proposed resolution for today that the staff has proposed
4 an economic analysis workplan to be done in 2014 -- to be
5 started and outlined in 2014.

6 Well, certainly that's a good goal, and we'd like
7 to participate in that effort. We think that that
8 economic analysis should have been done as part of this
9 update, rather than as an adjunct or as a follow-on to
10 that effort.

11 And it seems clear that the plan now is
12 insufficiently defined to allow a detailed economic
13 analysis at this time, but it's a conundrum because it
14 seems clear that the plan, to you at least, is apparently
15 sufficiently developed for your approval today. And
16 that's a conundrum. You can't on one hand say, I can't --
17 I don't know the true economic picture of all of this, but
18 nonetheless, it's okay and sufficiently defined to go
19 forward.

20 In our view, a plan must be sufficiently
21 developed to allow both economic and policy analysis
22 through -- of the possible programs and policies. We give
23 you two examples. There are two examples where there
24 aren't enough detail. One is fuels under the cap starting
25 in 2015. That inclusion of the plan was not sufficiently

1 defined, and certainly the 20 -- the more aggressive LCFS
2 targets -- the low carbon fuels standard targets beyond
3 the initial short-term goals.

4 And the way to do this is to have a more detailed
5 economic analysis that takes into account experts that are
6 available to you all through this process.

7 Thank you.

8 CHAIRPERSON NICHOLS: Thank you.

9 MR. MAGAVERN: Good morning. Bill Magavern with
10 the Coalition for Clean Air in support of the plan.
11 You've heard the expression, "Everybody talks about the
12 weather, but nobody does anything about it". And I think
13 we can all be proud that in this State we not only talk
14 about the climate, we're actually doing something about
15 it.

16 And this is an excellent plan. I think the
17 biggest contribution from this plan and the biggest
18 improvement on the 2008 scoping plan is the increased
19 attention to the short-lived climate pollutants. And your
20 approach is science based, and it looks toward action, so
21 we very much look forward to working with you on that.

22 Every pollutant that is hazardous to human health
23 at the ground level is also contributing to changing the
24 climate. And so as this Board in the past has taken steps
25 to reduce black carbon, it's important that we continue

1 that progress, and also look at methane, and the other of
2 the short-lived climate pollutants.

3 And the mention of black carbon brings me into
4 the transportation sector, because we know that a lot of
5 that black carbon is coming from diesel emissions, and
6 much of that does come from goods movement in California,
7 so it's very gratifying to see that the Board has put such
8 an emphasis and is putting a lot of resources into the
9 sustainable freight strategy. And we very much need that
10 to succeed, both for purposes of air quality and getting
11 greenhouse gas emissions down.

12 We also need in the light-duty sector to stay the
13 course on the zero emission vehicle mandate. We really
14 need to transform the light, medium, and heavy duty fleets
15 in this State, and that's quite a challenge, so we'll take
16 sustained focus and resources.

17 And we also need to look at ways that people can
18 get around without getting into vehicles of their own, and
19 that means really improving the State's capacity when it
20 comes to public transit, and giving people better services
21 at low cost, so that we have public transportation choices
22 available. And complementary to that, we need to have
23 land-use plans that allow people to take shorter trips and
24 to get around by biking and walking, in addition to
25 vehicles.

1 And finally, we look forward to the
2 implementation, for the first time, of the investments of
3 the proceeds from the auctions, and particularly from our
4 perspective those investments in disadvantaged
5 communities, where we can bring down greenhouse gas
6 emissions and also help the health and the economies of
7 this State's most underserved communities.

8 And we look forward to working with you on that
9 as we go forward. Thank you.

10 CHAIRPERSON NICHOLS: Great thanks.

11 MS. DESLAURIERS: Good morning, Madam Chair,
12 members of the Board and staff. My name is Sarah
13 Deslauriers. I'm the Program Manager for the California
14 Waste Water Climate Change Group, the members of which
15 represent the State's wastewater community perspectives on
16 climate change issues.

17 We have submitted comment letters at each stage
18 of the update outlining how the wastewater community can
19 contribute toward multiple State goals under AB 32,
20 reducing greenhouse gas emissions through the production
21 of renewable energy and low carbon fuels from the biogas
22 that's generated at wastewater treatment facilities.

23 We also offer an immediate option for the
24 diversion of organic wastes from landfills, and to the
25 anaerobic digesters at wastewater treatment facilities,

1 not only for the producing biogas, but also producing a
2 digested material that can be land applied as a soil
3 amendment to offset synthetic fertilizer and increase the
4 carbon sequestration of the soil below, but it also can be
5 used to reclaim fire ravaged lands, particularly during
6 these times.

7 Unfortunately with all these opportunities, and
8 there are others that are listed in our comment letters,
9 many of our comments were not addressed in the final
10 scoping plan, and we want to highlight a few specific
11 issues of concern here.

12 First, Figure 3, the California methane emission
13 sources in 2011, it still inaccurately shows wastewater as
14 the State's fifth largest source of anthropogenic methane.
15 The majority of this source is related to septic tanks not
16 owned or operated by municipalities. We provided data
17 based on the 2011 Inventory of U.S. Greenhouse Gas
18 Emissions and Sinks in our comment letters on both the
19 discussion draft and the draft proposed scoping plan
20 showing septic tanks account for approximately 70 percent
21 of emissions -- or of methane emissions.

22 We recommend separating these emissions from the
23 estimate of wastewater related emissions consistent with
24 all these emissions are treated in the EPA inventory.

25 Second, and as Frank Caponi mentioned earlier,

1 we're concerned about the Air Resources Board expanding
2 the GHG monitoring program to include flux chambers and
3 controlled tracer release studies to study large area
4 sources such as landfills, wastewater treatment plants,
5 and other fugitive emission sources.

6 We strongly recommend this effort be done in
7 cooperation with the waste water community including
8 facilities that have experience with this type of study
9 already. We encourage our -- the Air Resources Board to
10 form workgroups to establish workplans and review data and
11 reports.

12 And bases on LA County Sanitation Districts
13 experience working with Columbia University, you cannot
14 simply use the flux chambers and expect to understand the
15 emission profiles of any wastewater treatment facility.

16 The California Wastewater Climate Change Group
17 members can assist the Air Resources Board in this effort.
18 We also have provided references to studies done in L.A.
19 basin showing that methane from wastewater treatment
20 plants is not as underestimated as thought, in comparison
21 to other targeted sources.

22 We have provided those preferences in our comment
23 letters on the draft proposed scoping plan. Finally, the
24 group wants to support and would like to work with the
25 State Water Resources Control Board and CPUC on developing

1 incentives by 2015 for resource recovery related
2 wastewater treatment projects, also work with State Water
3 Resources Control Board and Regional Water Quality Control
4 Boards to modify policies and permits by 2016 to achieve
5 conservation, water recycling, stormwater reuse and
6 diversion, and wastewater to energy goals.

7 Thank you.

8 CHAIRPERSON NICHOLS: Thanks.

9 (Thereupon an overhead presentation was
10 presented as follows.)

11 MS. LOPEZ-MENDOZA: Good morning, Chairman
12 Nichols, Board members, and staff. My name is Jerilyn
13 Lopez-Mendoza. And I'm speaking this morning on behalf of
14 the Southern California Gas Company.

15 Like all the other folks who have spoken before
16 me, I want to appreciate -- express our appreciation for
17 all the hard work that has gone into this first update to
18 scoping plan. I think this is the kind of tape that you
19 should hold onto, and then listen to when you're having a
20 low self-esteem day.

21 (Laughter.)

22 MS. LOPEZ-MENDOZA: And just remember like how
23 much folks really appreciated that each iteration of this
24 document there has been significant improvements.

25 Throughout the Scoping Plan Update, we recognized

1 the growing concern with methane as a short-lived climate
2 pollutant. And we note ARB's intention to develop a
3 comprehensive strategy to address such pollutants by 2015.
4 This is mentioned in a couple of different places in the
5 document.

6 In our case, that's obviously a primary concern
7 as well, because there's a concern about methane emissions
8 that might be released into the atmosphere in the transfer
9 and distribution of natural gas, which is what our
10 business.

11 So I simply wanted to share some information with
12 you this morning that you may or may not have access to.
13 The first is this slide that shows a whole host of methane
14 emission studies that are -- have either been conducted or
15 in the process of being conducted. You can see that yours
16 is located fifth from the bottom, the ARB GTI study. And
17 it's just to show that we recognize, as the Southern
18 California Gas Company, this is an issue of ongoing
19 concern, both at the State and federal level, and we are
20 doing everything we can to accommodate requests from a
21 variety of different sources to have access to information
22 about our operations, how our distribution systems work,
23 so that the information included in these studies can be
24 as accurate as possible.

25 We, like you, share the concern that if the

1 methane emissions are coming from our operations, we want
2 to pinpoint them. We want to be able to stop them.

3 The next slide, please.

4 --o0o--

5 MS. LOPEZ-MENDOZA: This is also just something
6 that we wanted to share. This is our own tracking of a
7 number of different regulatory activities that are going
8 on with respect to methane. And again, the ARB Scoping
9 Plan Update is listed fourth from the bottom, but you can
10 see that there's a number of efforts ongoing at the State
11 and federal levels. And again, we are trying to be as
12 accommodating. We're cooperating and collaborating on
13 these activities as much as we can.

14 So I simply wanted to share that information with
15 you. I know that you are moving forward with an intention
16 to research methane emissions as stated in page 22 of the
17 document. And we just want to offer our assistance to be
18 as helpful and cooperative as possible, and we look
19 forward to implementing this plan with you, as it goes
20 forward into the future.

21 Thank you very much.

22 CHAIRPERSON NICHOLS: Thanks.

23 MS. BUSSEY: At the stroke of noon.

24 Good afternoon, Chairman Nichols and the Board.

25 My name is Julia Bussey and I represent Chevron

1 Corporation. We appreciate this opportunity to address
2 the Board on the Scoping Plan Update. We also appreciate
3 the collaborative approach generally taken by the staff on
4 AB 32.

5 Chevron has submitted written comments, and I
6 would just like to highlight a few times today that are
7 most important to us. We believe that economic studies
8 are needed prior to making plans for post-2020, and
9 particularly in determining the trajectory to a 2050 goal.
10 Staff has stated that they cannot study what they do not
11 know.

12 However, staff did participate in a study done by
13 Lawrence Berkeley National Lab in October -- that was
14 released in October 2013. This study developed scenarios
15 to try to reach the post-2020 goal -- 2050 goal. Chevron
16 recommends that ARB develop an economic study analysis
17 using the scenarios developed by Lawrence Berkeley Lab,
18 and do this prior to 2018. We think this is critical to
19 understand the economic consequences of the goals that we
20 consider.

21 Secondly, we believe that partnerships are needed
22 if California's programs are to be meaningful for global
23 greenhouse gas reductions. We recommend that the State
24 follow a principled approach. A few key principles would
25 include that California's post-2020 programs must be

1 conditional on substantial action by other jurisdictions
2 and by linkage to other active GHG programs.

3 A conditional policy would promote action by
4 others. We think that this is very important, because
5 California is one of the most energy efficient states in
6 our nation.

7 We must incent others to reach our efficiency
8 level. Leadership can also be displayed by establishing
9 incentives for innovation. The areas of the scoping plan
10 that identified preferred existing technologies will
11 actually discourage research development and innovation on
12 new, not yet developed, technologies.

13 So, in summary, we recommend that the State
14 revamp the post-2020 approach in a separate effort
15 following these principled -- principles that we suggest,
16 and also based on a paper developed by Dr. Robert Stavins.
17 Dr. Stavins is a world recognized international advisor on
18 climate policy. And we believe that following a
19 principled approach will reduce the likelihood that
20 California will incur large economic impacts without any
21 real environmental benefit.

22 Thank you very much.

23 CHAIRPERSON NICHOLS: Thanks. Thank you.

24 MR. NOWICKI: Good afternoon. I'm Brian Nowicki
25 with the Center for Biological Diversity. Thank you a lot

1 for having me today.

2 I want to -- I'm here today in support of
3 adoption of the update. And I'm not going to repeat all
4 of the things that were said by my environmental
5 colleagues that came before me this afternoon or this
6 morning, but I will echo that there are many things to be
7 excited about in the update, and many things that are
8 going to require work in order to make them come to
9 fruition.

10 I would like to speak on just one piece of
11 those -- one piece that I would like to draw some
12 attention to, and that is one sentence that appeared on --
13 a couple of times -- one statement that appeared a couple
14 of times in the final that wasn't there in the draft. And
15 that statement is, "Develop methods to quantify biomass
16 lifecycle GHG flux".

17 I'd like to offer my thanks and appreciation to
18 the staff for listening to us, working with us, hearing us
19 out over the years and over the course of the past several
20 months as we raise the numerous difficult questions and
21 issues that have to be answered and addressed with respect
22 to biomass energy and its greenhouse gas impacts.

23 This sentence, which appears in a few different
24 places, is a acknowledgement as the -- an EA also
25 acknowledges that there's a potential for biomass energy

1 that is taking woody biomass and turning it into energy
2 through combustion. That there is a real potential for
3 those emissions to be greater even than some fossil fuel
4 emissions, and even after taking into account the biogenic
5 nature of that fuel source.

6 So we very much look forward to working with the
7 Air Resources Board and seeing the Air Resources Board
8 proactively address these particular questions and issues,
9 because, as you may know, there are many ways that the
10 plan intersects with the Bioenergy Action Plan, with the
11 working group, with the RPS, none of which have done the
12 analysis that is precisely what this sentence lays out.

13 There's assumptions that are made in those other
14 plans in those other arenas that, well, really it is up to
15 the Air Resources Board in the context of this program is
16 exactly the place where kind of the rubber hits the road
17 with -- in terms of greenhouse gases.

18 So I look forward to working with the Board, and
19 I would like to see that actively and practically
20 addressed.

21 Thank you.

22 (Laughter.)

23 CHAIRPERSON NICHOLS: Well done. Thank you.

24 MS. MERRILL: My name is Jeanne Merrill. I'm
25 with the California Climate and Agriculture Network. And

1 we are a coalition of sustainable agriculture and farmer
2 member groups and we're in support of today's update.

3 We appreciate that the Scoping Plan Update
4 recognizes the multiple benefits of sustainable
5 agricultural solutions to climate change. In particular,
6 we appreciate the inclusion of organic agriculture in the
7 update, but think that more can be done to integrate low
8 input biologically diverse farming systems across all of
9 the agriculture related strategies in the update.

10 We recommend a competitive grant program that
11 supports an integrated approach for agricultural research,
12 grower technical assistance, and financial incentives that
13 support a diversity of farm management strategies that
14 reduce nitrous oxides and methane emissions and increase
15 carbon sequestration while producing economic benefits for
16 growers and multiple benefits for our rural and urban
17 communities.

18 And finally, as we move forward in enhancing
19 working and natural lands to act as our carbon sinks in
20 the State, we urge an integrated approach that includes
21 all of our working and natural lands.

22 Thanks.

23 CHAIRPERSON NICHOLS: Thank you.

24 MS. PASSERO: Just checking whether I should say
25 good morning or good afternoon.

1 It's Michelle Passero with the Nature
2 Conservancy, and we just want to thank staff for all their
3 hard work on developing the Scoping Plan Update, and
4 express our strong support overall for the plan. It's
5 important that we are reducing emissions beyond 2020, and
6 setting interim targets. It's critical for our climate.
7 It's also important for providing more certainty for the
8 investments we make today, so we have benefits out into
9 the future.

10 We do think it's also essential for the State to
11 continue engaging other states and countries in climate
12 solutions across sectors. I think we've done a good job
13 so far. And this should include forests and land use,
14 given the global nature of the problem and also the
15 opportunities for us to help each other and learn from
16 each other.

17 Regarding the natural working lands provisions,
18 we do thank you and strongly support the expansion of this
19 beyond forests. We see natural and working lands as
20 really the third leg of the stool, in terms of our climate
21 solutions. And how we manage and protect these resources
22 really strongly influences whether they are a net source
23 of greenhouse gas emissions or a net sink.

24 I'd like to echo the comments of Pacific Forest
25 Trust and also agree with CBD on us getting a better

1 handle on the accounting around biomass energy. And
2 additionally moving forward, we would like to use this
3 plan as a spring board, using your words to Chair Nichols,
4 that we do have an opportunity to do more in this area.
5 And it would be great to set clear and actionable
6 greenhouse gas goals for these land types all of them, not
7 just forests with a floor of a no net loss of their
8 climate benefits.

9 And I hope we can create clear blueprints with
10 supporting policies to achieve these goals, acknowledging
11 also overlap with these other sectors, and have a
12 timeline. So perhaps when the staff reports back a year
13 from now, these could be included as part of reporting
14 back.

