

California Climate and Energy Collaborative (CCEC)

June 24, 2022

California Air Resources Board 1001 I Street P.O. Box 2815 Sacramento, CA 95812 Submitted online at: https://ww2.arb.ca.gov/applications/public-comments

Re: Comments on Draft 2022 Scoping Plan

Dear Board Members and Staff,

This document is submitted in response to the California Air Resources Board's (CARB) request for public comments on its <u>Draft 2022</u> <u>Scoping Plan</u>, released on May 10, 2022. The following comments have been compiled among the network served by the California Climate and Energy Collaborative (CCEC)¹, composed primarily of California local governments and those that work with them, including members of the Local Government Sustainable Energy Coalition (LGSEC)², which has signed on to these comments.

CCEC and its network recognize that the State of California is a global leader in climate action and applaud CARB's work in developing a path to carbon neutrality, which will undoubtedly spark further innovation in building decarbonization, transportation electrification, and other key priority areas. We appreciate the comprehensive approach to drafting this Plan in a way that makes clear the climate impacts that these emission reduction activities are seeking to avoid, while acknowledging the critical role of increased State investment in actualizing its climate goals. Nowhere is the climate crisis more evident than in California, which has been subjected to recordbreaking wildfires, heat waves, floods and repeated electricity outages. With the state in the early stages of a multi-decadal drought made severe by climate change, it has never been clearer that the time for accelerated climate action is now.

CCEC and our network share CARB's desire to foster effective, on-the-ground implementation of emission targets in regions and communities throughout the State. We appreciate the opportunity to engage with CARB, and respectfully offer our comments and recommendations to support the finalization of the Scoping Plan.

The Significant Role of Local Governments in the Scoping Plan

In **Chapter 5 (Challenge Accepted)**, CARB emphasizes how critical the leadership and assistance of local and regional governments will be in supporting state-level measures to contain the growth of GHG emissions associated with the transportation systems and built environment. CARB calls for local governments to align their actions with state-level priorities to tackle climate change and the outcomes called for in the Draft 2022 Scoping Plan, once approved. The **Local Actions Appendix** (Appendix D) further states that "roughly 35 percent of California's GHG reduction potential is from activities that local governments have authority or important influence over," a substantial (though likely low) estimate. However, the available backend calculations that undergird the scenarios discussed in Chapter 2 (Proposed Scenario) do not make clear the type and amount of emissions reductions local and regional governments are expected to be responsible for , making it difficult for them to provide informed comment on the proposed scenario, and its implications. While the specific expectations of local government remain somewhat unclear, *CCEC and its network whole-heartedly*

¹ CCEC is a program of CivicWell (formerly known as the Local Government Commission) that supports California local governments and their partners in their efforts to save energy, reduce greenhouse gas emissions, and accelerate climate action by building knowledge and networks amongst practitioners. We are increasingly developing ways to foster better two-way communication between State and local agencies to better reach mutual energy and climate goals, and welcome greater collaboration with the State. See https://eecoordinator.info.

² Another program of CivicWell, LGSEC, was formed in 2007 and is structured as an unincorporated association of local public entities to advance local government leadership to share California's clean energy future through regulatory action, policies, and programs. See https://www.lgsec.org/.

agree that the climate crisis demands bold action and that local and regional governments are critical to activating emission reductions within communities. We encourage the Scoping Plan to comment more specifically on ways the State can coordinate with and support local and regional governments, as detailed in the sections below.

