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**Strategic Growth Council
ATTN: Tabetha Willmon
1400 Tenth Street
Sacramento, CA 95814
Via email to: tccpubliccomments@sgc.ca.gov**

RE: Center for Sustainable Energy's Response to the Transformative Climate Communities Program Draft Guidelines, Fourth Revision

Dear Ms. Willmon:

The Center for Sustainable Energy® (CSE) is pleased to provide these comments in response to the *Transformative Climate Communities Program Draft Guidelines, Fourth Revision (Fourth Revision Draft Guidelines)*, released July 26, 2017.

CSE works with policymakers, public agencies, local governments, utilities, businesses, and civic leaders to transform the energy marketplace and accelerate the transition to a clean energy future. To facilitate this transition, California must develop a strong, low carbon economy that provides abundant jobs and business opportunities, a high quality of life, and a clean, healthy environment. This includes the accelerated adoption of zero-emission vehicles (ZEVs) and transportation electrification technologies, renewable energy, distributed generation, energy efficiency, and building performance technologies—all of which collectively contribute to air quality improvements and greenhouse gas (GHG) emissions reductions to meet our long-term climate goals.

CSE is also committed to ensuring that all residents have the opportunity to benefit from clean energy and transportation and can attest to the importance of energy planning and installing clean energy technologies in disadvantaged communities (DACs). Such investments reduce carbon emissions as well as meet the additional Transformative Climate Communities (TCC) Program goals of increased economic vitality; cleaner air and improved public health outcomes; decreased consumption of water, energy, and other natural resources; and more efficient infrastructure and municipal services.

CSE thanks the Strategic Growth Council (SGC) for its decisive leadership and commitment to stakeholder engagement and a transparent process in developing TCC guidelines. CSE supports the direction of the *Fourth Revision Draft Guidelines* as well as the SGC TCC Program initiatives. SGC has conducted a comprehensive and iterative process to arrive at these *Fourth Revision Draft Guidelines*, with appropriate depth, scope, and scale for this foundational document. SGC's praiseworthy inclusion of clearer and more concise energy planning and clean energy

technology elements will greatly strengthen the program's capability to deliver a diverse array of benefits to TCC Program residents and communities. CSE encourages the expeditious approval of the guidelines to begin the deployment of actual programs and services.

Accordingly, CSE provides the following comments:

Support for the use of Climate Action Plans (CAPs) and regional plans adopted by Metropolitan Planning Organizations (MPOs)

CSE supports SGC's direction to "demonstrate consistency with climate action plans and/or any established regional plans adopted by MPOs that include the Project Area that have been adopted within the last ten years."¹ CSE views this as consistent with CSE's earlier recommendations to leverage CAPs.² In addition, SGC's prioritization of MPO planning complements policy guidance in California Transportation Plan 2040, which seeks to prioritize "sustainability projects that promote reliable and efficient mobility for people, goods, and services, while meeting the State's GHG reduction goals and preserving the unique character of California's communities."³ Similarly, Caltrans initiatives consider social equity in the sustainable communities strategies in the 2017 Regional Transportation Plan Guidelines for MPOs.⁴ CSE strongly supports agency collaboration, which promotes shared resource usage and idea sharing. As such, CSE agrees with SGC's program guideline modifications to require alignment with existing CAP and/or MPO plans. In addition, to promote two-way discussion, CSE also recommends ongoing dialogue between the project and the City and/or MPO.