15 Thank you, and as always, we look forward to
16 working with you on this.

17 CHAIRPERSON NICHOLS: Thanks.

18 MR. HALL: Good afternoon, Chairman Nichols and
19 members of the Board. My name is Jamie Hall and I'm here
20 on behalf of CalStart in support of the plan.

21 We're a fuel and technology neutral nonprofit
22 organization focused on clean low-carbon transportation.
23 We also signed on to the California Business Alliance
24 letter that was mentioned earlier. Many of our 150-member
25 companies are based here in California. And they're the

1 ones that are producing and using the clean cars, trucks,
2 buses, off-road equipment, and fuels that are discussed in
3 the plan.

4 From our perspective, AB 32 has been a success to
5 date. The LCFS is indeed driving progress and innovation.
6 That fact was underscored by a diverse group of private
7 sector companies at our recent Clean Low-Carbon Fuels
8 summit.

9 The light-duty vehicles standards and ZEV Program
10 are also undeniably driving investment and innovation, and
11 consumers are reaping the benefits.

12 And on the investment side, the AB 118 programs,
13 and here at ARB the AQIP program, have made a real
14 difference in accelerating deployment of cleaner vehicles
15 in fuels. The air quality, public health, and economic
16 benefits of these things are substantial, particularly in
17 disadvantaged communities.

18 We're happy to see that this updated plan builds
19 on these successes, and we think that overall it sends the
20 right sorts of signals to the private sector. There are
21 few elements I want to specifically note.

22 First, the plan talks about both an overall
23 mid-term goal and a post-2020 target for the LCFS.
24 Setting these kinds of targets would provide certainty for
25 fuel providers and would ensure continued investment and

1 innovation. The devil is in the details on how you set
2 these, but this is the sort of longer term thinking and
3 planning that's needed.

4 Second, the plan underscores the importance of
5 technology forcing vehicle standards for both cars and
6 trucks. These standards are driving progress and they can
7 continue to do so, and we all stand to gain.

8 And third, the plan acknowledges the need for
9 continued State investment in clean vehicles and fuels.
10 The standards are great. They've been very effective, but
11 standards alone can't get us where we need to be, and we
12 need both carrot and stick.

13 Cap-and-trade revenues provide an incredible
14 opportunity for State investments, and we're pleased to
15 see mention of light-duty vehicle rebates, heavy-duty
16 vouchers, pilot deployments, and freight demonstrations.
17 All of these things are needed and the benefits more than
18 justify the investments.

19 The transportation sector of the future is
20 definitely going to look very different from where we are
21 today. We still have a long way to go on zero emission
22 cars and buses, but we're getting there. Things are more
23 complicated when you talk about freight, and you're going
24 to continue to see low-carbon liquid and gaseous fuels
25 playing a real role. But it's undeniable that we're

1 making progress. And to continue moving forward, we need
2 the sort of programs and incentives that are outlined in
3 the plan.

4 It won't be easy and there are going to be bumps
5 along the way, but we're headed in the right direction.
6 This is a good step, and we look forward to working with
7 you. And I want to echo Barry Wallerstein's comments from
8 earlier regarding the attractiveness and accessibility of
9 this document. I hope that's a trend that continues too.

10 Thank you.

11 CHAIRPERSON NICHOLS: Thank you. Page 3.

12 MR. LAPIS: Good afternoon. Nick Lapis with
13 Californians Against Waste. I'd like to start off by
14 thanking you for the great work you've put into the
15 scoping plan update, and the very appropriate focus on the
16 waste management sector, as well as short-lived climate
17 pollutants as a whole.

18 You've laid out an impressive vision for where
19 we're taking the waste sector in California. You've
20 basically laid out a vision where we're going to reach our
21 75 percent goal and use the organic waste that had been in
22 the landfill to compost and produce bioenergy. We're
23 going to use our recyclables that we had been shipping
24 overseas and we're going to keep them here and reintroduce
25 them into manufacturing, and we think that's all great.

1 As you can tell, you've stimulated a very
2 thoughtful and productive conversation over in the
3 Capitol, especially on the organic waste portion of the
4 plan. We've come together with a lot of the folks in
5 industry group to work out a deal on the organic waste
6 legislation that really brings together people who had
7 been arguing for two decades on some of these issues, and
8 we're making a lot of progress. We are hopeful that we
9 will get both bills passed this year.

10 However, I'd like to say that even if we're
11 completely successful in getting those bills passed, as
12 the California Compost Coalition pointed, they are not the
13 end-all, be-all for the sector, and there's a lot more
14 work to be done.

15 I hope that you continue your commitment to both
16 landfill gas regulations, incentives for organics
17 processing, cross-regulatory agency stakeholder issues
18 that you have laid out, and something that we haven't
19 really spent that much time talking about, is keeping
20 recyclables in California, making sure we reintroduce them
21 into the economic system in California.

22 You, in your narrative, described what I think is
23 a very thoughtful comment that I'd just like to read into
24 the record. And this is actually from the scoping plan.
25 It says, "California must take greater ownership and

1 responsibility for the waste generated within its border.
2 Exporting waste denies California the economic opportunity
3 of significant job growth that would result if these
4 materials were processed and remanufactured in
5 California".

6 I don't think I can put it any better than you
7 did yourselves, but we don't really have the specific
8 actions lined up to make sure we reach that goal, and we
9 have a little bit more work to get there.

10 Thank you.

11 CHAIRPERSON NICHOLS: Thank you very much. I
12 really appreciate the support.

13 MS. O'BRIEN: Good morning, Madam Chairwoman and
14 members of the Board. My name is Rachel O'Brien, and I am
15 here today on behalf of Consumer's Union, the public
16 policy and advocacy division of Consumer Reports.

17 The update to the scoping plan that you're
18 considering today affirms that California is on schedule
19 to cut greenhouse gas emissions while continuing to grow
20 the economy and continuing to create livable, walkable,
21 transit-friendly communities.

22 California's suite of climate policies are
23 cutting both fuel costs and emissions. In 2020,
24 California drivers will spend 30 percent less on fuel than
25 they did in 2012, and fuel costs will continue to decline

1 even further in future years.

2 In other good news, the most recent carbon
3 inventory shows transit related greenhouse gas emissions
4 have already fallen 12 percent during the past seven years
5 due, in part, to a large number of fuel efficient vehicles
6 on California roads and thanks to California policy
7 leadership.

8 California consumers will benefit from clean fuel
9 policies, included in the scoping plan, like the low
10 carbon fuel standard. They will get more clean fuel
11 options with less reliance on oil. These trends will ease
12 upward pressure on gas prices, so consumers will save more
13 at the pump through competition, as well as cleaner and
14 more efficient cars and trucks. These policies will
15 hasten the day when there is genuine consumer choice in
16 cleaner fuels and transportation options.

17 A new study by ICF International commissioned by
18 a coalition of business groups looks at the low carbon
19 fuel standard impacts on the economy, including employment
20 rates, personal income, and gross State product, and finds
21 that any potential adverse impacts will be negligible and
22 will far outweigh all the positive impacts -- and will be
23 far outweighed by all of the positive impacts.

24 CHAIRPERSON NICHOLS: Whew.

25 (Laughter.)

1 CHAIRPERSON NICHOLS: Thank you.

2 MS. O'BRIEN: California's LCFS and Cap-and-Trade
3 Program are structured to ensure that emissions in future
4 years will continue to decline. Capturing transportation
5 fuels within the cap is essential to managing the largest
6 source of emissions within the State. We are pleased that
7 the Scoping Plan Update continues to build on the progress
8 of current programs and that the multi-sector approach
9 provides vision and context for ongoing investments of
10 cap-and-trade auction proceeds.

11 Thank you for the opportunity to speak today.

12 CHAIRPERSON NICHOLS: Thank you for being with
13 us.

14 MR. AKABA: Good afternoon. My name is Azibuike
15 Akaba. I'm with the Regional Asthma Management and
16 Prevention part of the Public Health Institute and also
17 working with the environmental justice groups around the
18 State.

19 So we support the environmental justice tenets
20 that were promoted here, and also we're looking at -- we
21 compliment you guys on looking at the short-lived
22 pollutants because we make the connection between the
23 black carbon and diesel, and we want to see diesel
24 emissions reduced through the sustainable freight plan.
25 And we're working with you guys in that capacity.

1 What I wanted to introduce here is the need to
2 have a community investment board to look at the revenue
3 spending directly into the communities that are going to
4 benefit from those investments. And I think that a
5 community investment board could oversee and make sure
6 that there's the efficacy of the program.

7 I understand that the air districts have
8 jurisdiction to some extent. But since they're
9 understaffed, it seems like this will be a complement to
10 support the air district's capacity, as well as address
11 community concerns. So I can elaborate on the community
12 investment board at a later time.

13 Thanks.

14 CHAIRPERSON NICHOLS: Thank you.

15 Ms. Plowman.

16 MS. PLOWMAN: Good afternoon, Madam Chair,
17 members of the Board. Good to see you all again. It
18 never ends for us, does it?

19 CHAIRPERSON NICHOLS: No.

20 MS. PLOWMAN: However, this time we may have some
21 agreement. I learned a lot in the eight years since I
22 first started attending these meetings. And I think one
23 of the things that we all realized at one point is with
24 the truck and bus regulation, it was a one-size-fits-all,
25 and that wasn't necessarily the way it is.

1 But with the development of the natural gas
2 vehicles, the very thing that kept our construction trucks
3 from receiving funding may be the very thing now that will
4 enable them to move forward with this. And what I'm
5 referring to is most of the grants and insensitive funding
6 was based on mileage. That left us out. We returned to
7 our home base at night. We're usually local within the
8 community, and we don't do a lot of miles, which is why
9 the low mileage construction truck and then the working
10 truck helped extend some.

11 But as you recognized, at the meeting of April
12 24th, not only did our economy not completely recover, but
13 it was just financially impossible for many of our folks
14 to purchase newer equipment. We're thinking with the
15 natural gas vehicles, there's certain things that they
16 could be used for that make them perhaps unattractive to
17 the guys that originally got the high mileage, because
18 they're going across country.

19 But for our local guys that return at night, if
20 we could get some additional funding to make this
21 possible -- and I'm just here because we're at the bottom
22 of the -- we're just starting. These vehicles are much
23 higher in price as it stands now than our usual. But if
24 we could get some incentive funding for these low mileage
25 trucks, that this will work for our vocational trucks that

1 return at night, I think this could be. And may I say, I
2 hope to walk down this path with you.

3 Thank you.

4 CHAIRPERSON NICHOLS: Thank you. That's a
5 terrific suggestion. I think it's -- Mr. Ayala is here,
6 and I know he's the right person to focus on this. So we
7 should be having some further conversations, but thank you
8 for that.

9 Mr. White, you are the last.

10 MR. JOHN WHITE: Good morning, Madam Chair and
11 Board members. My name is John White, and I'm the
12 Director of the Center for Energy Efficiency and Renewable
13 Technologies. I'm interested to try to add some
14 additional thoughts that you may not have already heard,
15 as well as to reflect on some of the things that we heard
16 this morning.

17 First of all, we're happy to see this update.
18 We're happy to see the improvements that have been made,
19 and we're happy to see the beginnings of a framework with
20 which we can go forward.

21 We think the most important thing that we need to
22 do next is to get about setting the target for 2030 and
23 2050. I would say that on the question of your authority,
24 that we must look at your entire body of statutory
25 authority in the Health and Safety Code, starting with

1 Section 41700 dealing with public nuisance, and moving on
2 through the California Clean Air Act, as well as AB 32.

3 It's important to recognize AB 32 was not in the
4 beginning, it was a continuation of policies and programs
5 that had been put in place piece by piece by the
6 legislature and by this Agency. So I can understand that
7 you might want to wait to have the Governor's full
8 attention, to have the Governor take the lead in framing
9 and establishing these targets, but I don't think there's
10 any question that you have the authority. I do think,
11 however, as we've seen in some of the examples cited this
12 morning, that it's beneficial to have a partnership with
13 the legislature.

14 There's much about this work that will require
15 direction and guidance, incentives, as well as the
16 legislature's further delineation of policy, but I think
17 the question of your authority is clear in the body that
18 we have as a whole.

19 I think also it's important to recognize that in
20 the energy sector, and there's some very thoughtful
21 comments in the document about the energy plan and the
22 need for coordination of actions, but there needs to be
23 more transparency in how that process is developed. Right
24 now, the Cal ISO and the PUC planning assumptions stop at
25 2020. They're waiting for you to tell them what the

1 target needs to be in 2030, and then they need to get on
2 with their planning in a public and transparent process to
3 get that done.

4 I also want to give particular thanks to the
5 Board for stepping up on short-lived pollutants. We won't
6 discuss how long it took to get to this point, but we're
7 happy to see the results and the focus and the progress.
8 In that regard, I have a couple specific suggestions I
9 want to add.

10 One of my old friends and colleagues, Tim Grabiell
11 that used to be with NRDC, is now with an organization in
12 Paris called Environmental Investigations Agency. They
13 have submitted to the Board very thoughtful comments on
14 the importance and urgency of phase-out of HFCs and other
15 F gases.

16 There's much work to be done in California
17 building on the work that the European Union has done and
18 what they have also forgotten. Also, I think we want to
19 suggest some caution about the replacement of the HFCs
20 with other HFCs, particularly HFO-1234yF, which is a
21 flammable material that I understand Daimler and VW aren't
22 planning on using. I think we need to get together with
23 our first responders and be sure we have this covered.

24 And lastly, with regard to black carbon, I think
25 it's time to put back on the table and remind ourselves

1 that we need a phase-out of ag burning. Ag burning is a
2 source of black carbon. It's also the failure to phase it
3 out has disrupted our ability to have an integrated
4 biomass energy plan. So I would put that back on the
5 list. I think the comments from the Center for Biological
6 Diversity regarding the -- maybe we need a well-to-wheel
7 analysis of biomass so we can get this all managed and
8 bring down the GHG, the air quality emissions, and also be
9 able to have a sustainable program going forward.

10 So thank you for the opportunity. I apologize
11 for a little length, but thank you.

12 CHAIRPERSON NICHOLS: Thanks.

13 You get extra credit, I guess, for waiting till
14 the very end. At this point, I'm going to close off the
15 public testimony.

16 The court reporter needs a break, and we're going
17 to need a break, but I want to ask if we can possibly hold
18 on just so we can take action on this item. My proposal
19 would be that we act on this, take a half hour lunch
20 break, come back and address the other two items on our
21 agenda, and then break for the tour of the monitoring
22 equipment. So it would flip the agenda by taking up the
23 discussion of the San Joaquin Valley plans for SB 375,
24 then do the monitoring report, then fresh on the heels of
25 hearing about the monitoring, actually go out and look at

1 what's out in the street.

2 That gives us a pretty tight schedule, because we
3 lose our street closure permit at 3:00 o'clock. And I
4 don't want the police coming and shutting us down. So
5 that will move us -- well, I'm not sure that the Board of
6 Supervisors is in control of this.

7 BOARD MEMBER SERNA: It does.

8 CHAIRPERSON NICHOLS: Does it? Okay. Well, we
9 may have some influence --

10 (Laughter.)

11 CHAIRPERSON NICHOLS: -- in important places.
12 That will be really good.

13 Okay. So, court reporter, do you think we can
14 hang on for just a few more minutes here, because I don't
15 think we need a lot of discussion on this item. I imagine
16 that we made need a little bit.

17 One of the things I want to ask about is --
18 because this is relatively new to us, we went through an
19 environmental analysis and received comments on that. And
20 there have been a few references made to that today, so I
21 would like to turn to our legal counsel just to make sure
22 that we do this properly as we move on the scoping plan.

23 So Ms. Brown.

24 STAFF COUNSEL MORKNER-BROWN: Hi. Yes. We did
25 do an environmental analysis as staff presented and we

1 received seven comment letters, which we responded to in
2 writing, which you have before you. Part of the
3 resolution vote is approving those as required by our
4 certified regulations to comply with CEQA.

5 And I think the -- you know, we addressed those
6 issues as we saw by the testimony by Brian Nowicki. We
7 addressed their concerns with a small change to the update
8 itself.

9 And as far as the comment, there was one comment
10 where I wasn't clear they were raising about our
11 environmental analysis or the high-speed rail
12 environmental document.

13 CHAIRPERSON NICHOLS: Yes. Yes.

14 STAFF COUNSEL MORKNER-BROWN: That wasn't exactly
15 clear. But just to clarify, that high-speed rail was
16 identified in the 2008 plan, analyzed at that time. The
17 appendix to this environmental analysis refers to that
18 document and that's -- that wasn't reconsidered at this
19 time.

20 CHAIRPERSON NICHOLS: And in terms of process, do
21 we need to vote on the environmental assessment and
22 comments then before we vote on the actual plan, is that
23 how this works?