Unique Abilities of Local and Regional Governments

Since local governments will play such a critical role in achieving the State's emission targets, it is important that the State understand the wide range of unique abilities local and regional governments can leverage to combat climate change. CCEC and its network appreciate that the Scoping Plan (Chapter 5) cites local authority and ability to develop reach codes; govern land use and CEQA requirements; implement climate action plans; deploy transportation infrastructure; and other replicable, practical solutions. The Local Actions Appendix also introduces 13 "Priority Local Actions" related to transportation electrification, VMT reduction, and building decarbonization. In this Appendix, CARB also recommends that local governments develop local climate action plans and strategies consistent with the State's GHG emissions reduction goals; localize State-level GHG priorities when approving individual land use projects; and implement mitigation to reduce GHG emissions associated with CEQA projects. While the CCEC network asserts that local governments are implementing mitigation actions far beyond those just associated with CEQA projects, we generally agree that these priority areas and actions are needed to achieve carbon neutrality within a local community and are well aligned with strategies local governments are already prioritizing in the implementation of their climate action plans. Members of the CCEC network did relay some concern that reducing parking minimums and implementing demand management pricing are challenging to implement, especially for smaller cities. One member explains that drafting updated policies to remove parking minimums have taken 2.5 years of work with extensive community engagement to manage public concerns. Members also noted that actions on municipal facilities are often a small proportion of the local emission reduction potential but are important for improving the operation of critical public services, setting a public example, raising public awareness, and helping to build the local zero-carbon market, supply chain and workforce. In general, the CCEC network is eager to engage further with the CARB on the highest priority local strategies and on ways the State can support local governments in implementing these and other strategies.

While the Scoping Plan and Appendix D highlight some key local actions, it is important to ensure that the State is aware of the complete breadth of actions local governments can take to address emission sources and sinks by utilizing their unique position and authority. These include actions that local governments can take directly and actions they can help their constituents take given their familiarity, trust, and proximity to engage residents, businesses, workers, schools, community-based organizations, and other institutions. CCEC has begun to compile this information in two ways below.

First, in <u>this spreadsheet</u>, CCEC has begun to crosswalk Scoping Plan measures from Appendix C with Priority Local Actions identified in Appendix D and with an incomplete list of examples of emission reduction activities implemented and facilitated by local governments. For the purposes of these comments, local governments include city and county municipalities, air districts, resource conservation districts, and other special districts, municipal planning organizations, and regional consortiums of local governments such as Regional Energy Networks, Community Choice Aggregators, and regional climate collaboratives which are not recognized in the Scoping Plan but are facilitating significant emission reductions. As detailed in the spreadsheet, these local and regional governments have significant abilities to lower emissions across **buildings and energy; transportation and land use; natural and working lands; and material consumption and waste**. Reconciling local actions against the Scoping Plan is a significant undertaking, and the spreadsheet is considered a work in progress.

Secondly, below we highlight a small subset of examples illustrating the variety of ways local governments are leveraging their unique abilities to **plan**, **regulate**, **empower**, **operate and procure**, **and engage and collaborate** to help mitigate emissions.

PLAN:

- Local governments develop, adopt, and implement a wide range of plans designed to strategically transition to a zero-emission economy
 - *Example*: Over 200 local governments in the State have adopted *climate action plans* with emission reduction targets, strategies, and policy commitments; some (like the <u>City of Davis</u>) have adopted *climate emergency ordinances* and proclamations.
 - *Example*: Municipal Planning Organizations are required to include a *Sustainable Communities Strategy* in regional transportation plans.

- *Example*: The City of Berkley adopted an *Existing Buildings Electrification Strategy*.
- *Example*: The <u>San Bernardino Council of Governments</u> adopted a *Zero-Emission Vehicle Readiness and Implementation Plan.*
- Example: The County of Santa Barbara adopted a Strategic Energy Plan.
- Example: The <u>City of Ventura</u> prepared an innovate Active Transportation Plan, which feeds into its General Plan update, to increase mobility options, especially for disadvantaged communities.
- *Example:* The <u>City of San Jose</u> developed a *Natural and Working Lands Element* in 2021 to to assess how the protection and enhancement of San José natural and working lands can contribute to helping San Jose meets its greenhouse gas (GHG) reduction targets.

