

FEDERAL CLIMATE CHANGE AND RENEWABLE ENERGY POLICY



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REQUESTED ACTION:

- Provide full funding (\$2 billion) for the Energy Efficiency and Conservation Block Grant (EECBG) to assist local governments in implementing energy efficiency and conservation strategies.
- Support provisions of the Senate climate change bill (S 1733) that would provide a percentage of emissions allowance allocations to local governments to implement activities under the EECBG. In addition, support the Senate bill's requirement that a percentage of emissions allowance proceeds be distributed for transit programs, water system mitigation, flood control and response, recycling programs, programs to mitigate adverse impacts on agriculture and ranching, and programs addressing air pollution and air quality.
- Provide financial incentives to States that adopt GHG emissions reductions targets and programs. In addition, provide funding to mitigate GHG emissions impacts.
- Provide financial support for regional and countywide planning processes – such as California's Regional Blueprint Planning Program – that integrate transportation and land use to reduce projected vehicle miles traveled, promote jobs/housing proximity, and transit-oriented development.
- Provide assistance for data collection and quantifying GHG emission sources and levels, vehicle miles traveled, and other data to assist local governments and regional agencies in addressing climate change in environmental documents for long-range transportation plans.
- Oppose legislation that allows federal standards to supersede California's ability to adopt stricter vehicle standards.
- Provide incentives that encourage the development and use of renewable energy sources such as wind, solar, biomass, and hydropower. Additionally, support HR 1190, which would allow all sustainably produced biomass to count toward the Renewable Energy Standard (RES).

BACKGROUND: Last June, the House narrowly approved comprehensive global warming legislation (HR 2454). The centerpiece of the bill is a proposal that would cap the emissions of GHGs at 17 percent below current levels by 2020 via implementation of an emissions allowance trading program. The legislation also would require utilities to produce 20 percent of the nation's electricity from renewable energy sources by 2020.

In the Senate, the Environment & Public Works Committee approved its cap-and-trade bill (S 1733) last September. Overall, S 1733 would require a 20 percent reduction in carbon emissions from 2005 levels by 2020. A separate renewable energy bill (S 1462) was approved last June by the Senate Energy and Natural Resources Committee, which would require electric utilities to meet 15 percent of their electricity sales through renewable sources of energy by 2021.

At the state level, the California Legislature in 2006 approved the landmark Global Warming Solutions Act (AB 32), the first-of-its-kind law requiring the State of California to reduce GHG emissions to 1990 levels no later than 2020. Under the act, the California Air Resources Board is granted broad authority to reduce pollution via regulations, market mechanisms, and other actions.

In order to establish a framework to achieve the global warming goals of AB 32, the Legislature passed in 2008 legislation (SB 375) that provides incentives for local governments and developers to follow new conscientiously-planned growth patterns through improved land use and transportation planning.

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