

MARIN CONSERVATION LEAGUE

Climate Action Working Group: May 19, 2017

Muir Woods Conference Room, 175 N. Redwood Blvd., San Rafael

Present: Doug Wilson, Pam Reaves, Belle Cole, Bill Carney, Pat Nelson, Kate Powers, Tamra Peters, Roger Roberts, Bob Miller, Tom Flynn, Nona Dennis, Judy Teichman, David Kunhardt, Susan Stompe, Judith Ford, Helen Lindquist, Cynda Vyas, Helene Marsh. Guest Speakers: Supervisor Damon Connolly, Bob Archer.

Doug called the meeting to order at 9:33.

Introductions

Agenda and Minutes

The agenda was adopted by consensus.

The April minutes were approved as corrected. M/S Tamra/Pam/Approved.

9:40 Discussion 1: Report on Implementation of Public Meeting Element of the County's Climate Action Plan (Sup. Damon Connolly)

Doug made a preliminary introduction of Sup. Connolly. Damon then stated that the purpose of the discussion was to consider some ideas re fleshing out the County Climate Action Plan (CAP). He praised the business breakfast that preceded the CAWG meeting, noting that he was a former colleague at the California Attorney General's Office. Ken was ahead of the curve in the early 2000s at the AG's office, and he is one of the reasons that California is currently ahead of the curve.

Comment: Belle and Roger commented on California's lead role, noting the carve-out for CA state mileage standards due to the large size of the California auto market.

Damon (cont.): Within California, Marin should be in the lead. Damon and Kate Sears are on a committee to implement the California mitigation plan and sea level rise (SLR) adaptation.

Comment: Pam and Belle asked about attendance at SLR meetings, which Damon noted is improving as the meetings go along. Pam commented that Chris Choo indicated at our last meeting that if the community had a need to have their particular needs considered, the Game of Floods could be set up that way, after first playing it on a theoretical level.

Damon (cont.): Damon's former aide, Chris Calloway, has moved to North Carolina. Damon's new aide is Mary Sackett, an attorney and environmentalist who lives in Terra Linda.

At next Tuesday's Board of Supervisors meeting, Damon and Kate Sears will introduce a resolution endorsing a revenue-neutral carbon fee and dividend. This is an approach that rests on

EPA authority and has garnered bipartisan support. It is analogous to plan that the Citizens' Climate Lobby is asking Congress to adopt. It calls for a national tax on fossil fuels based on the amount of carbon the fuel emits when burned. All of the resulting tax revenue would be returned to households in equal shares. The plan also calls for import duties on carbon-based products from countries lacking comparable carbon pricing. Damon urged us to come to the meeting or write a letter to support the resolution. This is part of a combined resistance to Pres. Trump at all levels of government. It will involve litigation, and therefore, we don't want a weakening of the right to sue to occur as part of the regulatory rollback agenda currently being pursued by many Republicans.

Regarding the Climate Action Plan, the current action involves crystallizing thinking and getting feedback. Prior to the June budget meetings, they are conducting workshops with all County Departments. There are 22 departments; key departments include Public Works and Community Development.

Ongoing Community CAP implementation efforts involve CEC approval of the 2016 Green Building Ordinance, which was updated based on state guidelines. Also ongoing is the launch of an open PACE Market.

Comment (David): Corte Madera has refused to open up to more than one PACE provider. What can the County do to promote open competition? A. Damon will follow up.

Increased participation in Deep Green is a major part of CAP implementation. This is the big one. A number of jurisdictions have recently signed up. The County signaled unanimously that it wants to move forward. This will be finalized in the June budget. It doesn't appear that the cost will be that much higher than current costs. \$152,000/yr. is approved.

Agriculture Community Outreach is another facet of CAP implementation. Marin Carbon Project and Marin Resource Conservation District have received a \$200,000 grant. Plans are in development. There is also a \$325,000 regional grant to integrate carbon farming into the CCC Conservation Program in Marin, Napa, Sonoma, and Mendocino counties. The County is coordinating to identify areas for assistance, target specific projects that can move the needle in CAP implementation.

Comment (Pam): Are there potential County funds? A. Potential.

Bob: Is there more funding to be drawn upon now, or in another two years? A. Financing is a key piece. This cycle, the County has allocated \$1 million, which has been allocated to a new hire, the Green Commute, etc.

Damon (cont.): The issue is: What is the best way to help communities. Damon idea is to develop a pot of money that communities may tap into. There are ideas out there, and this would be a possible future source of funding to implement the ideas, analogous to grants or matching funds.

Roger: Will there be a Request for Proposals? A. That is to be determined.

Doug: Marin Community Foundation is thinking about climate again.

Pam: How is the decision made? Is it based on the “bang for the buck”? A. Yes. How to measure and prioritize is an issue.

Kate: The MCL newsletter has an article on criteria.

