



COLAB SAN LUIS OBISPO COUNTY

WEEK OF JANUARY 8 - 14, 2017

ALERT

FAR LEFT ACTVISTS TO FLOOD MEETING ON THE 10TH TO INTIMIDATE NEW BOARD MAJORITY – 9:00 AM

(THEY ARE DEMANDING HILL BE MADE CHAIRMAN TO UNDERMINE ANY POLICY REFORMS)



MINUTE MEN AND WOMEN - WHERE WILL YOU BE?

DEFEND YOUR VOTE AND THE NEW BOARD MAJORITY

THIS WEEK

BOARD CHAIR & VICE CHAIR SELECTION

MORE ENERGY HOME LOAN SCAMS (FUNDED OUT OF YOUR ELECTRIC AND GAS BILLS)

COASTAL COMMISSION WANDERING INTO OCEANO DUNES RIDING AND DUST ISSUE

LAST WEEK

BOS MEETING WAS CEREMONIAL

SAN LUIS OBISPO COUNTY COUNCIL OF
GOVERNMENTS (SLOCOG)
(MEETING WAS ORGANIZATIONAL - NO REAL POLICY)

SLO COLAB IN DEPTH

(SEE PAGE 14)

WILL THE NEW COUNTY BOARD MAJORITY TAKE CHARGE?

BY MICHAEL F. BROWN

THE TYPE OF PROSPERITY CALIFORNIA OUGHT TO SHOW THE WORLD

BY ED RING



DINNER & FUNDRAISER

SAVE THE DATE

Thursday, March 30th

Alex Madonna Expo Center

details coming soon...

How The New Board
Can Reform
San Luis Obispo County

COLAB San Luis Obispo County 805-548-0340 colabslo@gmail.com

THIS WEEK'S HIGHLIGHTS

Board of Supervisors Meeting of Tuesday, January 10, 2017 (Scheduled)

Item 1 - Reorganization of the County Board of Supervisors: Election of Chairperson and Vice-Chairperson. The Board letter provides background as follows:

"At the first regular meeting of the calendar year after the swearing-in ceremony, a Chairperson and Vice-Chairperson shall be elected by majority vote of the Board and such Chairperson shall preside for one year. The process for nominating the Chairperson and Vice-Chairperson shall be on a rotation basis. If the person nominated for Chairperson or Vice-Chairperson declines the nomination, she or he shall be rotated on the list. It is intended, but not mandated, that the Supervisor elected as Vice-Chairperson will succeed the Chairperson in the following year. In the absence or inability to attend by the Chairperson or Vice-Chairperson, a Chairperson protem shall be selected by the members present."

Based on the changes to the Rules of Procedure in February 2015, the appointments have been as follows:

2015: Chair, District 5; Vice Chair, District 4

2016: Chair, District 4; Vice Chair, District 3

If the Board were to follow this rotation, Supervisor Hill would become the Chairman for 2017. There have been comments in some media outlets exhorting Hill supporters and allied leftists to show up at the meeting to oppose any decision by the new Board majority to choose one of its own members as Chair (Compton, Arnold, or Peschong).

Fundamental Leadership Issue: The question arises that since Hill is not likely to support many policy changes that could be proposed by the new majority, can he practically and ethically serve as chairman and policy leader?

On the one hand, it could be argued that the Chair position is temporary, only has one vote, no veto, and no powers of appointment and thus it doesn't really make any difference who is Chair. Some incremental power is attached to the ability of the Chair to preside at the Board meetings and to help set the meeting agendas.

On the other hand, and given the potential for significant policy change, and given that the Supervisors are all legally equal players, how does a new strategic direction or even a new incremental direction become articulated? It will be said (and is being said) that Hill was elected by his district, and given the rotation tradition, he should not be denied.

Left Demonstration at Tuesday's Board Meeting: The usual radical left organizers are attempting to generate hysteria and to pressure the Board majority to elect Hill Chairman. Hill/Gibson front men Jay Salter and Tom Fulks are firing up their faithful with invective such as:

Fulks:

The board's putative majority – the North County's John Peschong and Debbie Arnold, plus Nipomo's Lynn Compton – can, if they choose, play partisan games, as Arnold and Compton have done so brazenly before.

But it would be a lousy way to start the year. Let's hope they don't.