24 STAFF COUNSEL MORKNER-BROWN: It's all part of
25 the same resolution.

1 CHAIRPERSON NICHOLS: It's all within the same
2 resolution. Okay.

3 All right. Does anyone have any sort of final
4 comments or questions? This is obviously the third time
5 we're dealt with this issue. Although, there are some
6 important changes. I have a couple of things that I might
7 mention just in response to some of the comments that
8 we've heard, if that's okay.

9 So the first on the water issues. I just want to
10 say that I appreciate the fact that this may be the first
11 time that some of our water agencies have really focused
12 on what we're saying here, and that there was some alarm
13 in the community. But I've looked at this pretty
14 carefully, and I don't think that we are threatening to
15 adopt a loading order. I think that term perhaps is a
16 term that -- it provoked some alarm on their part. It's a
17 concept in terms of preferences for where water is to come
18 from that's similar to what they do in the energy world,
19 but there isn't actually anybody who is in a position to
20 do that that I know of, I mean, from our a purely
21 legal/regulatory perspective.

22 So it's just -- it was more of an analogy I think
23 than it was a statement of what we were going to do.
24 However, it's good to be on notice that this is something
25 that's of concern, because we're going to be moving

1 forward with so much more focused conversations on this --
2 on that part of the plan.

3 As far as the comments about economic
4 assessments, this is a conversation that, I think, as most
5 people remember, we've spent a lot of time doing economic
6 analyses on the prior scoping plan and on our regulations.
7 And we keep trying all the time to improve the quality of
8 our economic analyses.

9 My understanding, and I'll just ask Mr. Cliff, if
10 he wants to say anything in addition to this, is that we
11 did convene a blue ribbon committee again this time of
12 California and other economists, including some of the
13 people that had worked on the prior economic analysis, as
14 well as Professor Stavins, who was one of the people that
15 was alluded to earlier, and that their comment was that
16 because of where we are in the process, they want us to be
17 gathering certain kinds of data, which we are now busily
18 at work gathering, so that they can do more economic
19 analyses that are more focused and more accurate, but that
20 they're not in a position to start or prepare some new
21 economic analysis of the whole AB 32 scoping plan. Is
22 that essentially right, Mr. Cliff?

23 STATIONARY SOURCE DIVISION ASSISTANT CHIEF CLIFF:

24 That's absolutely right. And I think what we
25 committed to do is putting a workplan together that will

1 establish the work that needs to happen in toward for that
2 next economic analysis to occur. Because we're so early
3 in the process, really what's appropriate now is gathering
4 data and developing new tools for that next economic
5 analysis.

6 CHAIRPERSON NICHOLS: I made a couple of notes on
7 other comments that people made, including the one about
8 the need to integrate lower carbon methodologies of
9 farming into the plan. There were other people who made
10 really thoughtful suggestions about ways in which we could
11 do more to incorporate low-carbon concepts into the plan.
12 And I think that with respect to pretty much all of them,
13 we are in a position to take advantage of those thoughts,
14 as we move forward in the next stages towards
15 implementation.

16 So I guess the bottom line, as far as I'm
17 concerned is, that I didn't hear anything that suggested
18 that we should stop at this point. That, if anything, we
19 should get this done, so that we're ready to then start to
20 move on on the more detailed tasks of implementation.

21 So with that, if we're ready to have a motion,
22 I'm ready to proceed.

23 Supervisor Serna, you were I think -- oh, sorry,
24 comment, question.

25 BOARD MEMBER BALMES: I have a comment.

1 CHAIRPERSON NICHOLS: And you had others.

2 BOARD MEMBER DE LA TORRE: No. People had
3 comments, questions.

4 CHAIRPERSON NICHOLS: Oh, okay. Go ahead.
5 Comments, questions.

6 BOARD MEMBER BALMES: Well, first off, I'm very
7 much impressed with this latest version of the attractive
8 document.

9 (Laughter.)

10 BOARD MEMBER BALMES: But in reading the new
11 attractive document, one of the attractions for me on page
12 120 was we had a list of our economic advisors, who are a
13 very impressive group, and I greatly appreciate the input
14 they've given to us in terms of economic analysis of
15 implementing the scoping plan.

16 And then, of course, I'm interested in the public
17 health and environmental justice components of the
18 document, which are very well written. But specifically,
19 the section on page 127 sort of ends up the public health
20 section by saying, "In addition, ARB will continue to
21 evaluate ways to monitor the public health of
22 disadvantaged communities. As with economic impacts,
23 communities and individuals are subjected to..." dot, dot,
24 dot.

25 And that made me think why don't we have the same

1 kind of blue ribbon advisors for public health and
2 economic justice that we have for the economic work that
3 we need to do? And so I would like to see us move in that
4 direction. I don't want to hold up approving this today,
5 but I think that that would be something that I would
6 really like to see go forward. I think it would put
7 public health and environmental justice more upfront where
8 I think it needs to be.

9 I actually think it would be good in terms of
10 selling the whole climate mitigation -- climate change
11 mitigation policy that we've developed to the public. So
12 that's one of my -- well, that's a proposal, and then I
13 would also say that Mr. Akaba brought up the community
14 investment board. I think that that's an idea worth
15 considering.

16 So I'm more interested, at this point, in getting
17 really top-notch advice with regard to public health and
18 EJ strategy in general.

19 CHAIRPERSON NICHOLS: Okay. Thank you. Any
20 other comments or questions before we have a motion and
21 vote on this?

22 Yes.

23 BOARD MEMBER SERNA: Thank you, Chairman Nichols,
24 and thank you too for prefacing what you did just a few
25 moments ago about reminding staff and those that have been

1 following development of the scoping plan so closely that
2 this is -- it's not a -- necessarily a distinct point in
3 time. Although, it is an action today that we are finally
4 approving the document, but I think we could all agree
5 that this is a continuum of a lot of great thought, and
6 application of new technologies, and different ways of
7 meeting the intent of AB 32.

8 And with that, I do want to point out, I thought
9 the comments expressed by Ms. Thronson from Valley Vision
10 about broadband and how, you know, broadband technologies
11 and the applicability, especially in rural agrarian
12 communities, whether it be adaptive use for monitoring
13 water in fields, and therefore having some implications in
14 terms of the amount of energy used for pumping or in --
15 even in disadvantaged communities where it might help keep
16 folks off -- out of the peak hour commute stream, so that
17 we have a benefit there in terms of mobile source
18 emissions. I think that was a really terrific suggestion
19 that she had made, and having had conversations with her
20 in the past about it, I think that's something that we
21 ought to run with quite frankly.

22 I really want to extend my thanks to the members
23 of the EJAC that have been so close to this over several
24 months, if not years, and for being here today certainly
25 to provide testimony. You're very clear and articulate in

1 terms of kind of the broad five -- the five elements that
2 are still some point of contention or respectful
3 disagreement with what's in the final document. But I
4 think it's fair to say our staff and this Board have
5 certainly heard you loud and clear. And the scoping plan
6 should -- you should understand that it's a reflection of
7 your advocacy as much as anything else.

8 I do want to suggest that while perhaps in
9 statute the existence of EJAC and its mission and purpose
10 may be clear to some as being solely applicable to the
11 scoping plan, I think it has much broader utility, and we
12 ought to think carefully as a Board and as staff about how
13 we maintain the utility of having the EJAC certainly
14 remain very engaged on everything that this Board does,
15 this agency does to implement AB 32.

16 So again, I would respectfully ask our staff and
17 our legal counsel to maybe give us some guidance in the
18 future about how we might take advantage of that.

19 And I don't know if I've heard a motion yet, but
20 I'll certainly move the item.

21 CHAIRPERSON NICHOLS: I think Ms. Berg had a
22 comment and might second it also.

23 BOARD MEMBER BERG: I will second Supervisor
24 Serna's motion.

25 But, you know, from a business perspective, and I

1 do understand when we look at policies, words, and things,
2 if we're not so attached to the load order, why don't we
3 take it out? Why don't we go with, "This policy would
4 prioritize investments in energy efficiency ahead..", and
5 just take out, "be similar to"? Because then we had five
6 people come up with a concern on this. It doesn't -- it
7 appears that it is directing us into a direction. So what
8 would staff's comment be on that?

9 CHAIRPERSON NICHOLS: I think it came out of the
10 Committee process. That's my major concern about changing
11 it at this time, only because there was a rather lengthy
12 and inclusive process that got that in there, but maybe --
13 Ms. Chang.

14 DEPUTY EXECUTIVE OFFICER CHANG: Right. This was
15 a -- it was a -- definitely, and you heard from some of
16 the State agencies this morning talking about the process
17 that we went through. And so this was a -- the chapter is
18 something that was developed through that consensus
19 process with the agencies.

20 That being said, they -- we have had some
21 interaction with staff at the Water Board. And it really
22 was, as Mary had described, sort of an analogy. It was a
23 concept, and there was not ever an intention to say we're
24 going to do a loading order for the water sector. And
25 so --

1 BOARD MEMBER BERG: Okay. And so I'd be
2 comfortable with that, as long as we -- I do understand
3 that we believe that we need flexibility. One size
4 doesn't fit all. That you will be working with
5 stakeholders to further this policy. And it is our intent
6 to look at this ordering, but in a flexible way that is
7 not one-size-fits-all.

8 DEPUTY EXECUTIVE OFFICER CHANG: That is
9 absolutely the intent.

10 BOARD MEMBER BERG: Okay. I'm good with that.

11 And then I just had one other question --
12 clarifying question on the economic analysis. Do I
13 understand correctly that we will come up with an economic
14 analysis in 2016 or '17?

15 STATIONARY SOURCE DIVISION ASSISTANT CHIEF CLIFF:

16 We certainly intend to have an economic analysis
17 with the next plan, that would be a look back at the
18 implementation of AB 32, and then a look forward to
19 achieving the mid-term target. So the next plan we would
20 anticipate would be more like 2018.

21 What we're looking at now is setting that
22 framework -- putting that framework in place and getting
23 all the pieces established, so that we're ready for that
24 analysis. But yeah, the timing, we haven't established
25 right now, but 2018 would be the next plan.

1 BOARD MEMBER BERG: And you're comfortable with
2 that timing -- the market signals that need to be sent,
3 any correction from any analysis that we get in the
4 meantime, we're comfortable with that timing?

5 STATIONARY SOURCE DIVISION ASSISTANT CHIEF CLIFF:

6 We certainly would make corrections if we thought
7 that there were any issues we needed to address, but at
8 this time, that seems like the right timing.

9 CHAIRPERSON NICHOLS: But that's really for the
10 full macroeconomic study of everything related to
11 implementation of AB 32. I mean, I think there are other
12 specific analyses that will be done and would have to be
13 done on projects and proposals along the way.

14 BOARD MEMBER BERG: Perfect. Thank you very
15 much.

16 CHAIRPERSON NICHOLS: Okay. All right. We have
17 a motion and a second, but we can have some additional
18 comment.

19 BOARD MEMBER MITCHELL: I'm inspired by our -- my
20 colleague here on the Board talking about the water issue,
21 because I've taken another look at that language on page
22 63. And it seems to me the paragraph that is problematic
23 is the one that was pointed out that begins with,
24 "Establishing a conservation-first policy for water...",
25 and ending with this language, "...the conservation first

1 policy could be implemented through legislation or joint
2 agency action"... , and then cites our co-agencies. I
3 think that is a problematic. That whole paragraph.

4 CHAIRPERSON NICHOLS: Can I put a flag down on
5 this one. And I don't mean to say that people can't have
6 different views about this, but that language comes out of
7 a Water Action Plan that was produced by this
8 administration and adopted by agencies of -- the water
9 agencies and the Governor. I'm really reluctant to start
10 editing it right now.

11 BOARD MEMBER MITCHELL: Okay. That's history I
12 didn't know about.

13 CHAIRPERSON NICHOLS: Yeah. Well, it wasn't
14 referenced, but the priority for water conservation as the
15 first principle about water is something that went
16 through, you know, a political process at least, if not a
17 regulatory process that led to a plan that is now being
18 used as a reference point by all the other agencies, as
19 well as in our dealings with the legislature over future
20 plans for things like water storage facilities and Delta
21 restoration. So it's all kind of linked together. So I
22 don't think this is a point at which I would really like
23 to see us editing that.

24 BOARD MEMBER MITCHELL: Yeah, and I didn't know
25 that history. I do know that Southern California has been

1 forward looking in water conservation.

2 CHAIRPERSON NICHOLS: Absolutely. Absolutely,
3 and there may not be some -- as much understanding about
4 that in other places as there should be.

5 BOARD MEMBER MITCHELL: That could be. But, you
6 know, water reliability is another important issue. So
7 thank you for that insight, Chairman.

8 CHAIRPERSON NICHOLS: I agree. I just think this
9 is a tough -- any time you mention the topic of water,
10 there's no question -- I won't quote Mark Twain, because
11 everybody else always does, but -- yes, I think -- well, I
12 mean, I think that this Board has shown, in everything
13 that I've worked on since I've been here, a willingness to
14 be reasonable about how we actually implement any of these
15 policies when it comes to reflecting other needs, and I
16 would hope that we would do that again.

17 I certainly think we said -- we said the right
18 things on the record. And hopefully before any further
19 action takes place, we'll have an opportunity to review
20 it. So, if I may -- yes, one more.

21 BOARD MEMBER SHERRIFFS: I promise not to talk
22 about water.

23 (Laughter.)

24 BOARD MEMBER SHERRIFFS: To endorsing things that
25 have gone before. But as we think about solar, we all

1 think about solar energy, but we really need to think
2 about solar solutions, and the example of solar water
3 heating to be sure that we're thinking broadly like that.

4 And certainly, I was convinced from the testimony
5 mid-term targets are very important. And I think we
6 should be very aggressive about setting those, so I want
7 to be sure we're going to move forward on that.

8 CHAIRPERSON NICHOLS: Okay. I don't mean to cut
9 everybody off. Is there more comments, questions?

10 If not, we're ready to vote. So we have before
11 us now the first update to the AB 32 scoping plan. We
12 have a motion and a second.

13 All in favor please say aye?

14 (Ayes.)

15 CHAIRPERSON NICHOLS: And opposed?

16 Any abstentions?

17 (Unanimous vote.)

18 CHAIRPERSON NICHOLS: I don't think there are
19 any. Congratulations, everybody. This is a major
20 milestone.

21 (Applause.)

22 CHAIRPERSON NICHOLS: Good work.

23 Okay. Let us take a short break. And let's say
24 half an hour we will resume at 20 past -- or let's just
25 say 1:30 to be realistic.

1 BOARD MEMBER SHERRIFFS: 1:15.

2 CHAIRPERSON NICHOLS: 1:15. Okay, 1:15. All
3 right, 1:15 we'll be back. Quick lunch, everybody

4 Thank you.

5 (Off record: 12:46 PM)

6 (Thereupon a lunch break was taken.)

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1 A F T E R N O O N S E S S I O N

2 (On record: 1:23 PM)

3 BOARD MEMBER RIORDAN: We're going to start. Our
4 Chair will be here in just a few moments, but I'm going to
5 start the meeting at her request. And, Mr. Corey, I'm
6 just going to ask you to lead right into this agenda item.

7 EXECUTIVE OFFICER COREY: All right. In 2010,
8 the Board adopted regional greenhouse gas reduction
9 targets for all 18 MPOs in the State. And currently, the
10 eight MPOs in the San Joaquin Valley are developing their
11 first sustainable communities strategies or SCSs.

12 Today, the briefing provides an overview of the
13 status of the valley SCSs. There are eight single county
14 MPOs in the San Joaquin Valley. Each one is developing
15 its own SCS. Having eight separate plans increases the
16 complexity. However, the MPOs have worked cooperatively,
17 especially on the use of consistent data and
18 methodologies. Taken together, these eight San Joaquin
19 Valley counties represent a little over ten percent of the
20 State's population, which grossed about 15 percent in --
21 or rather by 2035.

22 For ARB staff, providing technical assistance to
23 the eight San Joaquin Valley MPOs has been a high
24 priority. In addition, the Strategic Growth Council
25 helped fund the development of the new valley

1 transportation models being used for the first time here.

2 Here today are Mr. Andy Chesley, executive
3 director of San Joaquin County COG; Mr. Ahron Hakimi,
4 executive director of the Kern COG; Mr. Tony Boren,
5 executive director of the Fresno COG, and Mr. Carlos
6 Yamzon, executive director, Stanislaus Council of
7 Governments to speak after the staff presentation.

8 I'll now turn it over to Terry Roberts in our
9 Transportation Planning Branch who will give the staff
10 presentation.

11 Terry.

12 (Thereupon an overhead presentation was
13 presented as follows.)

