



City of Sonoma
City Council
Agenda Item Summary

City Council Agenda Item: 7D

Meeting Date: 05/05/2010

Department

Administration

Staff Contact

Linda Kelly, City Manager

Agenda Item Title

Discussion, consideration, and possible adoption of Resolution regarding support for the Carbon Limits and Energy for America's Renewal (CLEAR) Act, and urging the California Air Resources Board to enact rules for AB32 implementation that protect households by auctioning permits to fossil fuel importers and producers and returning the majority of revenues, requested by Councilmember Gallian

Summary

Councilmember Gallian requests Council support for a U.S. Senate bill known as the Carbon Limits and Energy for America's Renewal (CLEAR) Act, and is proposing adoption of a resolution urging the California Air Resources Board to enact rules for AB32 implementation that protect households by auctioning permits to fossil fuel importers and producers and returning the majority of revenues.

In December 2009, U.S. Senator Maria Cantwell of the State of Washington introduced the CLEAR Act which would cap the emissions of greenhouse gasses in 2012 by requiring oil, coal and natural gas companies to purchase monthly permits that would allow them to sell their fuels. Under the bill, 75% of the money from the permits would be returned to the public every month in the form of a dividend check and the remainder would go toward renewable energy studies and conservation programs. Proponents believe that by driving up the cost of fossil fuel and making renewables more competitive, it will cause emissions to decrease over time. Under the proposal, consumer would receive an annual rebate check of approximately \$1,100. Congressmembers Thompson and Woolsey are co-sponsors of a similar bill in the House.

Recommended Council Action

Council discretion.

Alternative Actions

N/A

Financial Impact

None.

Environmental Review

- Environmental Impact Report
- Negative Declaration
- Exempt
- Not Applicable

Status

- Approved/Certified
 - No Action Required
 - Action Requested
-

Attachments:

Draft Resolution
Cap and Dividend and The CLEAR Act – presentation
Text of CLEAR Act U.S. Senate Bill

cc: Climate Protection Campaign, via email
Congressman Thompson's office, via email

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SONOMA IN SUPPORT OF THE CLEAR ACT AND ENCOURAGING THE CALIFORNIA AIR RESOURCES BOARD TO ENACT RULES FOR AB32 IMPLEMENTATION

WHEREAS, the Intergovernmental Panel on Climate Change has found that "warming of the climate system is unequivocal," and that "most of the observed increase in global average temperatures since the mid-20th century is very likely due to the observed increase in anthropogenic greenhouse gas concentrations"; and

WHEREAS, the estimated costs to society of inaction on climate change are significant, and may include increases in extreme weather events, disruptions to agriculture, sea level rise, water scarcity, and more; and

WHEREAS, California's economy is particularly well-positioned to benefit from innovations in low-carbon and clean technologies, cost savings from energy efficiency, increased use of renewable energy, and the green jobs that result from such innovation; and

WHEREAS, the State of California's Global Warming Solutions Act of 2006 (AB32) sets goals to reduce statewide greenhouse gas emissions back to 1990 levels by 2020; and

WHEREAS, the California Economic and Allocations Advisory Committee released a report in January 2010 that recommends limiting greenhouse gas emissions by auctioning a declining number of emissions permits to fossil fuel importers and producers, and returning "roughly 75 percent of allowance value" back to households; and

WHEREAS, 164 cities in California as members of ICLEI-Local Governments for Sustainability, have pledged to quantify and reduce their greenhouse gas emissions, and set local emission reduction targets; and

WHEREAS, Senators Maria Cantwell (D-WA) and Susan Collins (R-ME) have introduced the Carbon Limits and Energy for American Renewal (CLEAR) Act into the U.S. Senate, which sets a cap on overall emissions, auctions permits to fossil fuel importers, and returns 75 percent of revenues back to households as a cash dividend.

NOW, THEREFORE, BE IT RESOLVED that the City of Sonoma:

1. Encourages the California Air Resources Board to enact rules for AB32 implementation that protect households by auctioning permits to fossil fuel importers and producers and returning the majority of revenues back to households; and
2. Urges the U.S. Senate, and California's Senators in particular, to pass the CLEAR Act.

AND BE IT FURTHER RESOLVED, that copies of this resolution be delivered to the ARB, and to Senators Boxer and Feinstein.

PASSED, APPROVED, and ADOPTED this Day (date)