Their test will come Jan. 10, when the board is scheduled to elect its chair and vice chair for 2017. This annual ritual was long considered a routine, non-partisan, non-newsburger, with each district serving in a rational rotation

That changed in 2015, when then-Supervisor Frank Mecham, Arnold and Compton – all Republicans – decided "non-partisan" county supervisor victories deserve partisan spoils, one of which is who chairs the board for a year.

Taking direction from COLAB (developers masquerading as farmers), Arnold and Compton abandoned longstanding tradition to "punish" 3rd District Supervisor Adam Hill for a variety of amorphous offenses, primarily being a smart-mouthed liberal Democrat.

Beating its hyper-partisan drum, COLAB packed the board chambers with its flock to demand Hill be denied the vice chair seat. Instead, it went to rookie Supervisor Compton

Here's to the New Year bringing tidings of good cheer, a 5-0 vote for Hill as board chairman, Trump not blowing up the world, and me loitering less on Facebook.

Salter:

My moment of revelation followed Adam Hill's remarks. Peschongs and Arnold's statements received long applause interspersed with cheers, but Hill's remarks only produced a smattering of polite claps.

The dissonance was glaring. This crowd had come to show Hill how much they hate him having survived! They also came to send Compton, Arnold, and Peschong a clear message: Block Adam Hills elevation to the board's chair at next week's business meeting.

Let's be clear: Bernie Sanders called for his ardent followers to begin challenging right wing dominance "across the entire spectrum of government. From school boards to congressional seats."

Apparently this accounts for Heidi Harmon's challenge to Jan Marx.

If Harmon and her aggressive young lefties think beating old school democrat Jan Marx was a signal move in Bernie's direction, may I suggest a more immediate and meaningful challenge.

Show us you can fill the government center with fifty or more fierce Bernie Bots next Tuesday January 10.

Show us you are ready to stand up and speak forcefully for Adam Hill during public comment time.

Adam Hill's progressive credentials are unmatched anywhere.

This is exactly the point! Hill will not support major policy change and cannot lead it.

PLEASE GO TO PAGE 14 IN THE COLAB IN DEPTH SECTION FOR THE FULL BACKGROUND ON THIS ISSUE

Item 2 - Monthly Drought Report. The rate of decline of the reservoirs has decreased with the cooler winter weather and some rains. It will be interesting to see what happens when late December and January data is presented in February.

December 21, 2016 Data:

Reservoir Levels (% of capacity):

Reservoir	% of Capacity	Current Acre Feet Storage
Nacimiento	25%	92,900
Whale Rock	32%	12,339
Lopez	22%	11,031
Salinas	9%	2,260

Source: www.slocountywater.org County of San Luis Obispo

November 16, 2016 Drought Report.

Reservoir Levels (% of capacity):

Reservoir	% of Capacity	Current Acre Feet Storage
Nacimiento	24%	92,275
Whale Rock	32%	12,369
Lopez	23%	11,309
Salinas	10%	2,267

Source: www.slocountywater.org County of San Luis Obispo

Item 5 - Don Campbell Reappointed to Planning Commission. In a piece of good news, Supervisor Arnold has nominated Don Campbell for reappointment to the Commission. Campbell has been a voice of reason and practicality.

Item 15 - Hill nominates Julie Hawkins for 3rd District Planning Commissioner. Ms. Hawkins is a professional planner who has worked for a number of municipalities in California (including Grover Beach) and in a private consulting firm. She is currently Campus Planner at Cal Poly. Her present assignment is summarized below from her extensive resume:

EXPERIENCE

Campus Planner

California Polytechnic State University

September 2013 - Present

- . Project manager for Campus Master Plan Update
- . Manages consultants for various campus development projects
- . Reviews documents for compliance with California Environmental Quality Act
- . Assists campus clients and construction project managers with new construction programming
- . Conducts public outreach and community engagement for new projects and planning programs
- . Member of President's Advisory Committee on Sustainability
- . Member of Academic Senate Sustainability Advisory Committee

She has a BS in Environmental Studies from UCSB and a Masters in City and Regional Planning from Cal Poly.

Item 29 - emPower Energy Loan Program to be Replaced by Alternative Residential Energy Efficiency Program (REN). The first part of this item is a staff request for the Board to approve a one-year extension of a contract with the County of Santa Barbara to run a government program called the emPower energy home loan program. This is yet another politically correct green boondoggle in which the California Public Utilities Commission (CPUC) shakes down utilities for money ostensibly to provide energy savings. In this case the money is granted to Santa Barbara County, SLO County, and Ventura County and serves as a loan loss reserve so that Santa Barbara County can operate the loan program in all three counties.