14 SUSTAINABLE COMMUNITIES POLICY AND PLANNING

15 SECTION MANAGER ROBERTS: Thank you, Mr. Corey, for that
16 presentation -- for that introduction.

17 --o0o--

18 SUSTAINABLE COMMUNITIES POLICY AND PLANNING

19 SECTION MANAGER ROBERTS: In this informational
20 presentation, staff will provide an overview of the
21 proposed sustainable communities strategies for the
22 metropolitan planning organizations, or MPOs, in the San
23 Joaquin Valley. Staff will also provide a status report
24 on the greenhouse gas determinations that have been
25 presented in the draft SCSs. During this presentation, we

1 will look at a few performance metrics based on available
2 data.

3 Staff has reviewed the publicly available
4 information and some additional technical data provided by
5 the MPOs. However, staff continues to work with the MPOs
6 to obtain the additional information we need to complete
7 our technical evaluation of their greenhouse gas
8 determinations.

9 Finally, staff will provide recommendations for
10 moving forward on the technical evaluation of the proposed
11 SCSs and for longer term improvements to the technical
12 review process.

13 --o0o--

14 SUSTAINABLE COMMUNITIES POLICY AND PLANNING

15 SECTION MANAGER ROBERTS: Each of the eight MPOs in the
16 Joaquin Valley is a single county region, each with its
17 own separate SCS. While SB 375 provides the valley MPOs
18 with the option to develop a valley-wide SCS, they have
19 chosen to develop separate plans.

20 Still while they are separate entities with
21 independent planning processes, the staffs of the valley
22 MPOs have been working together collaboratively for some
23 time. A few examples include the preparation of a
24 valley-wide demographic forecast study, prepared by The
25 Planning Center and published in March 2012, coordination

1 on the development of their model improvement programs,
2 which resulted in recent completion of a consistent
3 platform for all of the eight regional trip-based travel
4 models, and collaboration on valley-wide scenario planning
5 efforts that looked at land use and transportation
6 alternatives.

7 Several years ago, the MPOs worked together to
8 develop a valley blueprint, which became the foundation
9 for some of the proposed SCSs. They also jointly
10 initiated a valley-wide Greenprint project in 2011, which
11 identifies strategies for the conservation and management
12 of the region's land, water, and natural resources.

13 --o0o--

14 SUSTAINABLE COMMUNITIES POLICY AND PLANNING

15 SECTION MANAGER ROBERTS: This map shows a comparison of
16 the population in the valley to other MPOs. The total
17 population of the valley is about four million compared to
18 about seven million in the Bay Area, and about 18 million
19 in the Southern California or SCAG region.

20 The major metro areas in the valley are
21 highlighted, including Stockton, Fresno, and Bakersfield.

22 --o0o--

23 SUSTAINABLE COMMUNITIES POLICY AND PLANNING

24 SECTION MANAGER ROBERTS: At about four million today, the
25 valley represents about 11 percent of the State's

1 population. By 2035, the valley is expected to grow to
2 about six million, representing about 15 percent of the
3 State's population.

4 Most of the new growth by 2035 is expected to
5 occur in the large metropolitan areas, such as the city of
6 Fresno, which is forecast to grow by 50 percent, and
7 Bakersfield, which is forecast to grow by about 75
8 percent.

9 In 2035, only one-fifth of the valley's
10 population will live in unincorporated communities as
11 compared to one-fourth today.

12 --o0o--

13 SUSTAINABLE COMMUNITIES POLICY AND PLANNING

14 SECTION MANAGER ROBERTS: All eight draft SCSs were
15 published over the past three months and are scheduled for
16 adoption by the MPO boards in June and July. SCSs, while
17 part of the regional transportation plan are RTP, under
18 State law, are not a part of the federal planning
19 requirements. And the greenhouse gas quantification is
20 reviewed by ARB but not by the Federal Highway
21 Administration.

22 The SCSs for the largest counties in the valley
23 contain a mix of land uses and transportation strategies.
24 Staff will present our preliminary assessment of some
25 performance metrics to help us understand the greenhouse

1 gas benefits of these strategies. The Strategic Growth
2 Council, as mentioned earlier, funded a model improvement
3 program in the valley, and as a result, the travel models
4 currently used by the eight valley MPOs are substantially
5 improved over the models they were using just two years
6 ago.

7 However, the models are still not highly
8 sensitive to SCS strategies, and consequently the
9 information on performance measures in the draft SCSs are
10 somewhat limited. Staff, therefore, to a regional
11 perspective and developed some performance metrics by
12 aggregating data from the four largest valley MPOs.

13 One of the valley planning issues is
14 interregional travel. Travel between counties and through
15 the valley is a significant planning and technical issue
16 that influences greenhouse gas quantification. Later in
17 the presentation, I will discuss this in more detail.

18 --o0o--

19 SUSTAINABLE COMMUNITIES POLICY AND PLANNING
20 SECTION MANAGER ROBERTS: As we look at the greenhouse gas
21 determinations in the draft SCSs, it's important to review
22 the targets that were established for the valley MPOs and
23 the target metric. The metric is a per capita reduction
24 in greenhouse gas emissions from a fixed base year of
25 2005. That is, of course, before the recession, which is

1 a factor in the valley analysis, as it was for the SCSs
2 completed for other regions.

3 The Board set targets of five percent by 2020 and
4 ten percent by 2035 for each of the valley MPOs.
5 Relatively lower than the targets set for California's
6 largest MPOs, but higher than for some of the smallest
7 MPOs in the State.

8 When the MPO boards consider the adoption of
9 their RTPs and SCSs in the coming weeks, they are expected
10 to make greenhouse gas determinations as part of their
11 actions. Six of the eight are expected to make formal
12 determinations that they can meet the targets set by this
13 Board of five and ten percent.

14 Our understanding from MPO staffs is that the
15 high estimates of greenhouse gas reductions in the SCSs
16 will not be the basis of their determinations. In a
17 moment I'll talk a little bit more about these high
18 numbers.

19 Currently, Merced and Madera anticipate that they
20 will not be able to achieve their targets and the MPO
21 staffs have indicated they will be preparing an
22 alternative planning strategy, or APS.

23 --o0o--

24 SUSTAINABLE COMMUNITIES POLICY AND PLANNING

25 SECTION MANAGER ROBERTS: We can break down the types of

1 travel in the valley into in-county travel and
2 interregional travel. The latter includes travel between
3 valley counties and travel to destinations outside the
4 valley.

5 In-county travel is the trips that begin and end
6 in the same county. Interregional travel represents a
7 substantial amount of the travel within and through the
8 valley. A key element of this is commute travel,
9 particularly from the northern valley counties into the
10 Bay Area.

11 Interregional travel includes travel between
12 neighboring valley counties, such as travel that begins in
13 Stockton and ends in Fresno; travel for commute purposes,
14 such as travel that begins somewhere in the valley and
15 ends in a neighboring region, such as the Bay Area,
16 Sacramento, or Los Angeles; and finally, there are
17 numerous trips that begin end outside the valley, also
18 called pass-through trips. A trip from L.A. to
19 Sacramento, for example, would be a pass-through trip.

20 Most of the SCSs that the Board has reviewed to
21 date have been multi-county regions, in which
22 interregional travel was a relatively smaller portion of
23 the region's total travel compared to what we see in the
24 valley.

25 The technical methodology for accounting for

1 interregional travel, as applied to the San Joaquin Valley
2 with its eight single-county MPOs, is a unique challenge.

3 --o0o--

4 SUSTAINABLE COMMUNITIES POLICY AND PLANNING

5 SECTION MANAGER ROBERTS: Appropriately accounting for
6 each type of interregional travel is critical for
7 greenhouse quantification. In the valley, there are eight
8 models that forecast how much travel is occurring in each
9 county, but they are not able to clearly distinguish where
10 trips originate outside a county, nor where they terminate
11 outside the county.

12 A region-wide analysis could help resolve this
13 issue in the valley, but there's still the issue of travel
14 between the valley and the Bay Area.

15 The current models appear to reasonably estimate
16 total vehicle miles traveled, or VMT, but it is
17 challenging for the models to apportion the different
18 types of interregional travel. The ability to do this is
19 influenced by model sensitivity to different types of
20 travel and the size of the region.

21 The technical methodology commonly used by all
22 the MPOs in their SCS calculations has not been an issue
23 for the larger regions of the State, but it may need to be
24 adjusted so that it works better for the single county
25 MPOs in the San Joaquin Valley.

1 ARB staff and MPO staffs have been discussing the
2 need for a new approach to address this issue.

3 --o0o--

4 SUSTAINABLE COMMUNITIES POLICY AND PLANNING

5 SECTION MANAGER ROBERTS: We have some insights to explain
6 why per capita greenhouse gas reductions are unexpectedly
7 high in some counties, particularly the northernmost
8 counties. The top line in this chart shows per capita VMT
9 for in-county travel in Kern, Fresno, San Joaquin, and
10 Stanislaus counties.

11 It declines rapidly between 2005 and 2020, and we
12 know this is related, in part, to the recession. After
13 2020, it continues to decline, but at a slower rate. On
14 the other hand, the per capita VMT for interregional
15 travel is going in the opposite direction, that is
16 increasing over time. We're working with the MPOs to
17 understand why.

18 These trends and the relatively large proportion
19 of interregional travel compared to in-county travel pose
20 a challenge to both the design of the SCSs and the
21 quantification of greenhouse gas reductions from the SCSs.

22 Most SCS strategies in this plan -- in these
23 plans, and the plans of other MPOs, deal with reducing
24 internal travel.

25 In contrast to what we see on this chart for the

1 valley, a similar chart for SCAG, for example, would show
2 that much of what is interregional travel in that bottom
3 line would be internal travel and included in the top
4 line. This would make the slope of the top line flatter
5 making the region's estimate of per capita greenhouse gas
6 reductions more reasonable.

7 --o0o--

8 SUSTAINABLE COMMUNITIES POLICY AND PLANNING

9 SECTION MANAGER ROBERTS: Based on staff's preliminary
10 review, the common strategy in the valley SCSs is to
11 provide a mix of both land use and transportation
12 strategies.

13 In the larger valley cities, such as Fresno,
14 Stockton, and Bakersfield, the SCSs encourage more
15 multi-family housing development, promote more compact
16 growth within existing urbanized areas, and invest greater
17 shares of the RTP budget to transit services and active
18 transportation, that is biking and walking.

19 In the smaller cities and towns, which may need
20 to rely on different approaches than a large city, the
21 SCSs encourage more infill development and greater
22 emphasis on complete streets policies to enable more
23 biking and walking.

24 Because agricultural land preservation is
25 important to all of the valley counties, the SCSs include

1 policies to encourage the conservation of farm land
2 through more compact development patterns, which reduce
3 pressure for greenfield development.

4 Several of the SCSs contain strategies to address
5 interregional and intercounty travel, including expansion
6 of bus service and passenger rail in viable markets, like
7 the Amtrak San Joaquin rail service, continued
8 coordination between neighboring transit providers to
9 facilitate interoperability, and continued expansion of
10 vanpool programs especially in agricultural communities.
11 Some of these strategies were recommended in the San
12 Joaquin Valley Express Transit Study of 2009.

13 --o0o--

14 SUSTAINABLE COMMUNITIES POLICY AND PLANNING
15 SECTION MANAGER ROBERTS: We've already mentioned that
16 there is limited data on performance metrics from the
17 individual SCSs. To take a more regional perspective,
18 staff aggregated the data from the four largest valley
19 MPOs and constructed several performance metrics to see
20 how the SCS strategies affect outcomes for the valley.

21 The following slides discuss five performance
22 metrics using data from Kern, Fresno, San Joaquin, and
23 Stanislaus counties.

24 --o0o--

25 SUSTAINABLE COMMUNITIES POLICY AND PLANNING

1 SECTION MANAGER ROBERTS: Looking at just the new growth
2 by 2035, the data shows that the SCS policies would
3 encourage over half of the new housing growth to be in
4 multi-family units. This is in contrast to the region's
5 prior plans, which anticipated a majority of new
6 development to be single-family units.

7 The trend in the SCSs is to increase the
8 proportion of new multi-family housing, but how quickly
9 they can change the overall balance between single-family
10 and multi-family development will depend on the rate and
11 amount of future growth.

12 --o0o--

13 SUSTAINABLE COMMUNITIES POLICY AND PLANNING

14 SECTION MANAGER ROBERTS: By 2035, more jobs in housing
15 will be located near transit. The SCSs project over 40
16 percent of all jobs and over 50 percent of all homes will
17 be located within walking distance of transit services.
18 This would result from assumptions that more homes and
19 jobs will be located in infill sites close to
20 transportation corridors.

21 Examples of underlying transit policies that
22 would enable greater access to transit include increased
23 investment in light rail infrastructure, bus service
24 expansion, bus rapid transit projects, and vanpool
25 programs.

1 --o0o--

2 SUSTAINABLE COMMUNITIES POLICY AND PLANNING

3 SECTION MANAGER ROBERTS: Agricultural land preservation
4 is an important statewide policy as pointed out in the
5 Scoping Plan Update. In the valley, conversion of
6 agricultural land to urban uses has occurred steadily over
7 several decades, peaking in the early 2000 when the
8 economy was strong.

9 The rate of conversion has slowed since the
10 recession, but is still a concern to this highly
11 productive agricultural region. The SCSs would help slow
12 the rate of conversion through land-use policies that
13 encourage more compact urban growth patterns, thereby
14 reducing pressure to convert ag land to urban uses.

15 --o0o--

16 SUSTAINABLE COMMUNITIES POLICY AND PLANNING

17 SECTION MANAGER ROBERTS: This slide shows the aggregated
18 proposed investments in the categories of roadway
19 expansion, transit, and active transportation. The green
20 bars show what is currently proposed and the blue bars
21 show the levels of investment from prior regional plans.

22 In the aggregate, the investments proposed by the
23 four MPOs would shift funding away from roadway capacity
24 expansion projects to greater funding for transit and
25 active transportation, such as biking and walking.

1 --o0o--

2 SUSTAINABLE COMMUNITIES POLICY AND PLANNING

3 SECTION MANAGER ROBERTS: In general, in-county travel
4 represents a substantial amount of the VMT within a
5 county. Looking at the performance metric of average auto
6 trip length, staff used available data to identify a
7 decreasing trend in trip length for in-county passenger
8 VMT.

9 For the VMT from trips that stay entirely within
10 a county, the trip length decreases in both 2020 and 2035.
11 The shortening of in-county trips is an indicator of
12 decreasing distances between homes, jobs, and other
13 destinations or a greater accessibility to non-automobile
14 modes.

15 --o0o--

16 SUSTAINABLE COMMUNITIES POLICY AND PLANNING

17 SECTION MANAGER ROBERTS: There are still a number of
18 technical issues related to the SCSs, including these five
19 that staff has identified. These issues should be
20 addressed by the valley MPOs in their technical work
21 before ARB staff can fully evaluate their analyses.

22 The MPOs have included the impacts of the
23 economic recession in their modeling, along with its
24 impacts on VMT, and the implications of the recession on
25 the valley modeling are significant.

1 These assumptions about the recession's impacts
2 in the valley and the sensitivity of the transportation
3 modeling analysis to those and other economic assumptions
4 need to be evaluated further.

5 If we take Kern's SCS data as an example, they
6 have identified large greenhouse gas reductions from fuel
7 costs and the recession, but these are actually model
8 assumptions not SCS strategies. Furthermore, we know that
9 the elasticities in the models to individual economic
10 assumptions, such as these, are not additive, and the
11 impacts of individual assumptions should not be parsed out
12 in this way.

13 It appears Kern's analysis related to fuel costs
14 was based on an assumption about increased fuel price.
15 Total fuel costs, however, are also related to fuel
16 economy. Such a large response to fuel price implies a
17 significant shift of travel to transit and other
18 alternative modes. But, at the same time, the sensitivity
19 that they reported for transit strategies is very small.

20 Those differences need to be reconciled. Staff
21 needs to review the sensitivity of the valley models to
22 the land use and transportation strategies in the plans,
23 both as individual measures and in the aggregate.
24 Sensitivity analyses have been an important part of
25 staff's review of all prior SCSs.

1 Again, taking Kern's plan as an example, it
2 contains strategies to make land use more sustainable, but
3 as we said earlier, it takes new growth to shift existing
4 land use patterns. How quickly that can happen is a
5 function of the strategies, assumptions about recovery
6 from the recession, and even fuel price. To understand
7 the impact of the plan and whether or not the strategies
8 in the plan are appropriate and sustainable will require a
9 review of the model assumptions and additional sensitivity
10 analyses as required in ARB's technical methodology.

11 The valley's socioeconomic characteristics may
12 underlie somewhat different VMT trends than seen in the
13 other larger MPOs. This needs to be examined both in
14 terms of the overall trend and in terms of the
15 effectiveness of the strategies in the SCSs. This is an
16 area of continuing research, because it is understood that
17 factors like age, employment status, and educational
18 attainment need to be reflected appropriately in models to
19 reasonably predict travel behavior and housing choices.