REGULATE:

- Municipalities lower emissions through their role in governing land use and buildings through ordinances, zoning, general plans, permitting, and CEQA review
 - *Example*: All municipalities *enforce the California Energy Code*. Additionally, 55 local governments have *adopted reach codes* to support all-electric new construction; at least two jurisdictions in California have adopted reach codes that apply to renovations of existing buildings;
 - *Example*: In 2019, the <u>City of Brisbane</u> adopted an ordinance requiring most owners of local buildings 10,000 square feet or more to **benchmark** their buildings and report results to the city annually. Later, buildings will need to show they are high-performing or take steps to improve.
 - *Example*: In 2020, <u>Contra Costa County</u> created a *solar overlay zone* in certain areas of the county that are well-suited for ground-mounted solar.
 - *Example:* In June 2022, the <u>City of San Jose</u> approved a plan to update its *Transportation Demand Management ordinance* to eliminate mandatory parking minimums city- wide and ensure new developments invest in alternative transportation methods.

EMPOWER:

- Regional Energy Networks, CCAs, and other local government programs are offering innovative voluntary programs to incentivize, encourage, and educate the State's households and businesses to decarbonize buildings and vehicles and use clean mobility options, while supporting related market transformation and workforce development needs
 - *Example:* The San Francisco Bay Area Regional Energy Network (<u>BayREN</u>) has operated for 9 years achieving nearly 5,000 energy efficiency home upgrades, and \$5.6 million in rebates paid to renters, single family & multifamily property owners.
 - *Example:* The Southern California Regional Energy Network (<u>SoCalREN</u>) has operated for 9 years, and offers 9 voluntary energy efficiency programs for the public sector, residential sector, finance sector, and workforce, education and training sector. In 2021, these programs achieved 5,699,347 kilowatt hours (kWh) and 214,720 therms of net first-year energy savings. These savings equate to 5,175 metric tons CO2e.
 - *Example*: <u>3C-REN</u>, serving the central coast, completed 776 home energy savings projects via direct install or co-pay. To advance the central coast's building workforce, it also conducted 54 building performance trainings reaching over 1,100 attendees and 25 Energy Code Connect training events for 295 attendees and fielded 84 Energy Code Coach inquiries.
 - *Example*: Central Coast Community Energy provides rebates for electric vehicles, EV chargers, EV readiness, and electric bikes. It also partners with TECH Clean California to provide incentives for home electrification.
 - Example: <u>SANDAG and San Diego County APCD partner with the California Energy Commission</u> to offer EV charging rebates for public, workplace, and communicable multifamily parking spots.
- > Local governments enable *low emission affordable housing, infill, and transit-oriented development*
 - *Example:* The awarded projects of the State's <u>Affordable Housing and Sustainable Communities</u> program highlights the key role local governments and their housing departments and authorities play in the development of low emission affordable housing and transit-oriented development.

OPERATE AND PROCURE:

- Over 200 jurisdictions in California are administering or have joined one of the 24 *Community Choice Aggregators (CCA)* in California, investing in and delivering more renewable energy to over 11 million customers.³
- Municipalities operate critical public facilities and conduct operations improvements ranging from siting and installation of solar, storage, energy efficiency, street lighting, and EV charging upgrades, to remote work policies, and green purchasing.
 - *Example:* Local governments provide host sites for innovative energy projects such as the <u>City of Gonzales</u>' 35-Megawatt, \$70 million advanced community microgrid powered primarily by solar and storage.
 - *Example:* SPURR, a joint powers authority of over 300 public agencies, conducted a highly competitive statewide RFP for solar and energy storage. The master contract awarded as a result of that competitive process has been vetted and used by over 50 public agencies across the state to procure solar and energy storage at hundreds of sites.
 - *Example:* The <u>City of Torrance's One Mile, One Charger Program</u> used GIS and public outreach to map where EV charging stations should be located to ensure residents, employees, and visitors would never be more than one (1) mile away from a publicly accessible EV Charger. The City successfully secured grant funding to install a total of 14 Level II and 6 DC Fast Stations and to expand electric vehicle infrastructure to fleet applications.
- Municipalities are responsible for solid waste management including composting, organic waste and edible food recovery programs, anaerobic digestion, recycling.
- Local governments support carbon sequestration in public and private lands via open space, urban forestry, mulching/composting, green infrastructure, conservation, agriculture and soils.
 - *Example*: <u>Resource Conservation Districts</u> around the state have begun creating and implementing Carbon Farm Plans among other conservation initiatives.
- > Fire departments assist with **forest and wildfire management**
 - *Example:* CalFire's Forest Health Grant awards demonstrate the key role local governments play in wildfire prevention efforts such as ecological restoration and fuels reduction.

