Transportation Solutions Defense and Education Fund

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May 15, 2008 By E-Mail

Panama Bartholemy California Energy Commission 1516 9th Street Sacramento, CA 95814

Supplementary Comments Re: Draft LUSCAT Scoping Plan Submission

Dear Panama:

The Transportation Solutions Defense and Education Fund, TRANSDEF, offers the following comments in addition to those of our letter of May 5.

<u>Controversy</u>

We are convinced that the LUSCAT Report has the right analysis of the climate change problem, as well as the best strategies to reduce emissions in the land use sector. We are concerned, however, that it seems to assume that an entirely supportive public is standing by, waiting to diligently implement its recommendations. We are especially struck by the absence in the LUSCAT Report of an appreciation of the profundity of the cultural, economic and social change being proposed. We are concerned that many powerful interest groups will be outright hostile to LUSCAT, due to the impact it can be expected to have on the *status quo*. Practices that have been going on for many decades will need to come to a halt, and make a U-turn. That won't be easy.

The absence of a realistic appraisal may be an attempt to whistle past the graveyard by people who well recognize the challenges that will arise, or it may just result from the need to focus on strong policy levers in a supportive environment free from political feasibility considerations. Either way, implementing LUSCAT will require generating a large cadre of informed and motivated citizens and NGOs. We urge the inclusion of a section providing strategies for educating the public on why the LUSCAT program is needed, what the world according to LUSCAT will look like, and how it will function. Color drawings pulled from various guides for fighting sprawl would be helpful in providing a visual sense of what is intended.

CEQA Mitigation Bank

We believe the ARB will need to create an extensive CEQA Mitigation Bank, which will enable small projects to pay a mitigation fee to be able to receive a Mitigated Negative Declaration. Such an approach would avoid CAPCOA's CEQA meltdown scenario, in which no projects would be able to get through CEQA without an EIR.

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We see fees received from small land use projects being invested in renewable energy projects, solar generation plants, energy efficiency projects, and public transit capital projects. Both the fee itself, as well as the modelling process to determine the level of mitigation needed, as well as the investments of the mitigation bank itself will need to be carefully written into regulation, so as to achieve reliable GHG reductions. We see a Mitigation Bank possibly functioning as part of a future Cap and Trade program.

Editing Suggestions

TRANSDEF offered LUSCAT a fine text edit when the Report was first released. This would have made the Report easier to read. We are willing to look at the Final prior to its release, if that would be of interest to LUSCAT, to find typos and words that don't quite work in context. Please give us a bit of advance notice, as the timeline is certain to be tight.

The structure of the report tends to give everything in it equal priority. But some things stand out head and shoulders above the rest of the text in their significance. One of these is Principle (not Principal) #3 of 1.1.2 on pg. 8. This may be the first time this thought has been expressed in a State document. It should be given prominence, as it is the very heart of LUSCAT.

Define "LDV" in the chart on pg. 15. Put footnote 3 on that page. Where are footnotes 1 & 2 on pg. 14?

We suggest a restructuring of Section 4.0, so that 4.1, 4.2, and 4.4 instead become 4.0.1, 4.0.2, and 4.0.3. We think this is important to bring the significance level of those sections down a notch, as they are only introductions. We suggest 4.3 be deleted, with 4.4.6 that it refers to being moved to be part of Transportation, as all the strategies mentioned belong there. We suggest 4.0 and 4.4 (now 4.03) should not be used as tables of contents. That is too confusing, when the referred-to text is just a page or so away. 4.0.3 could instead just discuss the three groupings for each sector strategy following.

We then suggest renumbering 4.4.1 as 4.1, 4.4.2 as 4.2, 4.4.3 as 4.3 (including 4.4.6 as its subsection 4.3.1), 4.4.4 as 4.4, and 4.4.5 as 4.5. We think these changes will make the section much more readable.

Conclusion

TRANSDEF is very pleased with the LUSCAT Report. We stand ready to assist in the preparation of the final version. Please contact us at the number above.

Sincerely,

/s/ DAVID SCHONBRUNN

David Schonbrunn, President