SOUTHERN CALIFORNIA



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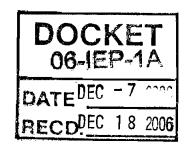
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Orange County Transportation Authority: Low Correa County of Orange

Riverside County Transportation Commission: Robin Lowe, Hemet

Ventura County Transportation Commission: Kerth Millhouse, Moorpark December 7, 2006

California Energy Commission Dockets Office, MS-4 Re: Docket No. 06-IEP-1A 1516 Ninth Street Sacramento, CA 95814-5512



RE: Docket No. 06-IEP-1A, Committee Draft 2006 IEPR Update

Dear Ms. Phinney,

Attn: Suzanne Phinney

Thank you for the opportunity to comment on the Committee Draft 2006 Integrated Energy Policy Report Update. The Southern California Association of Governments (SCAG) has reviewed the 2006 Integrated Energy Policy Report Update, (CEC-100-2006-001-CTD) and requests edits to reflect our comments submitted on September 21, 2006 in response to the California Energy Commission's Integrated Energy Policy Report Committee's Workshop on Land Use and Energy in California; Docket 06-IEP-1L. A copy of this letter is attached for reference.

The following edits are kindly requested:

- Page iii: Please include Hasan Ikhrata, Southern California Association of Governments on the list of organizations and individuals who provided written and/or verbal comments in the 2007 Integrated Energy Policy Report proceeding
- Page 95: please consider including the Southern California Association of Governments' efforts to address land use and energy through the Compass Blueprint planning program. As stated in SCAG's letter, the analysis conducted through the Compass program revealed that local and regional actions, together, can result in tangible benefits to southern California's future. The Compass Blueprint program is now in the implementation phase. SCAG is partnering with cities and counties in Southern California to realize the goals of livability, mobility, prosperity, and sustainability on-the-ground. Efforts at the California Energy Commission will assist SCAG as we analyze the energy ramifications of land use and transportation planning.

SCAG looks forward to working with the California Energy Commission on these important issues. We welcome continued dialogue with the Energy Commission and other stakeholders as we strive to understand the land use/energy relationship and develop measures to address that relationship.

If you have questions or comments regarding the information discussed in this letter, please contact Jennifer Sarnecki of my staff at (213) 236-1829 or sarnecki@scag.ca.gov

Sincerely,

Hasan Ikhrata, Director

Planning and Policy

Southern California Association of Governments

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Orange County Transportation Authority:

Riverside County Transportation Commission: Room cowe, Hernet

Ventura County Transportation Commission: Keth Milhouse, Microsik September 21, 2006

California Energy Commission Dockets Office, MS-4 Re: Docket No. 06-IEP-1L 1516 Ninth Street Sacramento, CA 95814-5512

RE: Docket No. 06-IEP-1L, 2006 IEPR Update - Land Use Planning

Dear Chairwoman Pfannenstiel,

The Southern California Association of Governments (SCAG) appreciates the opportunity to comment on the relationship between land use decisions and energy demand. SCAG is currently involved in a number of endeavors to explore the connections between transportation planning, land use planning, air quality and energy demand. This letter describes some of SCAG's efforts as they relate to questions presented in Attachment A of the workshop notice. In addition, it indicates areas of research that would assist future energy planning efforts.

Regional Transportation Plan

SCAG is the Metropolitan Planning Organization for the six-county region comprised of Los Angeles, Orange, San Bernardino, Riverside, Ventura and Imperial Counties. In this capacity, SCAG prepares a long range Regional Transportation Plan (RTP) every three (now going to every four) years as required by federal law which provides long-range (20 years) transportation planning for the region.

The passage of SAFETEA-LU (Safe Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users, Pub. L. 109-59, enacted August 10, 2005), requires SCAG to consider, through the RTP process, projects and strategies that will protect and enhance the environment, promote energy conservation, improve the quality of life, and promote consistency between transportation improvements and State and local planned growth and economic development patterns.

As part of the RTP, SCAG forecasts population, households, and jobs. The 2004 RTP found that if recent population, household, and employment trends continue in the future, by 2030 the Region will be home to 22.9 million residents and 10.2 million jobs. This represents a population increase of 38 percent, or 6.3 million people, between 2000 and 2030 and an increase in employment of 36 percent, or 2.7 million jobs.

Southern California Compass Blueprint

Given the magnitude of growth projected over the 30- year RTP forecast period, and its potential impacts on traffic congestion, air quality, open space protection,

etc., SCAG initiated a comprehensive growth visioning process called Southern California Compass as part of the 2004 RTP development process. Compass seeks to accommodate growth while maintaining mobility, livability, prosperity and sustainability goals for all residents in the SCAG region. Specifically, Compass aims to provide a policy framework for growth forecasts; consider balanced and efficient growth and transportation patterns; promote affordable housing choices; and provide direction on producing alternative urban form scenarios for the RTP.

The following selected policy assumptions aiming to better link transportation and land use established the framework for the 2004 RTP:

- Focusing growth in centers and major transportation corridors.
- Creating significant areas of mixed-use development.
- Targeting growth around transit stations.
- Providing housing opportunities to match changing demographics.
- Changing land use to correspond to the implementation of regionally significant major transportation projects and their consequent short- and long-term job creation.