20 The earlier slide showing the shifts in
21 transportation investments suggests a very basic change in
22 the MPOs' planning. How greater accessibility to
23 alternative travel modes will change behavior and
24 translate into reduced VMT and greenhouse gas emissions is
25 not yet clear from the data available so far.

1 As we mentioned already, improvements are needed
2 to the methodology for accounting for interregional trips
3 to reflect more reasonable estimates of per capita
4 greenhouse gas reductions coming from the plans. This
5 issue was discussed by the RTAC and this Board when you
6 set targets. And although there was recognition of its
7 importance, there was no clear methodology available for a
8 region like the San Joaquin valley which has eight
9 separate counties.

10 --o0o--

11 SUSTAINABLE COMMUNITIES POLICY AND PLANNING

12 SECTION MANAGER ROBERTS: To complete the Board's review
13 of the greenhouse gas quantifications for the valley,
14 staff will return to the Board this fall. Staff will
15 report on the quantification of emission reductions for
16 the final adopted SCSs. We expect to receive all the
17 financial SCSs by August, and will work with MPO staffs to
18 obtain the necessary documentation for our review of the
19 quantification of greenhouse gas reductions. Staff will
20 prepare a report on the results for Board consideration.

21 As with air quality, taking a regional
22 perspective on valley SB 375 issues is important. At the
23 staff level, MPOs have coordinated technical work and
24 identified issues, such as accounting for interregional
25 travel that needs significant attention.

1 From a broader planning perspective, strategies
2 like preservation of agricultural land should be a
3 regional focus. Improving the technical capabilities of
4 the valley will help improve the SCS development process
5 in the next round. What has been learned this time has
6 helped identify technical issues to be addressed,
7 particularly those resulting from separate modeling of
8 each county's SCS.

9 ARB staff will incorporate these and other issues
10 into our review of potential updates to the technical
11 methodology for the next target update.

12 Thank you for your attention. That concludes
13 staff's presentation, and we're happy to take questions
14 now or, if you like, after the MPO representatives have
15 had a chance to give you their presentations.

16 CHAIRPERSON NICHOLS: Thank you very much, Ms.
17 Roberts. Why don't we hear from the MPO representatives,
18 who are here first, and then the Board can have some
19 questions and discussion. Have you organized and order
20 for yourselves?

21 Yes. Okay. Great.

22 (Thereupon an overhead presentation was
23 presented as follows.)

24 MR. HAKIMI: Good afternoon, Madam Chair, Board
25 members. My name is Ahron Hakimi. I'm the Vice Chairman

1 of the San Joaquin Valley Transportation Planning
2 Agencies, and the Executive Director of Kern Council of
3 Governments.

4 I'd like to start with publicly thanking your
5 staff for their efforts over the last four years. Their
6 efforts have been essential to our success and the
7 preparation of all our SCSs. I'd also like to publicly
8 thank the Strategic Growth Council for the money to
9 support the valley model improvements. With those
10 models -- with those improvements, the valley MPOs, as was
11 previously mentioned, have been able to meet the technical
12 modeling requirements of SB 375 with consistent valid and
13 reasonable assumptions.

14 --o0o--

15 MR. HAKIMI: I'd like to direct your attention to
16 the center of the slide here, which shows the San Joaquin
17 Valley. In comparison, the valley size in area is second
18 only to SCAG at 27,300 miles. However, the total valley
19 population is approximately one-fifth the size of SCAG.

20 The second largest MPO, based on population, is
21 MTC, which has over seven million people within 7,000
22 square miles. As an example, Kern alone is 8,200 square
23 miles, an area over one-third the size of the valley.

24 Again, SCAG's population is 18 million people
25 covering 38,000 square miles; MTC seven million, roughly

1 7,000 square miles. The Central Valley is located between
2 the two largest metropolitan areas of State, San Francisco
3 and Los Angeles, and we are surrounded by significant
4 regional employment sectors, this being one of them, the
5 State Capitol, Silicon Valley, Southern California, and
6 the Inland Empire.

7 --o0o--

8 MR. HAKIMI: If the San Joaquin Valley were a
9 State, it would be the top agricultural producing State in
10 the United States. In 2008, the San Joaquin Valley
11 produced 25.4 billion, with a B, billion dollars in
12 agricultural products. In 2012, agricultural jobs
13 accounted for 12 percent of San Joaquin Valley jobs.

14 In preserving farm land consistent with the
15 intent of SB 375, people are driving farther from their
16 urban homes to their rural agricultural jobs. Over 14,000
17 acres of farm land are preserved under the SCS scenarios
18 valley-wide.

19 --o0o--

20 MR. HAKIMI: The San Joaquin Valley is currently
21 home to over 3.9 million people, and it is expected to add
22 over 1.9 million people by 2035. The four largest urban
23 cities, Bakersfield, Fresno, Stockton, and Modesto
24 currently account for one-third of the valley population.
25 By 2035, those same cities are anticipated to account for

1 37 percent of the valley's total population.

2 In addition, 41 percent of the valley's
3 population resides in the valley's 58 small cities. And
4 when I say small cities, I'm talking about cities of under
5 200,000, and 25 percent live in rural unincorporated
6 communities.

7 By 2035, only 19 percent of the valley's
8 population is projected to live in unincorporated
9 communities, an indication that a significant portion of
10 the valley's future growth is occurring in the urban cores
11 and existing cities. An example of increasing
12 urbanization is how Kern COG is approaching our scenario
13 development.

14 --o0o--

15 MR. HAKIMI: If you'd direct your attention to
16 the map in this slide, there's an animation embedded in
17 it. So this is business as usual, where growth would have
18 occurred.

19 And this is under the sustainable communities
20 strategy that's being presented. I'll go back and forth a
21 couple of times. So instead of sprawling and growing at
22 the edges, we are growing in our urban core.

23 This slide illustrates the significant change in
24 the forecasted development pattern for metropolitan
25 Bakersfield compared to our prior plan. Things are no

1 longer business as usual in Kern. There's a proposed
2 4,000 - I say 4,000 - percent increase in homes and jobs
3 near frequent, high quality transit, a 700 percent
4 increase in transit related capital spending, 46 percent
5 reduction in the rate of farm land lost to urban uses.
6 And we're very proud of this, 1,000 miles of new safer
7 bike facilities, improved system management and technology
8 to help slow travel growth. And we've delayed beltway
9 projects in order to front load funding for transit,
10 bikes, and pedestrian products.

11 Madam Chair and Board members, I'll be followed
12 by Mr. Tony Boren from Fresno COG.

13 MR. BOREN: Good afternoon. Thank you for the
14 opportunity to speak today. I'm going to speak to a
15 couple slides that speak to our outreach approach, and
16 then some of the strategies that we're employing to meet
17 these targets.

18 --o0o--

19 MR. BOREN: As Ahron mentioned, the valley is a
20 vast area, nearly 300 miles from south to north. And with
21 that large expanse comes eight different counties that all
22 have very eight individual unique identities and are proud
23 of those identities. Some of them -- for example, Fresno
24 county, located in the center, we have the largest urban
25 area in the valley. Our metropolitan area is about a half

1 million people.

2 And so our sensibilities tend to have sort of a
3 balance of agriculture and urban, but we have other
4 counties in the valley that are more -- that are less
5 urbanize. They're just more focused on agriculture. And
6 outreaching to all these different constituencies and
7 making sure everyone understands what the intent of our
8 SCS efforts are has been very important.

9 And what we've done with that is we've branded
10 it -- the effort Valley Visions. Basically, this was all
11 eight of the COGs working together to put together
12 outreach -- an outreach program to their communities to
13 make sure that they understood what the intent of the RTP
14 was, the SCS, and more than anything trying to create an
15 awareness, if you will, or a valley identity, creating a
16 regional identity, so that the folks who live -- the four
17 million folks who live in the valley understand that we
18 all share this air basin.

19 And although we may be separated by 200 miles,
20 what we do within our individual communities impacts each
21 of us. So that was a big part of the outreach right
22 there, but I think we were -- I can speak to the Fresno
23 experience, we had upwards of 20 public meetings, and I
24 know the same occurred throughout the valley, so we feel
25 real good about the public's involvement in our process.

1 a van that they all share. Very successful.

2 You're very aware of the San Joaquin Valley
3 Blueprint Process. This was kind of the precursor to the
4 SB 375 SCS integrated process. The map there in the
5 middle is the A service. That's Altamont Commuter Express
6 passenger train service that runs from Stockton to the
7 East Bay. Again, the intent is to remove single occupant
8 vehicle trips from that corridor, and help improve air
9 quality. I spoke to the Valley Visions outreach. And
10 then lastly the green print is an effort -- again, it's a
11 valley-wide effort, where we are doing the same sort of
12 long range planning process, but the focus is on our open
13 space, and its relationship to urbanization in the valley,
14 and trying to understand what's occurring, and again,
15 creating an awareness for the public and our stakeholders.

16 --o0o--

17 MR. BOREN: This is a slide that speaks to the
18 Fresno COG SCS. Again, I'll talk -- let's see if I can
19 get this thing to toggle back and forth here. There you
20 go. Status quo. Again, we're blessed in that the City of
21 Fresno was very progressive in terms of identifying a
22 general plan that would -- adopted a lot of the
23 sustainable community strategies and implementation
24 measures. And so that helped us meet our targets.

25 You find in that RSCS, you'll see increased

1 continue to diminish. But once again, the valley will
2 continue to lag behind the rest of the State, when it
3 comes to the issues of employment and unemployment,

4 --o0o--

5 MR. CHESLEY: Interregional travel and employment
6 issues does tend to have an impact also on our
7 interregional travel issues. It's been mentioned to you
8 before that we are sandwiched in the San Joaquin Valley
9 between the two largest metropolitan areas of the State,
10 the Bay Area and the Los Angeles area.

11 That has an effect when it comes to the issue of
12 Interregional travel. I sat on the Regional Targets
13 Advisory Committee and was one of the strongest advocates
14 that in that group we needed to address interregional
15 travel issue. But I have to say that having gone through
16 the experience of modeling this issue and dressing it in
17 the target setting and target results from our modeling
18 efforts, it does appear that we need to do a little bit
19 more work on this. The methodology has a flaw in it, and
20 addressing that methodology should be an important issue.
21 It certainly is a priority issue for San Joaquin COG.

22 An example of this is that when you look at the
23 employment between the Bay Area and Stanislaus and San
24 Joaquin counties in the northern part of the San Joaquin
25 Valley, there continues to be a disproportionate imbalance

1 in terms of jobs and housing.

2 And that jobs and housing imbalance actually
3 continues into the future. In fact, it increases as we go
4 into the future. And that has had an impact on our
5 ability to address greenhouse gas emission reductions, and
6 has produced something of a perverse result. Our
7 percentage reduction, for instance, in San Joaquin County
8 is a 24 percent reduction in greenhouse gas emissions. I
9 don't argue that that is a number that is a rational
10 number, and one that we all -- we embrace as a reflection
11 of our ability to meet the targets. Instead, that number
12 is a result of a methodology that has a challenge to it,
13 in terms of actually a perverse result when it comes to
14 measuring reductions in greenhouse gas emissions.

15 For instance, we can actually at least address
16 some of the problem in San Joaquin, Stanislaus, and Merced
17 County if we take our three-county transportation model
18 and mimic the -- three of the four largest urban areas in
19 the State, and do a multi-county model result from it, our
20 reduction goes from 24 percent, a number that I think all
21 reasonable analysts have a little hard time swallowing,
22 and it goes down to 17 percent. That's one way to start
23 addressing the regional target issues based upon
24 interregional travel.

25 We're happy to participate in that discussion.

1 development of the Sustainable Communities Strategy, and
2 is an important consideration in how we plan to address
3 greenhouse gas emission reductions, as well as overall VMT
4 reductions in our region.

5 That concludes my portion of the remarks here. I
6 would like to turn this over now to Mr. Carlos Yamzon, the
7 Executive Director of the Stanislaus Council of
8 Governments.

9 --o0o--

10 MR. YAMZON: Thank you, Andy.

11 Good afternoon, Madam Chair, members of the
12 Board. Before I actually start my presentation, I would
13 like to publicly thank ARB staff for allowing me and my
14 colleagues to sit in the preferred seating, which I know
15 is generally reserved for friends and family.

16 (Laughter.)

17 MR. YAMZON: So thank you. We appreciate it.

18 Stanislaus County is one of the three northern
19 counties in the San Joaquin Valley. And similarly, I
20 think you can see our attempt and our -- the challenges of
21 really kind of a paradigm shift in our county as well as
22 in the valley.

23 Increased densities, almost five percent in
24 multi-family housing options, increased funding to
25 transit, really moving away from the traditional highway

1 widening projects. Almost 225 million allocated to bike
2 and pedestrian projects. This is a big deal, because this
3 is what we were hearing from our outreach as well.

4 Thirty-five percent of our housing is being
5 proposed close to -- within a half a mile of transit
6 service. And all of this resulting in generally a
7 preservation of 4,000 acres of prime farm land
8 conservation.

9 I think the outreach was a real important piece
10 of our development of the SCS, as it was for most of the
11 valley. And similarly, you can see the changes. And I
12 think it's worthwhile to note in Stanislaus County,
13 although we do have an urban center in Modesto of about
14 200,000 population, we have a sprinkling of medium sized
15 and smaller cities in the periphery.

16 And I think that's a key note, because I think
17 the region really embraced the blueprint principle when
18 those were being done. And that's what I talk about the
19 paradigm shift in how we did planning in there and not the
20 business as usual. The pictures at the bottom you'll
21 note --

22 --o0o--

23 MR. YAMZON: -- in this next steps here are real
24 pictures from the valley. At this point, I want to let
25 you know and give up an update that all the RTP SCSs are

1 planned to be adopted by July, and, at which point, we
2 would be moving towards implementation and bringing your
3 attention again to the picture. These are real pictures
4 of blueprint award projects in Kern, Stanislaus, Stockton,
5 and Fresno.

6 And I think, as I mentioned, at least in
7 Stanislaus County with the sprinkling of smaller towns,
8 the same principles that are being embraced in cities of
9 500,000 are also being embraced in a city of 7,000, the
10 City of Newman. Award winning changes in design and
11 things like that.

12 I think it's also important to note that a big
13 part of implementation was not only the outreach we did in
14 the development of the RTP SCSs, but the continued
15 outreach that we're going to have to do in implementation,
16 because if you are going to implement a plan, it's
17 important that you address and you recognize the
18 involvement of the community that was part of that
19 outreach.

20 We listened. We heard. We explained the
21 requirements, and therefore we had to get that consensus
22 to make the constituencies understand our challenges, the
23 challenges that they -- and the benefits -- and even more
24 so the benefits of these plans.

25 That concludes the presentation. Thank you very

1 much for your time.

2 CHAIRPERSON NICHOLS: Thank you. I remember the
3 first time I ventured out of Sacramento after SB 375. It
4 was to a program that was in Stockton where I was also on
5 the same panel as Senator Darrell Steinberg, the author of
6 SB 375. And it was a community meeting, and the room was
7 full. And it was, you know, really impressive. It turned
8 out that a very large number of the people that were there
9 were actually highly opposed to anything relating to
10 planning.

11 They were -- some of them, you know, identified
12 themselves as Tea Party members, but many of them had
13 brought things with them that indicated that they thought
14 that any kind of planning was, you know, essentially a
15 Communist plot. In fact, there was a lady who read from
16 a -- you know, from a -- something that supposedly the
17 Communist Manifesto, which I -- I have to confess I
18 haven't read, but it seemed a little suspicious that it
19 was, you know, referring to community planning.

20 But it gave me a sense of, you know, how
21 difficult it can be sometimes to start out in an area
22 where you're talking about things like regional plans, and
23 Sacramento, you know, setting targets for people to try to
24 pull together something that actually has support.

25 I'm really -- I'm reacting a little bit to the

1 last comment, because it seems to me that you have done a
2 lot in the last few years, if you really are at a point
3 where you've got the kind of engagement and support for
4 what you're doing. That, in and of itself, is a change
5 from where we were a few years ago, and it is very
6 positive.

7 Obviously, there's a lot of -- there's still a
8 lot of controversy, I would say, about the whole thing. I
9 do have to tell you though that you might -- I'm really
10 glad that you like sitting in the front row, because what
11 I find is that usually at the Board meetings people like
12 hang in the back. In fact, they stand against the wall,
13 even when there are other seats, because they're afraid if
14 they come down in front, we might talk to them or ask them
15 questions.

16 (Laughter.)

17 CHAIRPERSON NICHOLS: So I really appreciate the
18 fact that you gentlemen are all sitting in the front row.

19 Okay. Why don't we proceed to see if there's any
20 Board member comments before we hear from the witnesses.
21 We do have nine people who have signed up to testify on
22 this. Do you want to wait till we hear from the
23 witnesses?

