

AB 32 Implementation Group

Working Toward Greenhouse Gas Emission Reductions
And Enhancing California's Competitiveness

April 17, 2009

Honorable Mary D. Nichols
Chair, California Air Resources Board
10001 I Street
Sacramento, CA 95814
Via email

Dear Chair Nichols:

In December of 2008 the California Air Resources Board (CARB), as a part of the Scoping Plan Resolution, committed to conducting an additional thorough economic analysis of the Scoping Plan. Specifically:

"BE IT FURTHER RESOLVED that the Board directs the Executive Officer to solicit input from experts to advise ARB on its continuing evaluation of the economic effects of implementing AB 32, including identification of additional models or other economic analysis tools that could be used in the ongoing economic analysis. This will include opportunities for interested parties to share their economic modeling results."

While CARB is moving quickly on a number of climate policy regulations, it has indicated the work plan for an updated economic analysis will not be circulated until the fall with the final version to coincide with the December CARB Board meeting. This isn't soon enough. The economic analysis should be the cornerstone of the policymaking process rather than an addendum to the regulation process.

The AB 32 Implementation Group, a coalition representing hundreds of thousands of jobs in California, believes in order for CARB to make informed decisions during its AB 32 regulatory policymaking process, it is crucial the economic analysis be completed by June 30, 2009.

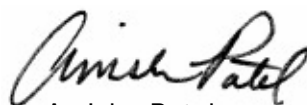
The Legislative Analyst's Office and Peer Reviewers of the Scoping Plan both stressed the need for a more accurate analysis of the economic impacts of implementing AB 32. They recognized that an updated analysis is needed to understand the real costs and economic impacts of AB 32, and we believe it should be done soon enough to guide staff, stakeholders and other interested parties on the correct regulatory path for AB 32 implementation.

We would be happy to discuss this issue further in order to facilitate the process.

Sincerely,



Dorothy Rothrock
Co-Chair AB 32 Implementation Group
Vice President
California Manufacturers &
Technology Association



Amisha Patel
Co-Chair AB 32 Implementation Group
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California Chamber of Commerce