Tom: Reducing short-lived climate pollutants are a priority—for example, more methane digesters. Clover sent out a letter to dairies regarding an energy efficiency push. Strauss is looking at new technology. Refer to the recent Paul Hawken book, Drawdown.

Damon (cont.): Support for Resilient Neighborhoods is another big part of CAP implementation. Resilient Neighborhoods recently received a \$275,000 grant over two years for updating their training plan, creating videos.

Regarding electric vehicles, Marin ranked second in the state, has applied for funds from Energize America (the VW settlement).

The Community Emissions Inventory is ongoing and is available online. We are ahead of the AB 32 target for emission reductions. Corte Madera and the unincorporated areas are currently leading (reflecting the WinCup closure).

Regarding budget recommendations, going Deep Green for all County accounts would entail a \$.01/kWh premium, an estimated annual expense of \$152,000, roughly a 6 percent increase in electricity costs. Benefits include a savings of more than 2,200 tons of carbon/year. It will help us meet the 2020 municipal (County operations) goal of 25% reduction, set an example of leadership, and promote the development of local renewable energy projects.

San Rafael has a cost-neutrality goal. However, it is better to think in terms of cost-benefit, rather than pure dollar amounts.

Pam: Two San Rafael Council members were going to ignore this, despite an educational campaign.

Bill: The San Rafael City Council will consider its budget on June 5. We should get a commitment to keep saving on solar and apply the savings to buy down the Deep Green cost. Bill and Helene can provide talking points.

David: Balance the costs of Deep Green with LED savings.

Pam: There is new LED data. It helps to get the most current information.

Helene: Mill Valley will also be considering Deep Green and its budget on June 5. MVCAN is an active citizens group.

Roger: Is there a PACE program for public properties? A. (David) No. Public properties are not taxed. There is a PG&E billing provision for financing improvements. This is zero-interest, a quicker payoff than PACE.

Damon (cont.): The County should set an example re Deep Green. CAP implementation priorities going forward include prioritizing \$400,000 - \$500,000. The funds were allocated in the FY 2016 – 2017 budget. They were initially used to pay for up-front costs of LED lights for

the Administration wing of the Civic Center. There will be an investment pool on top of that. The two-person board subcommittee will work with the board and key departments to identify priority projects. Key departments include Community Development, Department of Public Works, Parks and Open Space, and the County Administrator's Office.

A series of community meetings is envisioned. The County is recommending two per year. Quarterly meetings would be better. Issues to be considered are: How can County government help communities? How can it help private citizens to reduce their emissions by 30 percent? How can the County play productive roles? The County will solicit ideas from the community. Regarding criteria for measurement, they will bring in subject matter experts. The current target date for the first community meeting is the end of summer.

Tamra: Is this a County plan vs. helping cities? A. The goal is to help private citizens, which in turn helps the cities.

Kate: How will the County determine a baseline for private citizens' reductions? Can Resilient Neighborhoods establish a baseline? A. (Referring to a slide) The average reduction is 28 percent. Everyone goes on a carbon calculator to start. The goal is 25 percent or 5,000 pounds reduction. The average reduction is 11,000.

Bob: Marin is a small contributor to climate change. Therefore, its most significant contribution is to lead. Is another type of group needed—a working group to draw on expertise outside of the county (to work with designated department people) and expand the brainstorming pool of ideas? This would be in addition to the larger public community meeting. Use the CAP as a starting point.

Doug: Bring in experts and also community stakeholders.

Nona: The focus of questions at the breakfast was interesting: building efficiency, transportation, waste, etc. These are cross-cutting and pull together under a common rubric.

Pam: Staff has restraints on what they can talk about. Co-partnering will help.

Doug: If group size goes beyond 10 - 12 people, it becomes harder to function.

Bob: Re how to envision a working group, it could be a dozen people, but others could attend. Use CAP goals as a guideline for pulling in experts. Look at targets for areas that will account for reductions. Look at big reduction areas that the CAP has identified. A. Damon will follow up.

Judy: Why is the Ag Commission not identified as a key group? A. It is a key group.

David: EV charging infrastructure is the biggest unmet need. Work with VW and PG&E money and local jurisdictions.

Bob: The initial task for a working group is formulating criteria for evaluation.

Bill: Two ideas have been left hanging. RE the small group including citizen experts, what is the appropriate meeting frequency? Monthly? Bill stated his support for quarterly meetings for the larger public meeting. It is important to establish continuity. A. The working group would meet every two months or as needed.

Pam: There is momentum for quarterly meetings.

10:50 Discussion 2: Carbon Pricing (Bob Archer, Citizens Climate Lobby)

Due to the limited time available, Bob will briefly introduce the concept at this meeting.

In introduction, Bob summarized his background. He worked for 25 years as an economist with the Agency for International Development. AID works with developing countries, which account for a significant portion of emissions. After the Paris Agreement was signed, he considered methods for implementing reductions on a widespread basis, including carbon taxes and cap-and-trade. Venture capital financing for carbon reduction measures is declining.