ENGAGE AND COLLABORATE:

Each of these efforts necessitates local public engagement and coordination among the region's stakeholders. Local governments are working with key partners to do so in a more inclusive and equitable manner to ensure targeted benefits reach low income and disadvantaged communities, embodying the expressed goals of the Scoping Plan. Additionally, State and other initiatives not implemented directly by local governments, including utility and grid infrastructure upgrades, benefit significantly from partnering with local governments to deliver outreach through its deeply rooted local network and familiar voice.

As the examples provided demonstrate, local and regional governments in California have extraordinary and unmatched potential among the State's partners to help meet the State's emission targets, much of which is still untapped. They are indeed able to generate some of the State's most effective climate mitigation. However, *local and regional governments are struggling to obtain the resources necessary to manage these additional responsibilities. Greater coordination with and investment from the State can unlock this potential.*

Unlocking Local Potential

Developing (let alone *implementing*) local climate action plans is a heavy administrative burden. It necessitates considerable local government investment - time, staff, finance, and community engagement. Local governments remain the appropriate venue for this work, given their accountability to local constituencies, and the unique authorities available to local governments. And yet the administrative burden remains considerable - particularly for governments that disproportionately represent marginalized populations, and those seeking to better address the needs of marginalized populations by advancing environmental justice and racial equity. Members of the CCEC network relay frustration with the amount of time and resources needed to conduct climate action planning, as they understand how critical it is to spend limited time and resources on the implementation of emission reductions.

³ https://cal-cca.org/

In fact, the Scoping Plan accurately notes that "one challenge local jurisdictions have faced is how to evaluate and adopt quantitative, locally-appropriate goals that align with statewide goals." The CARB <u>CAP-MAP</u>, while incomplete, indicates that nearly 40% of jurisdictions do not have any GHG inventories on record. Even the leading jurisdictions in California - those that have adopted climate action plans and have supportive elected officials - struggle to put their plans into action. Within the insufficient resources they do have, disproportionate time and effort is spent on planning and evaluation, rather than action and direct implementation. The Scoping Plan does not speak to these challenges, and only <u>encourages</u> the expenditure of still <u>more</u> local effort on planning (to align with and reflect the Final 2022 Scoping Plan).

The CCEC network believes that unlocking local potential is possible under the right conditions with certain necessary elements in place such as: 1) stable funding to support at least one knowledgeable staff member with sufficient authority and trust to serve as an internal champion navigating climate initiatives through the steps of government adoption and coordinate meaningful engagement from many segments of the community, including environmental justice organizations, 2) accessible and sufficient multi-year funding that can enable local governments to develop and implement a range of climate initiatives, 3) support in tracking and pursuing funding opportunities, 4) an understanding of the most actionable opportunities for emission reductions within jurisdictions, and 5) support in project planning and design, including data access and analysis.

CCEC appreciates the guidance provided in the Local Actions Appendix, which appears aimed at systematically making it easier for local governments to make progress on identifying and implementing effective climate action strategies. Having access to guidance based on substantive CARB data analysis of the most valuable emission reduction actions can greatly help local governments. CCEC has appreciated opportunities to coordinate local engagement on this Appendix with CARB and is aware that there is a tool under development that can help local governments customize the emission reduction potential of the priority strategies listed in this Appendix. Local feedback received at a CCEC-hosted listening session on December 10th, 2021, was positive, as local practitioners felt this tool could help lower the burden of identifying and calculating key emission reduction opportunities. However, *guidance alone will not be enough to unlock local potential*.