24 BOARD MEMBER RIORDAN: Yeah.

25 CHAIRPERSON NICHOLS: Okay. Great. Then it's up

1 there on the Board. The list is there, starting with
2 Katelyn Roedner from the Diocese of Stockton

3 MS. ROEDNER: Good afternoon. My name is Katelyn
4 Roedner. I am the Environmental Justice Program Director
5 at Catholic Charities in the Diocese of Stockton. We have
6 worked to build broad-based coalitions both in San Joaquin
7 and in Stanislaus counties to advocate for aggressive and
8 achievable sustainable communities strategies in these
9 counties.

10 We've been able to include public health
11 advocates, education groups, community groups, agriculture
12 groups, business groups, as well as infill developers.
13 And the good news is we are seeing success in this work.
14 COG staff both in Stanislaus and San Joaquin counties have
15 worked very hard and have been responsive to our input.

16 In Stanislaus County, the SCS predicts a
17 significant decrease in the loss of high quality farm
18 land, which is extremely important, not only to our
19 economy in Stanislaus County, but also to our rich
20 agricultural heritage.

21 In San Joaquin County, we're pleased to see
22 greater investments in alternative transportation and
23 plans for a wider array of housing options, both of which
24 benefit the greater community, but especially benefit the
25 poor and vulnerable among us. So we also would like to

1 thank you, Board members, for your leadership in
2 implementing SB 375.

3 A stronger integration of land use and
4 transportation planning will reduce our air pollution,
5 save families money, and ultimately bring high quality
6 jobs to San Joaquin Valley.

7 However, we are concerned about the modeling
8 assumptions and the greenhouse gas emission calculations.
9 For example, as Mr. Chesley pointed out, San Joaquin
10 County reports the highest GHG reductions in the State,
11 but at the same time the percentage of walking, biking,
12 and transit use is predicted to decline. By 2040, traffic
13 and per capita VMT actually increases. In Stanislaus
14 County, we see no difference in GHG reductions between the
15 business-as-usual plan and the proposed plan.

16 So we ask ARB to carefully review these numbers
17 and models to ensure that we are truly meeting the goals
18 of SB 375.

19 Additionally, we would ask that ARB increase its
20 attention to counties that will not meet the GHG reduction
21 targets. When our neighbors fail to meet the targets, we
22 all suffer, and the most vulnerable among us suffer the
23 most. All residents in the valley deserve the benefits of
24 a good SCS plan.

25 We ask ARB to support our neighbors in auditing,

1 public engagement efforts, and technical expertise, so
2 they too can meet these achievable targets. We have made
3 great progress under SB 375 in our region, but we have
4 further to go to truly ensure cleaner air for everyone in
5 San Joaquin Valley.

6 Our coalition looks forward to continued
7 collaboration with these COGs. And I thank you for the
8 opportunity to share our input.

9 CHAIRPERSON NICHOLS: Thank you.

10 MR. MAGAVERN: Bill Magavern with the Coalition
11 for Clean Air. And I confess I was sitting in the back.
12 It's a habit left over from law school, I think.

13 (Laughter.)

14 MR. MAGAVERN: We are one of the signers of the
15 climate plan letter, so I'll just highlight what are to us
16 some of the most important points.

17 First of all, it's great to see the commitments
18 to greater investments in public transit and active
19 transportation. And those are definitely the kinds of
20 investments, the kind of plans that we need as we seek to
21 give people more transportation choices. And that's
22 really the goal of SB 375 is let's improve land use and
23 transportation planning, so that people can meet their
24 daily needs without the single-occupant vehicle.

25 And we're concerned that not necessarily all of

1 the reductions that are proposed are actually coming from
2 that kind of land use and transportation planning. As
3 you've already heard in the presentations, a lot of
4 reductions are coming from the recession, from a
5 projection of increased gas prices.

6 Those external factors are really not the point
7 of SB 375. So we ask that you establish that the
8 reductions should come from land use and transportation
9 policy.

10 And we think it's important for you to review all
11 of these plans. I think, you know, you heard that there's
12 agreement that there are real serious legitimate questions
13 about the methodology. And one way to do some kind of
14 reality checking of some of the methodology is if you see
15 projections that the GHG emissions from transportation are
16 expected to go down, but you don't see vehicle miles
17 traveled going down, you don't see transit use and bike
18 and pedestrian use going up as much as they should, then,
19 you know, that should be a tip-off that, you know, there's
20 a real question here that bears a lot of further scrutiny.

21 So we appreciate the fact that you are paying
22 this attention that you are today, and hope that you'll
23 continue that, so that we can get the best transportation
24 and land-use planning for all the people who live in the
25 San Joaquin Valley.

1 MS. HOLMES-GEN: Okay. Chairman Nichols, Board
2 Members, Bonnie Holmes-Gen with the American Lung
3 Association of California. And the American Lung
4 Association has been involved in several of the SCS
5 processes around the State. We place a high priority on
6 the development of strong plans, and the building of
7 regional commitment and cooperation which is especially
8 needed in the valley to ensure that plans are implemented,
9 in which they are adopted in a way that actually changes
10 local planning, priorities, and decisions.

11 We believe this SB 375 process is critical for
12 our State air quality and climate efforts, and we're
13 invested in making this work.

14 We have invested in the San Joaquin Valley
15 process. We have staff and volunteers in the valley
16 engaged in the local planning processes. We've submitted
17 little and comments, recommendations on the draft COG
18 plans in San Joaquin, Fresno, and Stockton. Our local
19 physicians have authored articles in the newspaper to
20 demonstrate the health benefits of strong planning,
21 smarter, more efficient, more compact smarter growth with
22 active transportation.

23 We have worked with local elected officials and
24 have letters from Stockton City Council Member Moses
25 Zapien, and Arvin City Council Member Jose Gurrola,

1 supporting strong SCS plans and more regional cooperation.
2 We've submitted those in the record.

3 From our perspective, the COG staff has done some
4 good work, as has been discussed, but there is still a
5 long way to go. Until we can understand clearly whether
6 these proposed plans will provide additional reductions in
7 benefits beyond business-as-usual growth patterns, which I
8 think we all believe they must do.

9 We recommend now that CARB should -- CARB staff
10 should focus now on the honest accounting of the GHG
11 numbers in the COG SCS plans, so that we have a clear view
12 of what the actual GHG reductions are in the plans, are --
13 are each of these plans meeting the five and ten percent,
14 are they exceeding? We need to know that. And the COGs
15 need to give the input data and assumptions that's needed
16 to make those determinations.

17 We have recommended that all the plans
18 incorporate more measures to achieve GHG reductions and
19 rely less on planning assumptions. We've recommended more
20 focus on balanced housing mix. In Kern specifically,
21 we've recommended a one-third, one-third, one-third
22 housing mix going forward, with one-third fully
23 multi-family, one-third small lot, and one-third large
24 lot. We've recommended more focus on active
25 transportation, walking, biking, transit, infrastructure

1 and early investments.

2 And further development of health performance
3 measures, and, of course, use of the urban footprint
4 health module and that needs to be finalized.

5 We recommend that as you move forward and collect
6 this data that you need -- we would recommend you need a
7 quick report back on the plans and modeling results.

8 We thank you for your focus on this important SCS
9 process in the valley. We all can work together and make
10 this is a great process to improve public health.

11 CHAIRPERSON NICHOLS: Thank you.

12 Hi.

13 MR. AKABA: Good afternoon. Again, my name is
14 Azibuike, and I'm with the Regional Asthma Management and
15 Prevention. So we have a vested interest in the public
16 health that's going on in the Central Valley and the
17 planning. And we think that the evaluation of the
18 greenhouse gas emissions modeling as been stated is
19 flawed, and it doesn't add up.

20 So therefore, we think that you shouldn't approve
21 the plans as is, until we get uniform modeling data, and
22 numbers that add up, and also we see reflected in the
23 policies that are suggested that it balances out in the
24 end.

25 And also, we're interested in making sure that

1 things that aren't included prominently is some public
2 health metrics that would also show that the greenhouse
3 gas policies are working. If we need to develop some new
4 metrics around public health, then we're willing to work
5 with the agencies to make sure that happens.

6 Thank you.

7 CHAIRPERSON NICHOLS: Thank you.

8 MS. KNECHT: Good afternoon. My name is Carey
9 Knecht. I work with an organization called Climate Plan,
10 and I'm here to present a letter that you received that
11 was signed by 24 organizations.

12 But first, I'd like to start off by giving my
13 very sincere thanks to the Board and to staff for all of
14 the hard work you've put into implement SB 375. For the
15 last three years, I've been following the implementation
16 of SB 375 in the valley, and it has started a number of
17 very important conversations there. How do investments in
18 walkable communities help support economic competitiveness
19 in San Joaquin County? How do the investments in Fresno
20 County address health inequities and benefit disadvantaged
21 communities? And most importantly for this forum, how do
22 we get on a path for long-term reductions in air and
23 climate pollution?

24 And I also particularly want to thank all of the
25 COG staff and COG boards who have helped make this an open

1 dialogue that has included more voices than ever before.

2 We still believe, as our letter outlines, that
3 there is some important work to be done. And there are
4 two questions that I think are in front of you as a Board
5 here today.

6 So first, how do the greenhouse gas targets and
7 calculations help maintain the integrity of SB 375? How
8 are they a meaningful part of the process and encouraging
9 policy improvements? SB 375 specifies that it was created
10 because the State will not meet its climate goals without
11 improvements to land use and transportation policy, but we
12 see several region's business-as-usual scenarios meeting
13 those targets.

14 In fact, several of them newly meet those targets
15 where they did not when those targets were being set. And
16 so the risk is that the models and the targets
17 calculations become this black box and lose its value in
18 promoting policy change at an ambitious but achievable
19 pace.

20 So I ask for your continued scrutiny and for a
21 report as you continue to review the target calculations
22 in every region with an emphasis on how they reflect land
23 use and transportation policy.

24 The second important question is what happens
25 when regions do not meet their targets? And we have not

1 heard very much here today about what is going on in
2 Merced and Madera, but Madera not only is going to miss
3 its targets, but increase per capita GHG emissions. It's
4 the worst result in the entire State, and we haven't been
5 talking about it very much.

6 But I believe, not only does every resident in
7 every valley county deserve the benefits of better land
8 use and transportation planning, but the State needs every
9 region to be playing its part. And so when a region
10 cannot reach its targets, we ask that it sound an alarm,
11 and that some of the questions that regions have to
12 examine as part of an alternative planning strategy, like
13 why was it impossible to meet those targets in your SCS,
14 and how is this the most practicable way to meet those
15 gets?

16 Those are the kinds of conversations we should
17 also be having at a State level. So I ask ARB for your
18 assistance in helping broaden that dialogue as well.

19 Thank you again to all of you for your hard work
20 and I look forward to further discussion.

21 CHAIRPERSON NICHOLS: Okay. Thank you.

22 MS. WISE: Good afternoon, Chair Nichols and
23 Board members. My name is Ella Wise from the Natural
24 Resources Defense Council. Thank you for your leadership
25 in implementing SB 375.

1 Several valley COGs have made exciting progress.
2 For example, Kern has the pedestrian funding, in their
3 current RTP, is ten times as much as it was in the prior
4 RTP.

5 But there are issues in the current draft SCSs
6 that don't only undermine the valley's progress, but I
7 think the integrity of SB 375. So I'd like to bring up
8 two of those points that actually your staff has already
9 mentioned.

10 First, ARB must ensure that the targets are being
11 met by transportation and land-use policies and actions.
12 The intent of SB 375 is clear. However, some valley's
13 region's reductions result not from policy and actions,
14 but from assumptions of external market conditions. For
15 example, in Kern's RTP as is, in Figure 4-7,
16 transportation and land-use strategies result in a
17 projected GHG reduction of less than 3.5 percent by 2040,
18 far short of the ten percent reduction targets.

19 In contrast, the vast majority of the reduction
20 is coming from assumptions of external conditions.
21 Therefore, even though these strategies may not be
22 additive, as the RTP stands, the targets would not be met
23 by land-use and transportation actions.

24 There are two steps in addressing this issue that
25 we see. One, a simple question should be squarely

1 answered today, and that is, is it acceptable to meet the
2 GHG emission reduction targets through exogenous
3 assumptions rather than policies and investments?

4 Once that question is answered and ARB clearly
5 establishes that the targets must be met through actions
6 and policies, ARB should evaluate Kern's models while
7 holding exogenous factors constant to test whether they're
8 meeting their targets through actual actions and policies.

9 The second concern I'd like to bring up is
10 clarifying methods and assumptions as mentioned. Last
11 summer, between the June 5th Regional Planning Advisory
12 Council meeting in Kern County and the July 31st meeting,
13 the reduction projections of the business-as-usual old
14 plan went from five percent reduction to 14 percent
15 reduction. So the same plan, the old business-as-usual
16 plan had a change of triple the amount with no
17 explanation.

18 So to address this issue, ARB should request and
19 share clear explanations of the valley's greenhouse gas
20 calculation modeling and assumptions, particularly any
21 unexpected results.

22 Thank you for your continued work in implementing
23 SB 375.

24 MR. BREON: Good afternoon. My name is Craig
25 Breon. I've been working for a variety of nonprofits on

1 the SB 375 process in Kern, Tulare, Fresno, Madera, and
2 Merced.

3 To start with, just I would say a couple basic
4 points, and you're hearing some of the same themes here.
5 SB 375 does talk about changed land-use patterns and
6 improved transportation. Without improved land use and
7 transportation policies, California will not be able to
8 achieve the goals of AB 32.

9 So it seems that the law was fairly clear. Of
10 course, there's going to be some assumptions and whatnot
11 in models, but the law was fairly clear there were meant
12 to be driving changes in land use and transportation
13 policy. And when 80 percent of your reductions can come
14 from things that are not at all related to changes in land
15 use and transportation policy, and have certain factors
16 cherry picked and other fairly obvious factors left out,
17 it becomes very problematic.

18 Secondly, the law does say that a metropolitan
19 planning organization shall disseminate the methodology,
20 results, and key assumptions of whichever travel demand
21 models it uses in a way that would be usable and
22 understandable in the public. We're a long ways away from
23 that, at this point.

24 I can't figure out which of the counties have
25 made these kinds of assumptions and which haven't. That's

1 difficult for the public to grasp ahold of. It's also
2 difficult down the road. Let's say funding comes for
3 having an improved SCS, certain streams of funding. Well,
4 does Madera, who it looks like was perhaps more honest in
5 acknowledging that these factors are not as big a role in
6 their SCS, and therefore they're projecting a 13 percent
7 increase, should they be left out of that if a group like
8 Kern wouldn't have made it without the assumptions?

9 It leads to some very real life difficult
10 results. It's not easy and these folks all started with
11 models that were -- had not had the time and money
12 invested to them as some of our more urban regions.
13 That's understood.

14 But we're not talking about small differences
15 here. These are some very large numbers, and I think if
16 you did look just at land use and transportation planning
17 changes, you'd have at least five counties not meeting the
18 targets, which is okay. I'd rather have them honestly
19 telling me that, and then let's work from there, rather
20 than using strange assumptions and math to tell us that
21 everything is going well.

22 Thanks.

23 CHAIRPERSON NICHOLS:

24 MR. JOHANSEN: Good afternoon. My name is Curt
25 Johansen. I am the Board president of the Council of

1 Infill Builders, a 501(c)(3) nonprofit corporation of real
2 estate professionals. We're committed to improving
3 California through infill development.

4 I want to thank this Board for all the hard work
5 you've been doing implementing SB 375, moving towards
6 sustainable land use and transportation policy. I just
7 want to say a couple of words, and nothing to do with
8 metrics. You're hearing a lot of that from lots of
9 others.

10 I was particularly taken with Chair Nichols'
11 comments about how far we've come, because, as an
12 organization, we have spent significant time meeting with
13 elected officials and business leaders throughout the San
14 Joaquin Valley

15 And many times we've put them together when they
16 are political opposites. And so that comes out in the
17 conversation, but I'm pleased to report that there seems
18 to be a lot of consensus forming around what a healthy
19 community looks like, and it definitely includes infill,
20 and it definitely includes better transit options to the
21 automobile. So people recognize that. I think the
22 challenge now is how to get there, and how fast they can
23 get there.

24 But what we've done is we've challenged people to
25 think about what makes a city great. And we've gone

1 outside of California to show examples of what made cities
2 great. And what I hear in Fresno, Bakersfield, Stockton,
3 even the median to smaller cities throughout the county is
4 how do we get jobs here?

5 That's their problem. They have a very one
6 dimensional economy. They need a more diversified
7 knowledge based economies in those cities to make them
8 strong. So it's the chicken or the egg. Do you design
9 your city to be a pedestrian friendly, transit oriented,
10 diverse economy city or do you hope it happens and then
11 make the changes later?