Support for the use of workforce development plans

CSE supports the inclusion of requirements that mandate alignment with Workforce Innovation Opportunity Act Regional Plans (WIOARP), encouraging resource and idea sharing. To strengthen this alignment, CSE recommends the following:

- **Prioritize clean technology workforce development and leverage existing councils to align these initiatives.** CSE encourages SGC to prioritize clean technology workforce initiatives, which include transportation, renewable energy, and energy efficiency sectors — all of which depend on a diverse, growing workforce to meet statewide transportation electrification goals, renewable energy goals, energy efficiency targets, and climate/GHG emissions reductions goals. One out of every seven jobs in the U.S. is

¹ *Fourth Revision Draft Guidelines, Page 8.*

² *CSE's Response to the Draft Scoping Guidelines for the Transformative Climate Communities Program, January 9, 2017. Website Access: <https://energycenter.org/sites/default/files/docs/nav/policy/research-and-reports/Center-for-Sustainable-Energy-Response-to-the-TCCP-Scoping-Guidelines-FINAL-PDF.pdf>*

³ *California Transportation Plan 2040 Vision; Website Access: <http://www.dot.ca.gov/hq/tpp/californiatrtransportationplan2040/Final%20CTP/FINALCTP2040-Report-WebReady.pdf>*

⁴ *<http://www.dot.ca.gov/hq/tpp/offices/orip/rtp/docs/2017RTPGuidelinesforMPOs.pdf>*

transportation related,⁵ and workforce policies focused on electrified transportation are consistent with the 2016 ZEV Action Plan.⁶ In the solar sector, there has been record growth, with one out of three employees in the industry presently working in California. In 2015, the solar industry workforce exceeded 75,000 employees.⁷ There is also rapid growth in the energy storage sector, which grew by over 200% in 2015.⁸ As such, CSE strongly encourages the SGC to prioritize alignment with these industries to promote the continued expansion of California's trained energy workforce and prepare jobseekers with the skills necessary to enter these growing fields. To expedite this alignment, CSE encourages SGC to prioritize the Green Collar Jobs Council⁹ and Advanced Manufacturing Workforce Development Council as stakeholders,¹⁰ as referenced in the WIOARP. These councils are well-suited to help ensure that TCC projects and policies are aligned with the 2016 ZEV Action Plan and support the State's broader transportation electrification and renewable energy policy objectives.

Support for stabilization and wealth building category

CSE strongly supports the inclusion of this category as a strategy to reduce economic displacement risk for households and to support economic development in DACs. CSE recommends the following to strengthen this category:

- **Specify the use of financial literacy and education activities as well as measurements that can show the social benefits of "money saved" from TCC Program investments.** CSE recommends the inclusion of these two additional activities that support and complement wealth building efforts. Financial literacy and education activities can be administered in a variety of complementary ways (e.g., education via seminars, public meetings, outreach, etc.). In addition, the TCC Program offers an ideal opportunity to educate communities in a tangible manner by teaching how everyday energy and clean technology choices can help to improve our climate while saving us money. Energy planning and clean energy technology programs can (with relative ease) provide this type of quantitative information. As such, CSE strongly encourages SGC to prioritize the

⁵ *California State Freight Action Plan, Appendix G-3. Website Access:*
<http://www.casustainablefreight.org/>

⁶ *2016 ZEV Action Plan; Page 32. Website Access:*
https://www.gov.ca.gov/docs/2016_ZEV_Action_Plan.pdf

⁷ *California solar industry job growth reaches record levels, Los Angeles Times:*
<http://www.latimes.com/business/la-fi-solar-industry-job-growth-20160209-story.html>

⁸ *The energy storage market grew 243 percent in 2015 — the largest year on record; Green Tech Media:*
<http://www.greentechmedia.com/articles/read/us-energy-storage-market-grew-243-in-2015-largestyear-on-record>

⁹ *Green Collar Jobs Council; Website Access:*
https://cwdb.ca.gov/special_committees/sc_green_collar_jobs_council/

¹⁰ *Advanced Manufacturing Workforce Development Council; Website Access:*
https://cwdb.ca.gov/special_committees/advanced_manufacturing_workforce_development_council/

development of a method to calculate, log, and report on the “money saved” from TCC investments in support of the wealth building category.