The Scoping Plan acknowledges that "not all jurisdictions have the resources to develop a CAP that will go through the CEQA process." Perhaps more importantly, all local governments are struggling to obtain resources that will allow them to implement sufficient emission reduction strategies to reach state and local goals.

While some local governments have limited means to invest general fund dollars into their climate action work and associated staffing, this spending is often seen as discretionary and a diversion away from other immediate local priorities like public safety, public works, and public health. Several local governments have developed revenue-capturing programs, like Community Choice Aggregation (CCA), to pay for emission-reduction programs. But Public Charge Indifference Adjustment (PCIA) exit fees imposed by the investor-owned utilities have made it challenging for many CCAs to accrue enough revenues to support programs. The majority of local governments rely upon external funding and assistance. CCEC appreciates recent State investment in programs like Transformative Climate Communities, Affordable Housing and Sustainable Communities Program, Community Economic Resilience Fund, and the Regional Climate Collaboratives. Programs like these allow some investment to flow to the local governments that can manage the significant application requirements despite the low probability of receiving one of a small number of competitive awards. However, in the last several years, key sources of assistance are being dismantled. For example, Investor Owned Utilities have significantly reduced ratepayer energy efficiency funding to local governments, which was a primary means of developing climate action plans, reach codes, municipal retrofits, GHG emissions inventories, and encouraging energy savings among their residential and commercial constituents. Ratepayer dollar support for the Statewide Energy Efficiency Program (CCEC's predecessor) also sunsetted in 2020, cutting off funding to many services, including free local access to ICLEI's ClearPath GHG inventory and climate planning tool. Over the past decade, local governments in four regions have developed Regional Energy Networks, which appeal directly to the CPUC for ratepayer dollars to administer programs. However, these dollars are still rigidly restricted to energy efficiency activities and related measurable outcomes. With additional, less restricted resources, local and regional governments are capable of building upon their existing program infrastructure to support a much broader set of emission reduction activities.

The Scoping Plan will likely inform future legislative and budget decisions and investments. CCEC hopes that these investments will result in greater funding for local and regional governments to implement a broader set of strategies than currently outlined in the 13 Priority Local Actions.

CCEC has worked with many CARB officials and local governments on these issues, and from our experience, both want to be able to work together more closely and effectively. In that spirit, we offer the following recommendations; our network believes they are necessary for unlocking the full potential of local and regional governments to support the Scoping Plan.

Recommendations

To unlock local potential in support of the Scoping Plan's goals, CCEC and its network respectfully request that the State:

Support local climate action with a dedicated State program, and dedicated staff. CCEC is aware that the Scoping Plan will follow with the implementation of initiatives designed to actualize the chosen scenario. We assert that since local climate action is vital to the State of California, that capacity merits the investment of considerable resources from the State. A highly effective investment to unlock local potential could emulate aspects of the Local Government Challenge formerly administered by the California Energy Commission, the Tribal Government Challenge Program being administered by the Strategic Growth Council, or the anticipated Climate Adaptation Planning Grant Program administered by the Governor's Office of Planning and Research. A program should:

- Be funded at regular and reliable intervals to allow for long-term hiring and lasting internal capacity
- Provide access to grant writing support and technical assistance and minimize match and cumbersome application requirements (potentially through formula funding), especially for jurisdictions serving disadvantaged and frontline communities.
- Allow for planning, implementation, and monitoring of a range of emission-reducing actions to support local creativity, innovation and flexibility (see examples provided above)
- Encourage ample community engagement and allow pass through compensation to support participation from environmental justice organizations
- Provide resources, templates, and services that help build capacity and advance and exchange statewide knowledge and best practices on local climate action among local governments and their climate action partners, especially in communities that lack the resources to develop and implement climate action plans. These efforts can support updating CARB's CAP-MAP to more accurately track and share local actions.