Regional Benefits of the Compass Blueprint

As part of the 2004 RTP planning process, SCAG analyzed the RTP relative to baseline conditions. The analysis revealed that local and regional actions, together, can result in profound tangible benefits to southern California's future. The following table highlights several of the key benefits attributable to the Compass land use actions adopted in the 2004 RTP. The percentages shown are the percent of total benefits that the Plan provides due to the Compass Strategy's land use policy. The remainder is due to transportation investments totaling \$213 billion.

Variable	Benefit	Percentage of Total Benefit
Vehicle Miles Traveled (VMT) Reduction	7,000,000 miles*	54%
Vehicle Hours Traveled (VHT) Reduction	340,000 hours*	20%
Hours in Delay due to Congestion Reduction	180,000 hours*	12%
Fuel Consumption Reduction	858,240 gallons*	53%
Reactive Organic Gas Emitted	2 tons*	70%
Transit Ridership Increase	200,000 boardings*	30%
Housing Production Increase (2010-2030)	400,000 units	
Housing Affordability (Reduction in Housing Costs)	20-35% per unit	
*per day in 2030		•

Regional Comprehensive Plan

SCAG is currently engaged in the preparation of a Regional Comprehensive Plan (RCP). The RCP will address energy issues as well as land use, transportation, air quality, water, economy, open space, security, and solid and hazardous waste. The goal of the RCP is to organize and collect the full body of current regional planning work, and to set a clear course of action for implementing the region's future vision for growth, infrastructure, and environmental protection.

One theme currently being explored by staff includes impacts of constrained supplies of petroleum. On March 10, 2006, SCAG held the Southern California Energy Conference: Our Energy Future. The conference served as an exciting kick-off to the RCP planning process for the Energy Chapter. The conference drew over 150 participants including elected officials and representatives from various agencies and cities in southern California. The Conference gave participants an introduction to the looming liquid fuels crisis resulting from global demand for oil and natural gas exceeding supply. Speakers provided detailed analyses of energy supplies and called for immediate action. More information is available on SCAG's website at http://www.scag.ca.gov/rcp/energy-summit.htm.

Major themes from the conference include the following:

- Inexpensive oil has played a large role in the last century's economic and cultural advancements
- The world is consuming more oil but finding less
- Natural gas is the world's most precious energy source; peak natural gas is more serious than peak oil
- Mitigation should be initiated immediately to minimize economic damage since measures take at least 10 years to implement
- Renewable energy derived from biomass could displace more than one third of the country's current petroleum consumption

Since the conference, the nexus between land use and energy has been addressed with greater urgency through the RCP process. SCAG has assembled an Energy Working Group to provide expert guidance in the development of the Energy Chapter. In June, Thom Kelly from the California Energy Commission gave an informative presentation on the California Energy Action Plan.

In addition, SCAG has recently contracted with Jack Faucett Associates to estimate energy supply and demand through 2035. As part of this exercise, the consultant will develop tools that can convert policies and programs into changes in energy demand. This might entail the impacts of avoided travel, improved utility or industrial/commercial sector efficiency, improved motor vehicle fleet efficiency, mode shift, availability of alternative fuels and other programs. The consultant will use energy scenario planning to report the sensitivity of cost scenarios and recommendations for energy demand reduction measures.

RECOMMENDED AREAS OF RESEARCH

Based on the Energy Commission's report, Sustainable Urban Energy Planning – A Roadmap for Research and Funding (2005), several research goals are most relevant to SCAG's programs and would provide the greatest value in enhancing the ability of existing and new development to plan for and efficiently use electricity, natural gas, and transportation fuels. These research goals and their associated activities include:

- 5.1.1 Develop a better understanding of the embedded environmental impacts and operational energy needs of urban infrastructure systems and urbanization.
- Conduct comparative studies of different community types to precisely identify the electricity-system-related economic and environmental benefits of alternative urban design and site planning features.
- Identify the energy efficiency impacts of local smart growth policies and projects.
- Conduct analyses of utility energy requirements, impacts on the distribution system, and environmental impacts of alternative urban growth scenarios.
- Develop methodology and conduct case studies to assess life cycle energy costs of current and projected growth scenarios throughout California's regions.
- 5.1.4 Develop effective decision support tools and methods for sustainable urban energy planning
- Develop energy cost assessment and environmental impact analysis capability for popular decision support tools, such as PLACE³S.
- Design sustainable energy indicators to provide benchmarks for local activites and harness local initiatives towards the support of the state's energy goals.
- Develop neighborhood- and community-level smart growth guidelines that establish and incorporate energy efficiency objectives.
- Develop methodologies and approaches to readily incorporate energy supply and infrastructure analysis into existing housing, land-use, and transportation planning processes.

In conclusion, these comments have been submitted to describe the efforts undertaken by SCAG to address the energy and land use connection. As discussed above, SCAG is also pursuing answers to the questions posed in Attachment A regarding the relationship between land use and energy in southern California. We look forward to working with the California Energy Commission on these important issues and welcome the Commission's active participation in our planning process.

If you have questions or comments regarding the information discussed in this letter, please contact Jennifer Samecki of my staff at (213) 236-1829 or samecki@scag.ca.gov

Sincerely,

Hasan Ikhrata, Director Planning and Policy

Southern California Association of Governments