Support for DAC definition flexibility and use of AB 1550 provisions

CSE supports the modified Project Area Requirements.¹¹ Recognizing that Census tract borders are fluid, this modification will allow for projects to both directly support the 5% DAC threshold, as well as the surrounding communities that remain deeply in need. CSE also supports the SGC's interpretation and use of AB 1550 provisions, which will strengthen policy in support of low- and moderate-income (LMI) households by creating additional considerations for allocating expenditures to these households.¹² These two policy adjustments will allow for targeted TCC Program development, concentrated in the 5% threshold, while providing flexibility to identify and target support to the surrounding communities and residents.

Support for California High-Speed Rail (CHSR) connectivity

CSE supports the inclusion of requirements that will promote connectivity to the CHSR project.¹³ Promoting connectivity between TCC Program investments and highly-trafficked intermodal station areas (both current and future) will promote in-fill and transit-oriented development and encourage equitable access to the CHSR system for the TCC Program residents. It will also complement the CHSR's growing station community initiatives, which will transform cities and create community hubs across the state.¹⁴ Moreover, through the inclusion of energy planning and clean energy technologies, the TCC Program will support the CHSR's goal to operate as the State's largest zero emission vehicle (ZEV) and as a 100% renewable energy-powered Net-Zero Energy system.¹⁵ Such synergy fits within existing transportation infrastructure policy prioritization by supporting “mobility hubs”,¹⁶ the promotion of zero-

¹¹ As noted in the Fourth Revision Draft Guidelines, “Project Area Requirements: To be eligible, at least 51% of the Project Area must overlap with census tracts within the top 5% of disadvantaged communities, as defined by CalEnviroScreen (CES) 3.0. The remaining area (49% or less) of the Project Area must be comprised of census tracts that rank in the top 25% of CES 3.0 or qualify as low income per Assembly Bill (AB) 1550.” Page A-3.

¹² AB 1550 requires that 25% of the Greenhouse Gas Reduction Fund (GGRF) be spent on projects located within disadvantaged communities (DACs) and requires that an additional 5% be spent on projects that benefit low-income households. Website Access:
https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160AB1550

¹³ Fourth Revision Draft Guidelines, Page 8.

¹⁴ CHSR Authority; Station Communities; Website Access:
https://www.hsr.ca.gov/Programs/Station_Communities/index.html

¹⁵ California High-Speed Rail Policy Directive: Poli Plan-03, August 19, 2013, page 7, Website Access:
http://www.hsr.ca.gov/docs/programs/green_practices/sustainability/Sustainability_signed_policy.pdf

¹⁶ As outlined in California Transportation Plan 2040; California Transportation Plan 2040; Website Access:
<http://www.dot.ca.gov/hq/tpp/californiatrnsportationplan2040/Final%20CTP/FINALCTP2040-Report-WebReady.pdf>

emission technologies for public transit and freight transport,¹⁷ the prioritization of infrastructure co-location opportunities as embodied in the 2016 ZEV Action Plan,¹⁸ and the prioritization of more compact development patterns that reduce vehicle miles traveled (VMTs) and demand less energy per capita, consistent with the 2030 CARB Scoping Plan.¹⁹

Support for Electric Bicycles, with recommendation to include electric scooters

CSE commends the inclusion of electric bicycles as an eligible project cost.²⁰ CSE reiterates its position that both rentable electric bicycles and electric scooters should be included as an eligible car sharing project type,²¹ for the reasons CSE communicated in comments filed in March.²²

Support for "List of Cities Eligible for TCC Implementation Grants"

CSE supports the list of eligible cities, as detailed in Appendix B. This prioritization appropriately aligns with the 5% to 25% DAC thresholds per CalEnviroScreen 3.0 and the LMI designations per AB 1550 provisions. Accordingly, CSE provides the following recommendation:

- **Streamline resource sharing by creating a "Grant Eligible Cities Project Database."** There is no need to "reinvent the wheel" as there are ample, wide-ranging plans that should be leveraged to inform project planning activities by eligible cities. To promote cross-pollination and resource-sharing among these cities, CSE encourages SGC to create and maintain a widely-available and publicly-accessible "Grant Eligible Cities Planning Database," which would serve as a depository for project concepts, plans, initiatives, and ideas. At minimum, this database should contain existing CAPs,²³ US-DOT