Conduct GHG inventories for all cities, counties, and special districts. Some local governments currently conduct such inventories, using varying and inconsistent methodologies; others do not. CARB can lift this administrative burden from local governments by conducting and regularly updating such inventories itself or through a contractor.⁴ This would free up local capacity for the vital work of implementation, while ensuring universal coverage, and would use a consistent methodology that allows for apples-to-apples comparisons across jurisdictions. In addition, partners at UCLA estimate that individual inventories cost \$40,000 per local government. With 482 cities and 58 county unincorporated areas, a centralized GHG inventory would represent a \$21.6M annual value to the State. Full comments and program design recommendations are attached in <u>this letter</u> submitted by CivicWell (formally Local Government Commission) on October 25, 2021 on behalf of 42 cities and towns, 10 counties, 3 councils of government, and 62 stakeholder groups that represent coalitions of local governments, nonprofits, community-based organizations, and private-sector firms working across California.

Further develop and make transparent backend calculations of the Proposed Scenario that clarify who will be responsible for implementation or facilitation of emission reduction measures. Clarifying roles of various stakeholder groups would enable local and regional governments to understand whether the strategies and targets are aligned with local capabilities and goals and are feasible.

Engage local and regional governments in the development of the above recommendations. CCEC looks forward to hosting local listening sessions with CARB on the Local Actions Appendix soon. We echo comments by StopWaste, BayREN, Building Decarbonization Coalition, and other community-serving organizations that have invited opportunities to connect local governments and other key community stakeholders with State agencies for sustained collaboration including further exploring the unique roles of local government (vs other key partners) and its most critical contributions. Topics of discussion should include:

⁴ This wouldn't preclude local governments from continuing to conduct inventories if they so choose.

- Ensuring Priority Local Actions are aligned with the strategies that reflect the best emission reduction potential that local governments are positioned to implement
- Clarifying the value of local climate action plans in relation to their cost, and what alternatives exist to help communities commit to measurable emission reductions
- Developing ideas for the best ways that CARB and other State agencies can further support and reduce barriers for local and regional governments via more specific guidance, tools, and investments, etc.
- Coordinating on the successful rollout of Statewide programs
- Envisioning a more cohesive and effective overall State strategy for activating energy and climate action within regions and communities

Additional Comments

Our network of local governments is greatly invested in the outcome of the Scoping Plan, especially given the level of responsibility they have in actualizing it. However, the short timeframe for comments was not conducive to receiving robust input from local governments, which often must obtain formal approval to submit or sign onto comments. A larger volume of public comment from local governments could have been obtained with a longer timeframe.

Beyond the main points and recommendations described in the sections above, members of the CCEC network noted the following comments:

- "The modeled GHG numbers for 2019 appear to be different than the 2019 GHG emissions as presented in the scoping plan introduction. In the introduction the 2019 emissions are 418MMT CO2e but in chapter two they appear to be around 400 MMT CO2e."
- "Behind the meter solar is not addressed in the Building Decarbonization Appendix. This is a critical oversight as the CPUC is currently making plans to make solar less economically feasible. Behind the meter solar (and storage) is essential to make building decarbonization more cost effective and grid resilient. The State should develop a more customer-focused approach to affordable decarbonization that includes customer-sided generation."
- "The Scoping Plan may place an over reliance on unproven Carbon Dioxide Removal (CDR) / Carbon Capture and Storage (CCS) strategies to meet its targets."

In conclusion, Chapter 5 and the Local Actions Appendix set extremely high expectations for local and regional government action. Local governments are continuing to lead as best they can from the front lines of tackling emissions. But without better local coordination - and financial investment - the State stands to continue leaving its best potential for local action on the table. CCEC and its network believes the next Scoping Plan cycle is a critical opportunity to finally close this gap and develop the kind of State-local alliance that can shift our collective emission reduction efforts into high gear. CCEC and its network would appreciate more consideration of these topics within the Scoping Plan and look forward to working with CARB towards carbon neutrality in California.

Respectfully submitted by the California Climate and Energy Collaborative with sign-on by the Local Government Sustainable Energy Coalition