The underlying economic principle is market failure. The cost of emissions is not borne by polluters. It reflects supply and demand. Bob will briefly outline three approaches: 1) a carbon tax, 2) a carbon dividend, and 3) a border carbon adjustment.

1. **Carbon Tax:** This provides price certainty. Tack on a percentage to the price of products as a CO₂ fee, and send it to the IRS. The percentage would be tailored to the goal of achieving an 80 percent carbon reduction by 2050. As the price of products goes up, it has a systemic effect on the consumption chain, leading to product substitution. The tax would put coal out of business and impact clean energy innovation and commercialization.
2. **Carbon Dividend:** From the revenue generated from the CO₂ fee, CCL proposes that the government provide a dividend to each household. This would cover costs of the CO₂ fee for the bottom 70 percent of households. This is a progressive measure, not a regressive one. It builds a constituency. It uses existing institutions. Government remains the same size.
3. **Carbon duty or rebate at the border.** The duty or rebate is based on the carbon content of imported products. It is designed to prevent advantage for products that reflect a low production cost due to high-carbon production methods. Bob cited the example of British Columbia, which implemented a duty/rebate system that was revenue-neutral and met carbon targets. Carbon consumption declined more than in other parts of Canada. This effect paused when no one else followed the example and industries undercut the measure. Subsequently, polls showed support and Trudeau implemented a national policy.

Nona: The U.S. is primarily a consumer of high-carbon production methods overseas. This is the only attempt to tax emissions that we export to other countries. Q. How do we incentivize American manufacturers? A. The cost of fuel keeps going up. This creates an incentive to conserve and substitute inputs, and to be more efficient. A rebate based on carbon content equalizes costs of these producers and dirty producers.

Roger: In countries with a VAT, a tax is applied at each level of production and distribution.

Bob M.: For the purpose of future discussions, it is important to figure out what people have the most trouble understanding.

Nona: Regulatory adjustment.

Pam: Is there a consensus re a larger discussion in the future?

David: The CCL approach does not suggest that regulation be eliminated.

Bob A. (cont.): Cap and Trade. This begins with a business-as-usual forecast. Carbon allowances are issued and incrementally reduced to encourage reductions in emissions. There is a weak causal link between cap and trade and carbon reductions. Other factors affecting reductions are the economy, reductions in the price of natural gas, renewable energy reducing emissions more than expected.

It is important to think about developing countries that have corruption and weak institutions which affect their ability to implement carbon reduction measures. RE U.S. politics, the Republican wall of denial is gone. Consider the example of the Climate Solutions Caucus.

Helene noted the issue of China implementing coal projects in developing countries.

11:23 Discussion 3: Property Owners in West Marin vs. Sea Level Rise, the California Coastal Commission and the Local Coastal Plan (Tom Flynn)

There is one unresolved element in the Coastal Plan: Environmental Hazards. How do we adjust to sea level rise? This restricts solutions that affect the coastline. Much of the economy is on the coast, and coastal highways are important to the economy. This community is the most motivated, but there is a current feeling of being attacked by the environmental community. We don't want a situation in which only the wealthy can remain in coastal areas. This subverts the intent of the Coastal Act. The problem is that it is hard to get permits for sea walls and other infrastructure for wave reduction. There is a potential for horizontal levies, etc. if we can work with the environmental community.

Nona: MCL tracked the Coastal Act, but not the hazards sections. The focus is the Coastal Commission requirements.

Doug: There is a collision involving sea level rise and vested interests looking for permits.

Judy: There is a pertinent article by Jack Liebster in today's IJ.

Roger: Update the Coastal Act to address sea level rise.

Tom: The objective is to foster more collaboration.

Reports/announcements (pressing issues only)

Bill and Tamra will be going to Washington, D.C.

There are Council meetings in San Rafael and Mill Valley on June 5, addressing Deep Green and budget allocations. There is a Board of Supervisors meeting on Tuesday addressing Damon's resolution.

At 9:30 on May 31, the BAAQMD will roll out its air quality package. Katie Rice recommends that we attend.

Resilient Neighborhoods needs more participants for its upcoming teams at the San Rafael Community Center and Mill Valley library.

Bill: See the Plan Bay Area website for upcoming meetings re affordable housing and transit.

Doug: Where do we go from here? Possible topics include additional discussion of carbon pricing; developments at the BAAQMD (ask Katie Rice to speak); energy storage/MCE; cap and trade (See CalFact.org re SB 775; CCL has links to studies and Hawken presentation re Project Drawdown).

Belle: Public opinion attacks a part of the conversation.

Damon stated that he would follow up in the July meeting.

Doug: We will discuss carbon pricing further at the next meeting. Bob Archer might not be available. David Kunhardt is available and can discuss SB 775. We will discuss BAAQMD developments in July.

Meeting adjourned 11:44.

Minutes: PN.