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California State Senate

SENATOR
MARK DESAULNIER
SEVENTH SENATE DISTRICT



CHAIR

TRANSPORTATION & HOUSING

COMMITTEES

BUDGET & FISCAL REVIEW

ENERGY, UTILITIES &

COMMUNICATIONS

BUDGET SUBCOMMITTEE NO.3 ON HEALTH & HUMAN SERVICES

GOVERNANCE & FINANCE
HEALTH

California Energy Commission

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Commissioner Janea Scott California Energy Commission 1516 Ninth Street, MS-32 Sacramento, CA 95814

Dear Commissioner Scott:

Thank you for inviting me to Thursday's workshop on the 2014 Integrated Energy Policy Report Update. I am sorry that I was ultimately unable to attend and participate, but I wanted to share my thoughts on how last year's enactment of AB 8 should affect the IEPR.

The changes that AB 8 made to the AB 118 programs provide us with an opportunity to ensure that our progress toward a zero-emission vehicle fleet benefits all Californians, not just the more affluent among us. The costs of our programs to support the AB 118 programs are shared by every vehicle driver in the state, rich or poor, and as AB 8 progressed through the Legislature one of my main areas of input was to recommend the addition of a benefit-cost assessment for both the Air Resources Board's and CEC's programs. This is aligned with the intent and purpose of one of the state's most effective air pollution reduction programs, the Carl Moyer Program, but also ensures that we make the most effective use of taxpayer dollars.

Ultimately the metric of success for AB 8 will be if criteria pollutants and greenhouse gas emission are measurably reduced across our state, including in our most polluted communities, and if we can demonstrate that these health and environmental benefits have been gained cost effectively. Fortunately, the benefits and costs of AB 8 are eminently measurable. We can measure and estimate vehicle emissions, and we can count dollars spent. And so AB 8 included the provision of a quantitative benefit-cost score for projects under CEC's AB 118 program.

A transformed vehicle fleet has to be accompanied by an equal transformation in how we maintain and improve our state's transportation infrastructure, one that was world-class a halfCommissioner Janea Scott March 28, 2014 Page 2

century ago and now ranks amongst the neediest in the union. The mirror image of a low- or zero-carbon emissions fleet is not so attractive, as it is transportation's fiscal cliff. Fewer gallons of gasoline purchased means fewer dollars to fix and improve our roads, bridges, ports, and railways.

This year the Transportation and Housing Committee is looking closely at policies that will help us to transition our infrastructure support away from relying on the gas tax. AB 8 is, therefore, part of a much bigger transformation: a transformation not only in how we get around—our cars—but in the streets, sidewalks, road, bridges, and railways that convey our vehicles and us.

Sincerely,

MARK DESAULNIER Senator, 7th District