12 You are the organization in best shape to help us
13 move more quickly towards creating great cities in the
14 Central Valley. And I ask you to please have the courage
15 to be as aggressive as you can with helping the cities to
16 move in that direction.

17 Thank you.

18 MS. SEATON: Phoebe Seaton, Leadership Council
19 for Justice and Accountability. We're based in Fresno.
20 We've been working for the past four years in Fresno,
21 Kern, Merced, and Tulare on the RTP SCS development,
22 taking the kind of long view both backwards and forwards.
23 We echo much of what has been said. We signed on to the
24 climate plan letter so not to repeat what others have said
25 better than I can.

1 I urge you to hold the valley counties to the
2 same standards as you hold the rest of the State. I and
3 other residents of those counties deserve to reap the
4 benefits of SB 375 now and in the future as SB 375 is
5 implemented. And if it appears that those counties need
6 greater resources, greater support, I also urge you to
7 provide that support and those tools.

8 Similarly, as to the extent that I'm talking to
9 you and others, who will be -- help implement SB 375
10 through funding, et cetera, I urge that all SB 375
11 implementation measures impact those counties, the rural
12 regions, and the cities in the San Joaquin Valley as they
13 do the rest of the State. Some of the members --
14 representatives from the MPOs talked about how far some of
15 the cities that they work with have come. And the cities
16 will only go as far as they see that SB 375 is supporting
17 them in their development. So I urge you to do what you
18 can to make that a reality.

19 Others, finally, have talked about the importance
20 of metrics and accurate calculations. There needs to be,
21 across the Board, from what we've seen greater
22 transparency in data available to the public, and I
23 believe to the Board as well.

24 This is a very important process, important to
25 all of us that requires checks and balances on the part of

1 us, residents and advocates. And we urge you to look at
2 the data that you're getting and making sure that we have
3 access to the same data, so that we can be an active part
4 of the process.

5 Thanks so much.

6 CHAIRPERSON NICHOLS: Thank you.

7 This is an information item, but it's a very
8 important one. We're having a little difficulty,
9 because -- well, Supervisor Serna has just stepped out to
10 see what he can do about extending the time frame for our
11 display to be out on the street there. We're bumping up
12 against our deadline.

13 I'm going to ask -- a bunch of people came in
14 kind of late, and all submitted cards. And I'm going to
15 ask you to speak for two minutes only. And if we feel
16 like -- you've been, you know, short changed, well
17 hopefully we can hear from you some time later on.

18 But we've got Daniel O'Connell from the American
19 Farmland Trust and Cesar Campos from -- Cesar Campos
20 representing the California Environmental Justice Network.

21 MR. O'CONNELL: Hi. Daniel O'Connell, American
22 Farmland Trust. AFT is the foremost farmland conservation
23 organization in the United States. Of course, we're
24 highly vested in the San Joaquin Valley.

25 Two contexts here. I was just at the Capitol

1 earlier this week. We're looking at business-as-usual 4.5
2 to 8.5 degree Fahrenheit increase, if we don't do
3 something in temperatures globally. This is going to play
4 out very poorly for the San Joaquin Valley.

5 The San Joaquin Valley is the most productive
6 agricultural region in the world. And yet for the United
7 States, it also has the highest level of poverty for our
8 region, west side of the valley, and for a city, Fresno.
9 It has the highest hunger rates in the United States with
10 Bakersfield being number one and Fresno five.

11 So we look -- AFT has actively engaged in SB 375
12 implementation in the region, because we link its
13 incentives and logic to farmland conservation and numerous
14 other co-benefits and other organizations like the
15 environmental justice community, air quality, and others
16 that have spoke testified to are close collaboration.

17 I want to say that SB 375, as I have to come see
18 it, is an elegant law, but it's a law that's logic plays
19 out very well for cities and urban areas. The San Joaquin
20 Valley is a rural, resource rich, highly impoverished area
21 that the logic of this law is not going to play out. And
22 what I mean by that is is that we're just simply not going
23 to be able to put in light rail to achieve emissions
24 reductions.

25 We're going to grapple difficult -- with a lot of

1 difficult land-use decision-making decisions that play out
2 over a long period of time, because they're put into
3 general plans.

4 There's been a lot of comments that have been
5 made, that I -- so I won't be redundant, we signed onto
6 the climate plan letter. I do want to say, and as I sit
7 here and I listen to the MPOs, all of the COGs, and we've
8 given them a bit of a headache and that's our role. They
9 have done a phenomenal job.

10 And as I hear the discourse and the rhetoric,
11 they have come quite a way. We need this to actually play
12 out in policy though. So interrogate their assumptions,
13 look at their methodologies. Some of it isn't passing the
14 smell test, and we need to get this right.

15 Madera County is going to undermine all the
16 achievements, that's happening in Fresno, for instance.
17 So let's make sure we hold these people accountable.

18 Thank you.

19 CHAIRPERSON NICHOLS: Thank you. And thanks for
20 all the great work AFT does.

21 Yes, hi.

22 MR. CAMPOS: My name is Cesar Campos. I'm with
23 Central California Environmental Justice Network.
24 Although, I'll consider having an organization after me.

25 (Laughter.)

1 CHAIRPERSON NICHOLS: I was looking at your
2 email.

3 (Laughter.)

4 MR. CAMPOS: So Central California Environmental
5 Justice Network is an organization that is kind of a
6 network of organizations that uphold and strive for
7 environmental justice all throughout the valley. And I'm
8 here today to ask you to uphold these principles when you
9 are reviewing these RTPs, uphold the principles of
10 environmental justice, and really make sure that the
11 counties evaluate, if they are disproportionately
12 burdening sectors of the population with these RTPs.

13 For example, Fresno COG and Kern COG -- Fresno
14 COG has a proposed new development of high income housing
15 that will be farther away from city centers, which means
16 that a sector with a population is actually being allowed
17 to increase their VMTs. And then that leaves the rest of
18 the lower income populations to pick up that slack. In
19 Kern COG they may or may not meet the reductions, but they
20 do so factoring in rising prices of fuel, as well as a
21 recession that they are foreseeing apparently.

22 Once again, this is relying on the fact that
23 low-income populations will not be able to drive, and you
24 are essentially putting that burden on those populations.
25 The responsibility for meeting those reductions, as you

1 all know, lies among all of us and it falls -- it should
2 fall equally within all of our responsibilities to do
3 that. And it is anti-environmental justice to target
4 certain sectors of the population for reducing and meeting
5 these requirements.

6 Thank you.

7 CHAIRPERSON NICHOLS: Thank you very much. Okay.
8 Then we had a group of gentlemen who all came I believe
9 with Mr. León, if one or two of you can just speak. And a
10 woman. Sorry. Three gentlemen and a lady.

11 MR. LEÓN: Gentle woman is not a term.

12 CHAIRPERSON NICHOLS: Three guys and a girl, you
13 know, whatever.

14 (Laughter.)

15 MR. LEÓN: Thank you, Chairman Nichols and the
16 Board -- Air Resources Board staff, good to see you again.
17 Although some of you have changed.

18 (Laughter.)

19 MR. LEÓN: My name is Rey León. I'm director and
20 founder of the San Joaquin Valley Latino Environmental
21 Advancement Project. I'm originally from -- born in
22 Fresno, raised in the farmworker community in Huron. So
23 these that know me, you know I mention Huron quite a bit.

24 It's a farmworker community in the State of
25 California, and is identified as the poorest community in

1 the State. So in a way, it's kind of like the limits, you
2 know, and really it's kind of, you know, what the rest of
3 the farm worker communities suffer, we see it in Huron.
4 And I'd like to say the Hurons of the Valley in that
5 respect.

6 But as you know -- well first, let me also
7 thank -- I know Tony Boren is Here. Fresno COG I think
8 they've done the best work since I've been involved with
9 them as a -- in the Environmental Justice Task Force,
10 which I chair currently, in terms of the outreach. And
11 when we talk about environmental justice principles, we're
12 talking about public participation as being one of them --
13 one of the primary ones, along with precautionary
14 principle, and cumulative health impacts.

15 But, as you know, the San Joaquin Valley is a
16 region with great need. Farm workers and other working
17 families struggled a great deal to -- due to the economy,
18 environmental justice, and health.

19 The other challenge that hits all of them, as
20 just mentioned, is transportation and land use for safety
21 and sustainability. The danger is when the municipalities
22 are trying to build new cities, essentially, that we'll
23 not be able to exist without countless VMTs creating more
24 criteria pollutants, and GHGs, which is scenario that I
25 think is present in some of the counties, definitely in

1 the valley.

2 I would suggest the pressure, via sticks and
3 carrots, to ensure that existing communities are the
4 focus, such as the Hurons that really are lacking a lot of
5 infrastructure currently, and they need more attention,
6 initially, before the expansion of new developments.

7 CHAIRPERSON NICHOLS: Rey, I'm going to have to
8 cut you. I'm sorry.

9 MR. LEÓN: And so that's my message, but the next
10 gentle people will continue.

11 (Laughter.)

12 CHAIRPERSON NICHOLS: Good gentle persons, gentle
13 people.

14 MR. REYES: Hi, everyone. My name is Eddy Reyes.
15 I'm from Hanford, California, Kings County. And this year
16 we started doing community forums, and it was one of the
17 first bi-lingual forums that we did in Hanford, because we
18 wanted to involve the latino community. And so, one of my
19 concerns is -- if the RTP materials can be -- I don't know
20 if it can be in Spanish, because many of the residents
21 don't speak English.

22 And also, I know that in the past we don't have
23 any latino women doing the decisions. And also, if
24 there's any resources to do some outreach to outreach to
25 the rest of the community.

1 So that's my concern. Thank you.

2 CHAIRPERSON NICHOLS: Thank you.

3 MS. VANEGAS: Good afternoon. My name is Candida
4 Vanegas. And I am here as a -- concerned, first of all,
5 concerned citizen of Kings County, a parent, and a
6 student. My message is pretty much short.

7 I agree with a lot of guys in the room have
8 stated of why we need the support. And you guys are
9 applying the regulations within our communities and our
10 State. And I just wanted to put a face on the communities
11 you guys are helping develop.

12 We are the future. We have kids. And please,
13 this is a face that we have. We are -- a lot of latinos
14 out there that need the help in the forgotten cities and
15 towns of Kings County.

16 Thank you.

17 CHAIRPERSON NICHOLS: Thank you.

18 MR. SOLORIO: Hello. My name is Miguel Soloria.
19 I really don't got a lot to say like these people or all
20 of these people around me. But I'm from Huron, and I'm
21 going to say the farm workers communities need your help,
22 your support for transportation, because a lot of them
23 people don't have transportation to go to Fresno. Fresno
24 is an hour away, and the bus that they take sometimes
25 they -- it takes like three hours. And with your help, we

1 can achieve a lot better than that, and other things.
2 And, you know, it will be better for our kids also. And I
3 just want to say thank you.

4 CHAIRPERSON NICHOLS: Thank you. Thank you for
5 coming. And I know you spent the day with us, so we
6 really appreciate your taking the time.

7 There's a lot at stake here obviously. It's not
8 just a technical discussion. It's not just about, you
9 know, pounds of pollution. It really is about
10 communities. And I think we've focused on the data issues
11 and need to improve the data, but it's -- you know, the
12 bigger picture question is really about whether we can do
13 planning and whether the plans will actually mean anything
14 once they're adopted.

15 I know there are a number of members of this
16 Board who have been involved in various different ways as
17 elected officials, as experts in various ways on planning
18 who feel very strongly about the need to make sure that
19 what we get from this region is something that really has
20 value and meaning to it.

21 And, of course, there are concerns about where we
22 are right now. At the same time, we do have to recognize
23 that progress has been made. It's sometimes frustrating.
24 And I know the resources to do everything that we would
25 like to do haven't always been there either, but I'm

1 hoping that we can find a way to do more to accelerate the
2 process here, recognizing all of -- all the progress that
3 has been made.

4 We are under some pressure, but I think we've
5 been given a little extension of time. I'm hoping at
6 least that we're not going to be shut down out there on
7 the street, that, you know, Supervisor Serna will be out
8 there to keep the police from ticketing us or whatever.

9 But I do want to open this up to Board members
10 who would like to -- might like to say a few words before
11 we start to lose people.

12 So I know Professor Sperling has been waiting for
13 this moment for a while, so we'll start with you.

14 BOARD MEMBER SPERLING: Okay. So I saved up my
15 time from this morning.

16 (Laughter.)

17 BOARD MEMBER SPERLING: We have banking credits
18 here. So, you know, I just want to give some background.
19 First of all, I was involved with the regional -- the RTC
20 process from the beginning. I was the Board liaison with
21 it. I have a lot experience with traveled demand models.
22 And so I am very interested in this, and I am going to be
23 skeptical, even critical, of a lot of this. And I'll get
24 into the details in a moment.

25 But I am -- I want to say this in a way that I'm

1 focusing on good outcomes. As Chairman Nichols was
2 hinting at, there's a lot more at stake here than just
3 greenhouse gas reductions. In fact, for most of these
4 communities, that's, you know, one of their lowest
5 priorities. Economic growth, jobs, environmental justice
6 issues, and so on are far more important.

7 But I want to point out and this is what
8 motivates me to really be engaged on this, is that the
9 strategies to reduce greenhouse gases through SB 375
10 processes are almost across the Board the same strategies
11 that you would use to reduce infrastructure costs, and not
12 just transportation infrastructure, but energy and water
13 infrastructure costs. It's the same strategies to create
14 healthy communities. It's arguably the same strategies
15 you'd use for economic development and growth. And so
16 that's the reason I believe this process is really
17 critical, really important.

18 So I'm focused here on good outcomes, not just
19 good models, eventhough I'm an academic. So let me -- so
20 I have four -- to start off with, I think there's four
21 major issues with this whole process.

22 One of them is are the technical analyses and
23 we've heard a lot about that. And there are some really
24 grave shortcomings there, and I think we've heard enough.
25 There's, you know, just the indicator that 30 percent of

1 the VMT -- roughly 30 percent of VMT is not even being
2 accounted for because of so-called interregional. There's
3 all these questionable, even bad, assumptions.

4 And, you know, there was this assumption like for
5 Kern County that half of the reduction is through higher
6 fuel costs. But as the staff hinted, not only is that
7 probably wrong in terms of fuel prices going up that much,
8 but even if they did go up, because of the fuel economy
9 improvements, almost certainly there's going to be
10 actually a reduction in fuel costs. And so, you know,
11 that wipes out half of the so-called benefits right there.

12 So anyway, there's a lot of other things that
13 other people brought up in terms of the technical part.
14 You know, one other one was I saw that there was this
15 number for a large increase in transit funding. But then
16 when I look at that analysis, at least in the Kern County
17 case, this famous Table 4.7, I think it is, it shows with
18 all of that transit increase, there's almost no reduction
19 in VMT as a result of transit. It's like 0.0 -- 0.05
20 percent.

21 So there's something wrong here. Either the
22 investment -- bad investments are not going to be made in
23 the most effective way or the models are wrong, but
24 there's something really problematic there. So that's one
25 part of it.

1 The other -- another -- a second issue is the
2 integrity of the process, and a couple people referred to
3 this. And that is, here we are in a situation where ARB
4 hasn't even evaluated the plans, and yet we're -- and yet
5 the MPOs are going ahead with adoption of the
6 transportation plans and the SCSs. And so that's -- so
7 that's a problem, especially given these technical issues
8 we've been hearing about.

9 The third is an institutional problem. And that
10 is, frankly, there's way too many MPOs -- small MPOs to
11 accomplish regional planning and rational good investments
12 of infrastructure. And so I've been involved with MPOs
13 and COGs since the 1970s. And I know the history of it.
14 And I don't -- and I suppose the COGs got created at
15 that -- the MPOs at that time, because they were -- cities
16 were smaller and it was more spread out, but it really
17 doesn't make sense at this point.

18 And I know that's not our jurisdiction here, but
19 I want to add my voice to whatever efforts there are being
20 made to consolidate these MPOs into something that makes
21 more sense in terms of planning, government investment,
22 governance.

23 And the fourth one is the responsiveness to the
24 law. And there were also a couple comments about that.
25 And that is, we're seeing a failure to propose actions to

1 reduce -- to get significant reductions in greenhouse
2 gases. You know, as we saw some of the -- you know, I
3 forgot who it was. One of the speakers talked about there
4 were these exogenous conditions, and those were being used
5 to achieve the goals.

6 I mean, given the nature of the -- given how
7 flawed or the limitations of all the technical analysis, I
8 mean, that doesn't -- you know, to bank your outcomes on
9 that doesn't make sense, even if you think there should be
10 discernable actions. So that's -- so the responsiveness
11 of law -- of what SB 375 said is a real concern also.