¹⁷ 2016 ZEV Action Plan; Website Access: https://www.gov.ca.gov/docs/2016_ZEV_Action_Plan.pdf

¹⁸ 2016 ZEV Action Plan, Goal to: "Consider infrastructure co-location opportunities that can support light-duty, medium-duty and heavy-duty electric vehicle charging and hydrogen fueling station applications in connector site stations (stations along major routes that connect distinct areas of high potential for PEV and FCEV adoption)." Page 29; Website Access: https://www.gov.ca.gov/docs/2016_ZEV_Action_Plan.pdf

¹⁹ Discussion Draft, 2030 Target Scoping Plan, Table IV-1. Cross-Sector Relationships, January 20, 2017, Website Access: https://www.arb.ca.gov/cc/scopingplan/2030sp_pp_final.pdf

²⁰ Fourth Revision Draft Guidelines, Page D-6

²¹ While CSE does support E-Bike and E-Scooter testing in the TCC Program, E-Bikes should not be the sole investment and ideally should be coupled with other car/ride sharing projects that promote mobility.

²² CSE's Response to the Revised Draft Scoping Guidelines for the TCC Program, March 13, 2017; Website Access: <https://energycenter.org/sites/default/files/docs/nav/policy/research-and-reports/Response-of-the-Center-for-Sustainable-Energy-to-the-TCCP-Scoping-Guide.pdf>

²³ The Governor's Office of Planning and Research has prepared a list of plans and initiatives adopted by California Jurisdictions to address greenhouse gas (GHG) emissions. These plans typically involve setting GHG emission reduction goals and adopting implementation measures to achieve those goals. Website Access: http://www.opr.ca.gov/docs/California_Jurisdictions_Addressing_Climate_Change_PDF.pdf

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the Transformative Climate Communities Program,
Fourth Revision Draft Guidelines**

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Smart City Challenge Proposals,²⁴ and PEV Readiness Plans,²⁵ which are ideal to inform TCC Implementation Grants, but additionally, CSE would encourage SGC to leverage this database to collect unsolicited project and pilot concepts and ideas. Moreover, the development of this database would support streamlined communication strategies among stakeholders, facilitate public engagement, encourage collaborative stakeholder structures, and promote and encourage new and innovative idea sharing practices.

CONCLUSION

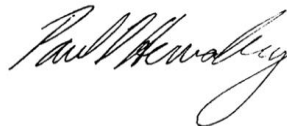
CSE appreciates the opportunity to provide this response to SGC regarding the *Fourth Revision Draft Guidelines*. CSE supports SGC's inclusion of clearer and more concise energy planning and clean energy technology elements and looks forward to the expeditious approval of program design.

Please continue to consider CSE as a resource on these and other matters, and please feel free to reach out to Paul D. Hernandez, CSE's Sustainable Transportation Infrastructure Policy Manager, with any questions or for clarifications regarding these comments.

Respectfully Submitted,



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²⁴ *Smart City Challenge Proposals were submitted by the following California Cities: San Francisco, Chula Vista, Fremont, Fresno, Long Beach, Moreno Valley, Oakland, Oceanside, Riverside, Sacramento, and San Jose. Notably, multiple cities fall within CalEnviroScreen DAC tracts. Website Access:*
<https://www.transportation.gov/smartcity/visionstatements/index>

²⁵ *Specific to Fresno, the San Joaquin Valley PEV Readiness Plan provides an in-depth tool with detailed assessment of a diverse range of PEV topics specifically designed to accelerate PEV adoption in the region; Website Access:*
https://energycenter.org/sites/default/files/docs/nav/programs/pev-planning/sanjoaquin/san_joaquin_valley_pev_readiness_plan-web.pdf