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Stanislaus Council of Governments

Tulare County Association of Governments

San Joaquin Valley Air Pollution Control District January 29, 2013

California Energy Commission 1516 9th Street Sacramento, CA 95814 **California Energy Commssion**

DOCKETED

12-ALT-02

TN # 69318

JAN 29 2013

RE: Docket Number 2012-ALT02 (AB 118 2013-14 Investment Plan)

Dear Madam or Sir:

On behalf of the San Joaquin Valley Regional Policy Council, we are providing formal comments for your consideration to include in the California Energy Commission's 2013-2014 Investment Plan for the Alternative and Renewable Fuel Vehicle Technology Program (Plan).

The San Joaquin Valley Regional Policy Council is an eight-county collaborative effort of elected officials from each Valley "council of governments", and other regional partners including the San Joaquin Valley Air Pollution Control District. The San Joaquin Valley Regional Policy Council works on interregional transportation, air quality, sustainable growth, and other related policy and long-term planning issues important to the economic and social wellbeing of our four million residents. Our work efforts are closely related to the AB 118 goals of the Plan and we are very actively engaged in regional planning efforts that seek to reduce greenhouse gas emission and petroleum dependence in the transportation sector.

Our group has recently come together with a broad array of San Joaquin Valley-based policy, energy, planning, economic development, national trade associations, and other expert advisors to explore the opportunities for developing a comprehensive strategy for understanding the Valley's energy future. In that context, we have carefully reviewed the AB 118 Investment Plan, and respect and appreciate the hard work done on the Plan to date. We believe the California Energy Commission staff deserves significant credit for the considerable thought put into the Plan.

We support the spirit of the original legislation and subsequent regulations that focus on lessening our traditional reliance on petroleum fuels in the transportation sector. The Alternative and Renewable Fuel and Vehicle Technology Program has been a crucial part of a comprehensive statewide greenhouse gas strategy, and brought substantial air quality and health-related benefits to California citizens. We value the continuing work of CEC staff on this program, and the transportation programs closely related to it. Decreasing the overall impact of carbon fuels is a worthy statewide priority for 2013-2014.

While the Plan contains numerous and excellent implementation measures that effectively reduce transportation-related emissions, we discovered a few important areas where additional input is needed. We respectfully request that the CEC adjust the 2013-2014 Investment Plan, particularly the "Regional Planning" program areas, in the following ways:

- 1. Increase CEC program focus, and redirect resources to better reflect the true market transformation gains possible through new "regional energy planning" practices. We believe that the Plan needs to better reflect innovative, new regional energy planning efforts and the tremendous market transformation opportunities available to the CEC through the coordination of AB 118 resources with local governments, especially those located in the San Joaquin Valley. Until recently, regional energy planning was not practiced between California local governments. However, this has changed dramatically and regional governmental bodies are now engaged in attracting new low-carbon (and other) energy resources and associated jobs. Done correctly, this requires close coordination between the public and private sector and careful analysis of future energy supply and demand scenarios. We urge the Commission to focus future AB 118 efforts on the entire energy economy of specific multi-jurisdictional regions. Energy supply decisions cut across jurisdictional boundaries almost always, and comprehensive alternative and renewable fuel infrastructure planning requires close coordination between local governments. Therefore, we urge the Commission to embrace the entire energy economy of regions as they move forward with the Plan.
- 2. <u>Increase the CEC's reliance on energy and economic development strategies for AB 118-related programs.</u> We believe that additional resources should be directed at evaluating the efficacy of new regional planning and related economic development impacts, especially as these figure into future energy expenditures related to AB 118 technologies.
- 3. <u>Direct significant resources to data collection efforts related to AB 118 and regional energy planning.</u> Much of data needed for smarter greenhouse gas emissions decisions is out there but not collected as yet. For example, the number of flex-fueled vehicles in the State of California is said to number close to 400,000, yet there is no known database that explains how many of these vehicles reside in, or travel through, the San Joaquin Valley. Assembling this type of information and graphically representing it is a useful regional (and statewide) energy exercise.
- 4. Provide the ability to develop and implement policy recommendations to engage local governments and the private sector in making decisions that move the goals of the Plan forward. While it is true that the Valley receives close to 13 percent of AB 118 funding currently, that funding is mostly directed at biofuels production and development. There is an important link missing between this biofuels production and fleet owners in the Valley--a link that can be made through comprehensive regional energy planning. Our local governments in the San Joaquin Valley are interested in linking existing Commission-supported biofuels production with new untapped fleet resources. This is an opportunity that we hope the Commission addresses in the Plan.
- 5. Provide support to identify a regional profile of energy-related activities that can help position the region's current industries, sectors, and overall economic and workforce development strategies. We believe that AB-118 resources should be used to capture an updated asset inventory for traditional and alternative energy fuel production, generation, operations, research and development facilities, infrastructure, programmatic, and investment activities at a statewide and regional basis. The CEC needs to look at the penetration and use of advance vehicle technologies in the Valley and other regions and take into account demographic, population, income, infrastructure, and other similar overlays for analysis and assessment.

Most local governments lack a comprehensive understanding of the breadth and depth of energy-related investments and how they have contributed to the regional economy and a framework and roadmap for new energy-related investment within the region. The Commission has a tremendous opportunity available through regional energy planning to exponentially increase the reach of AB 118-related programs. Areas like innovation, taxation, education and training, workforce development, transportation, housing, land-use, environmental remediation and permitting, or the many other areas can and will influence energy, and therefore should be taken into account in a comprehensive view of a regional energy future.

Actions to improve air quality through alternative transportation fuels and technologies are essential to the health, environment, and economy of the San Joaquin Valley and other regions. While Valley jurisdictions and stakeholders have a keen interest in these issues, they have not adequately accessed available AB118 resources to translate this interest into concrete action and substantive implementation. It is our understanding that to date the Valley has accessed available AB 118 funds to help develop biofuels for transportation as well as strategic plans for electric vehicle charging infrastructure. While this has certainly helped develop alternative fuel and transportation technology capacity in the region, significant additional capacity exists within the Valley to utilize AB 118 resources to support the overall state effort and grow its fuels and transportation slice of the regional energy economy. To help address this critical issue, local San Joaquin Valley agencies need to be much better equipped with tools, data and training to understand and implement alternative transportation-related planning, policies, technologies and infrastructure. We hope the Commission carefully considers, and implements, the recommendations outlined above.

Thank you for allowing us the opportunity to submit comments. Should you have any questions, our point of contact is Michael Sigala, phone 559.266.6222.

Sincerely,

Allen Ishida

Supervisor, Tulare County

Chairman, San Joaquin Valley Regional Policy Council