12 So those -- so given that -- I'm only getting
13 warmed up.

14 (Laughter.)

15 BOARD MEMBER SPERLING: No. No. I promise. I
16 promise.

17 (Laughter.)

18 BOARD MEMBER SPERLING: Okay. So, you know, I
19 understand that what we're talking about here is
20 relatively small reductions in greenhouse gases. But as I
21 said, you know, much more is at stake than that. And
22 whatever we do here, this is a framework, a legal
23 framework, a political framework for actually creating
24 more sustainable communities, and in all of its -- in all
25 senses.

1 And I also appreciate though that, you know,
2 there are limited CARB -- ARB resources available to deal
3 with that. But given that, I want to make five -- so now
4 I have five points -- five signals I'd like to send.

5 One is that, to summarize, the eight MPOs, that's
6 really a problem, you know, for any kind of good planning
7 and investment processes.

8 Number two is that we can't assert achievements
9 of the targets when we don't have the technical
10 capabilities to do it, when we don't have -- we're making
11 faulty assumptions, when the analyses are uncertain. And
12 so to call these SCSs is problematic.

13 Number three is the current modeling analysis
14 really is unacceptable. We've heard a lot about it,
15 and -- but we -- and it's not that we need good modeling
16 for the sake of good modeling. We need it to understand
17 what kind of actions will have the greatest benefits.

18 So we need to do -- so the fourth point is -- and
19 the fourth -- so the fourth point is we need to do a
20 better job -- and this is on our side, on the ARB side.
21 We need to do a better job of timely assessment of these
22 plans, so that we can provide feedback in a timely manner.

23 And so to summarize it all, I mean, these SCSs, I
24 just -- if I had to vote today, I just couldn't vote to
25 approve these SCSs. You know, it's just -- we're not

1 voting, but just to summarize what -- you know, where we
2 are in this.

3 But more importantly, a whole lot more can be
4 done to create sustainable communities. This is the
5 Sustainable Communities Act of 2008. A lot more can be
6 done, and we're not seeing a lot of evidence that those
7 actions are being proposed, implemented, pursued. And
8 that's what really concerns me is really the outcomes.

9 CHAIRPERSON NICHOLS: Okay. Dr. Balmes.

10 BOARD MEMBER BALMES: Thank you, Chairman
11 Nichols. I requested to go next, because I have -- I'm
12 about to go on interregional travel back on Capitol
13 Corridor to Berkeley.

14 (Laughter.)

15 BOARD MEMBER SPERLING: And we're going to count

16 (Laughter.)

17 BOARD MEMBER BALMES: But I -- and I don't want
18 to belabor the points that many of the folks who testified
19 today made, with which I agree, and then my colleague,
20 Professor Sperling. But I think it comes back again to
21 the fundamental purpose of SB 375, which was to create
22 sustainable communities through land-use planning changes
23 to the business as usual. And I just think we haven't --
24 we don't see enough here from several of the MPOs in the
25 San Joaquin Valley.

1 I, too, would have trouble voting for this if we
2 had to vote today, so -- and I go back to one other point.
3 I think that the targets that were given to the MPOs --
4 these eight MPOs were kind of made up in the first place.
5 I think more energy was placed into coming up with targets
6 for the larger MPOs, like the Bay Area, L.A., San Diego.

7 And so I think that in retrospect that they're
8 too easy to achieve, if they can be achieved by these
9 exogenous factors. So I think we should consider coming
10 up with new targets.

11 (Applause.)

12 BOARD MEMBER BALMES: So I'm not sure of the
13 process, at this point, about reconvening, you know, our
14 TAC, but I think we need targets that really achieve --
15 which really achieve sustainable growth, sustainable
16 communities. And I don't think we have that really yet.

17 CHAIRPERSON NICHOLS: Other comments from members
18 of the Board?

19 John.

20 BOARD MEMBER EISENHUT: This will be briefer. I
21 would like to affiliate myself with Dr. Sperling's
22 comments. But given the complexity and importance of this
23 issue, I believe it's scheduled to return for action. I
24 would like to see an interim discussion where we revisit
25 this issue prior to the meeting in which we are required

1 to take action.

2 CHAIRPERSON NICHOLS: I think that's a good idea.
3 That's a very good idea. I appreciate that. You know, I
4 feel somewhat torn about all of this. I had a lengthy and
5 very serious conversation with staff before today about
6 where we were with this. And I actually think that -- I
7 know this -- the way this is set up, it's not about ARB's
8 actions very much, but I think ARB has actually been doing
9 a really good job of working with the MPOs and the
10 communities to move them along in the direction of
11 something that will be approvable at the end of the day
12 when it comes to us, as well as towards a situation where
13 we could be more ambitious in setting targets in the
14 future, but it's a little bit circular.

15 It's pretty hard to set ambitious targets if you
16 don't have good data and good models to do it from, which
17 is -- you know, so we keep waiting for the better data and
18 the better models, and then complaining that we don't have
19 better plans, because we don't -- you know, and the -- or
20 that they -- targets weren't ambitious enough.

21 I've also just personally somewhat -- I find it
22 much easier to understand how a place like Fresno or
23 Bakersfield or Kern County can use growth that they're
24 having to create more vibrant communities and to funnel
25 that growth into places where there will be walking,

1 bicycling, et cetera.

2 I find it really difficult to understand how a
3 poor rural community, without any new sources of growth or
4 new funding, which we don't bring with us, is going to use
5 SB 375 or land-use planning, for that matter, as a way to
6 create the kind of community development that we agree to.
7 I mean, I just -- I'm not sure what they could have done
8 or could do differently that you think they should be
9 doing that they're not doing specifically.

10 Now, I totally agree about the need for a more
11 rural -- I mean, a more regional approach, because I do
12 believe in regions. And since there's a shared air
13 quality and shared many other things, it makes sense for
14 there to be more being done at the regional level. I'm
15 actually pretty interested that so much of the
16 presentation did kind of focus on the region, as opposed
17 to just the localities.

18 But it seems to me that, you know, this is a
19 process, where we need to bring some more -- we need to
20 bring some more to the table too. It's not just a matter
21 of, you know, MPOs not having -- you know, disappointing
22 us, because they haven't brought us the exciting, fully
23 developed plans that we might have liked to have seen.

24 So I realize it's very hard for the people who
25 work on this on a day-to-day basis at the local level,

1 because that's who they deal with is their local planning
2 organization. ARB has how many people working on the
3 valley SCSs or the whole SB 375 implementation process in
4 this area?

5 DEPUTY EXECUTIVE OFFICER TERRY: About five
6 people.

7 CHAIRPERSON NICHOLS: So we -- you know, we
8 have -- and we've been doing quite a bit, I think, to help
9 support better modeling effort. But maybe this is just
10 kind of a glass half full, glass half empty thing, but I
11 do think that there's a way to work together to try to use
12 the tools that we have to support some of the things that
13 we all would like to see happening.

14 So I don't know that that's a conclusion to
15 anything. I'm not trying to have the last word on this.
16 I really am not. I think this was a good status report,
17 and I think we all agree that we're hoping for more before
18 this comes back to us for approval, that nobody would ask
19 us to approve the plans that are before us today.

20 I think the real question is kind of what are we
21 going to do between now and that time, you know, to get
22 something that we feel better about?

23 I mean, as I understand it, the push to get the
24 transportation plans adopted -- you know this better than
25 many people do -- is that if they don't have

1 transportation plans, they can't get any federal funding.
2 So then you're in the death spiral. You can't do
3 anything, good or bad, without that.

4 So I don't know if you want to, you know, try to
5 give some direction here from the Board's perspective, but
6 I mean if you want to try to state something that, you
7 know, you think that we could be doing between now and
8 then, I'd welcome that.

9 BOARD MEMBER SPERLING: Well, in the larger
10 sense, I think what we could be doing is saying if you're
11 willing to really partner with us and really, you know,
12 work hard in your communities -- you know, obviously, you
13 have to get political support in these areas, and some of
14 them are pretty conservative, though -- and it takes
15 effort. You know, I would give the SCAG as an example,
16 where when we started with SCAG, there was -- I would say
17 reaction ranged, at least from the Board -- SCAG Board
18 ranged from hostile to ambivalent, and -- but they
19 really -- you know, the staff there really engaged. They
20 really worked with the cities and the counties and local
21 communities and by -- after a couple years or so, there
22 was a lot more support, because they appreciated the idea
23 that what we're talking about is creating, you know,
24 better communities, low -- less infrastructure costs. So
25 you don't have to spend the money on infrastructure.

1 Spend it on other things that are going to contribute.

2 So I think the outcome of that is if there can be
3 a real partnership in terms of moving forward, we, I
4 think -- you know, this is mostly Chairman Nichols
5 probably, but working with the -- you know, some of the
6 cap-and-trade revenues that are being made available
7 through the Strategic Growth Council or -- and could be
8 available in others ways, we could help, you know, make
9 sure that there are sufficient resources. We can help in
10 terms of transportation funding to help get the funding
11 rediverted in ways that do support the kinds of
12 investments that would be used. So, I mean, I would like
13 us to take that on as part of our responsibility.

14 CHAIRPERSON NICHOLS: Before you have to leave,
15 you want to say a word or two.

16 BOARD MEMBER BALMES: Yeah. Well, I think you
17 make a very good, Chairman Nichols, about the differences
18 between more urban areas in the valley and the more rural
19 areas. But I think we heard some pretty moving testimony
20 from folks who live in those rural areas.

21 And again, if there was a regional approach, I
22 think some resources could be diverted to the poor rural
23 communities in terms of increasing public transportation.
24 I mean, if people can't get to Fresno, which is an hour
25 away without taking a three hour bus ride, there's

1 something wrong there. And that's something that could be
2 addressed and could help the poorer communities that don't
3 have the resources to do fancy urban planning.

4 CHAIRPERSON NICHOLS: Thank you.

5 Last comments. Yes.

6 BOARD MEMBER SHERRIFFS: I certainly don't have a
7 wrap-up. But, you know, I want to acknowledge -- thank
8 the work obviously of staff, but the people who have come
9 today to speak to this. And this was suggested by Dan
10 early -- earlier, Dr. Sperling, about -- or maybe it was
11 the Chairman about ambivalence to hostility. Well, we
12 only have two missing in action here today. There's six
13 out of the eight, and that, you know, probably would be a
14 surprise to people when they look back at the beginning of
15 the process.

16 So, you know, thanks for people stepping up and
17 coming forward and sharing, because clearly a lot of hard
18 work has been done. And we did hear from people who may
19 not be entirely satisfied with what was put forward, but,
20 in fact, there was a genuine effort to get a lot of
21 community involvement. And there was more community
22 involvement than has been a lot of the planning process.
23 So more voices, better ideas.

24 As has been said, you know, we really do need to
25 be skeptical -- well, we need to look. There's some great

1 preservation of ag lands. We need to be sure that that,
2 in fact, is real sustainable, because that is very
3 important. That is a key part of this.

4 By the same token, a billion dollars for HOV
5 lanes probably doesn't affect greenhouse gases to a
6 significant degree. So not a good way of spending it for
7 that direction or certainly not to be credited.

8 As we think about vehicle miles traveled, well, I
9 don't think all vehicle miles are the same. You know, as
10 we think about developing the electric infrastructure, as
11 we think about fuel cell, there's a lot we could do to
12 improve those outcomes. Even if the vehicle miles didn't
13 change, there are planning things we can do to make those
14 much cleaner and greenhouse gas friendly, and we need to
15 think about those opportunities.

16 You know, I saw a van across the street yesterday
17 bringing people to pick the peaches and nectarines. And
18 that was -- that is very important. And it's encouraging
19 to see that, and we obviously need to do more of that.

20 So many challenges come up in your statistics,
21 because we see, well, maybe 30 percent of housing is near
22 transit, which is not so good. Well, 70 or 80 percent of
23 jobs are near transit. Well, there we are creating
24 another challenge, how do we get that one side of the
25 equation into that transit solution, because we can't just

1 solve it on one side?

2 How can we support this process, the good parts
3 of this process? You know, as has been mentioned, we need
4 to be sure that the -- we're vetting the numbers and that
5 they're real doing what we want them to do.

6 You know, we don't -- we don't have sticks.
7 Maybe we have some carrots coming along, as has been
8 mentioned, that we need to work with.

9 I think there's something just to continuing the
10 reporting process and regularly seeing, okay, here's the
11 plan, here's what the promise was, how effectively were
12 folks able to carry through on that, because we want to
13 celebrate the successes, put those out to others to
14 emulate. And likewise, when we stumble, okay, why didn't
15 it work, and what did we learn from that?

16 So thank you for coming, thank you for sharing,
17 and thank you for the testimony.

18 CHAIRPERSON NICHOLS: Thank you.

19 Okay. Barbara, you had a word.

20 BOARD MEMBER RIORDAN: Madam Chair, yes, I want
21 to just speak without a great deal of detail. It occurred
22 to me if we want to deal with this as a region more to
23 develop accurate information, nothing encourages people
24 more for regionalization than money opportunities to join
25 forces.

1 And it would seem to me, Madam Chair, if we were
2 to think about it - and I'm looking at staff right now,
3 and you as our Chair - that maybe there is an opportunity
4 to make some monies available if regionalization were to
5 take place in this effort. And it occurred to me that
6 that is the carrot that my colleague might have mentioned
7 just a moment ago. And would that work? Would that be
8 helpful?

9 I know we have limited moneys, and yet there are
10 opportunities sometimes that it makes good sense. It's a
11 good investment.

12 CHAIRPERSON NICHOLS: Yeah. All good questions
13 to be raised. This is a topic that is deserving of more
14 time. I think we should give direction to staff to come
15 back in a couple months, but before we have to actually
16 act on this plan. Clearly, there's more discussion. We
17 will know more after the budget about what's going to be
18 available through the Strategic Growth Council and other
19 funds, and that would be a good thing to talk about as
20 well.

21 We have staff who are downstairs with the
22 equipment who cannot stay past 3:30. And so I think we
23 need to adjourn and go down and take a look. I don't know
24 if we have to have a presentation here beforehand or
25 should we just do the tour and have people talk with the

1 guides who've been assigned to take us through the
2 equipment? That's really the choice that we have to make.

3 I've been told that the likelihood of us being
4 all cited and taken to jail before 4:00 o'clock is now
5 small.

6 (Laughter.)

7 CHAIRPERSON NICHOLS: So we have a little bit of
8 time.

9 EXECUTIVE OFFICER COREY: Chairman, I actually
10 think, given the situation just described, it makes more
11 sense to break, do the tour, and have just a walk-around
12 explanation and then a future presentation we could --

13 CHAIRPERSON NICHOLS: Yeah, we'd be more than
14 happy to offer up a hostage. But okay, that sounds good.
15 So if that's the case, then let us formally adjourn at
16 this point, and move to the tour. Anyone who's a guest --
17 a member of the public is also invited to join us. It's
18 not just for the Board members. The equipment is there
19 for everybody to take a look at, but we do have people who
20 have, I guess, been assigned.

21 EXECUTIVE OFFICER COREY: That's correct. Staff
22 will approach Board members and direct them.

23 CHAIRPERSON NICHOLS: Okay.

24 BOARD MEMBER RIORDAN: Are they here or they --

25 CHAIRPERSON NICHOLS: They're here.

1 EXECUTIVE OFFICER COREY: They're here.

2 CHAIRPERSON NICHOLS: Just stay here and our
3 guides will come find us.

4 EXECUTIVE OFFICER COREY: Stay here. They come
5 find you and escort you.

6 CHAIRPERSON NICHOLS: Thank you, everybody.
7 Appreciate your input.

8 (Thereupon the California Air Resources Board
9 meeting adjourned at 3:12 p.m.)

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1 C E R T I F I C A T E O F R E P O R T E R

2 I, JAMES F. PETERS, a Certified Shorthand
3 Reporter of the State of California, and Registered
4 Professional Reporter, do hereby certify:

5 That I am a disinterested person herein; that the
6 foregoing California Air Resources Board meeting was
7 reported in shorthand by me, James F. Peters, a Certified
8 Shorthand Reporter of the State of California.

9 That the said proceedings was taken before me, in
10 shorthand writing, and was thereafter transcribed, under
11 my direction, by computer-assisted transcription.

12 I further certify that I am not of counsel or
13 attorney for any of the parties to said meeting nor in any
14 way interested in the outcome of said meeting.

15 IN WITNESS WHEREOF, I have hereunto set my hand
16 this 6th day of June, 2013.

17
18
19 A handwritten signature in blue ink that reads "James F. Peters". The signature is written in a cursive style with a horizontal line under the first name.

20
21
22 JAMES F. PETERS, CSR, RPR
23 Certified Shorthand Reporter
24 License No. 10063
25