The purpose of the program is to provide home improvement loans for people to repair their insulation, windows, etc. The program is very high overhead, as demonstrated by the data from the latest annual report.

The table below contains the costs for managing and promoting the program. Note that in FY 2015-16 it cost \$1.4 million for administration. It's not clear why.

Program Spending	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Salaries and Benefits	\$220,500	\$272,000	\$386,600	\$401,300	\$495,500	\$675,500
Operations/Program Delivery	\$202,000	\$529,200	\$508,200	\$528,800	\$846,700	\$717,400
Total Program Spending	\$422,500	\$801,200	\$894,800	\$930,100	\$1,342,200	\$1,392,900
Loan Loss Reserve Transfer		\$1,000,000		\$1,600,000		

During that same fiscal year, the data shows that 73 projects were completed. That's \$19,080 in program administration per completed project. Staff will defend this on the basis that they have spent money on promoting the program – that is attempting to entice people into it by holding meetings, advertising, conducting energy audits, etc. Given that there are 900,000 people in Ventura County, 440,000 in Santa Barbara County, and 172,000 in SLO County (1,512,000 total) the fact that there were only 73 real participants who actually did a project shows an astonishingly low use rate.



Figure 7. Completed Projects by Year

Worse yet, only \$1,500,000 in closed loans was achieved. Accordingly, \$1.4 million (in administration, counseling, and advertising) was spent to produce \$1.5 million in loans

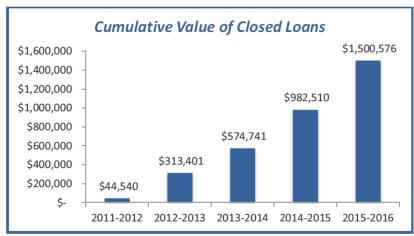


Figure 17. Cumulative Value of Closed Loans

Prior reports contained data about the income distribution of the loan recipients. This year the chart was omitted. The chart displayed below from several years ago demonstrates why. It is clearly a welfare program for upper middle class homeowners, the administration and marketing of which are paid for out of your utility bills. Sixty-nine percent (69%) of the loans went to households with over \$100,000 in annual income.

Apparently the utilities are no longer going to fund the program after 2017. The staff, as will be explained below, wishes the Board to transition to a new program which they say is "much better." The ploy here is to keep the staff on payroll for a while in the hope that the 3 counties will qualify for the new program (it is competitive).

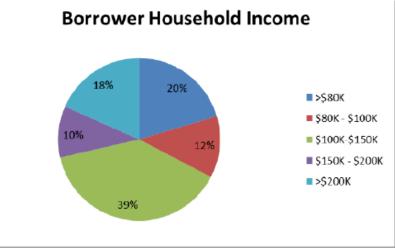


Figure 33. Borrowers' household income distribution among closed loans

The program is justified, partially on the basis of energy savings. So we are taxing ourselves \$1.4 million per year to save \$249,732 accumulatively over 15 years? And 881-kilowatt hours accumulatively over 15 years?

		SCE/So	CalGas	PG&E		
	Combined Total	Ventura	S. Santa Barbara	N. Santa Barbara	San Luis Obispo	
Number of HUP Projects	55	40	4	5	6	
Average Retrofit Cost (\$)	\$15,872	\$13,121	\$18,044	\$27,863	\$22,769	
Average Rebate (\$)	\$3,095	\$2,630	\$2,249	\$5,965	\$4,368	
Average Energy Savings (%)	17%	12%	20%	38%	35%	
Average Electricity Savings (kWh)	881	1,009	311	627	615	
Average Natural Gas Savings (therms)	120	62	133	372	284	
Average Estimated Annual Cost Savings (\$)	\$301	\$258	\$212	\$548	\$443	
Estimated Total 15-Year Cumulative Cost Savings	\$248,731	\$155,090	\$12,707	\$41,081	\$39,852	

The Board should dump this program immediately.

The New Program - Alternative Residential Energy Efficiency Program (REN): The staff knows that emPower is going away sooner or later. They therefore propose:

Given the current limitations of the emPower program, and the likely defunding of the program beyond calendar year 2017; staff has explored the formation of a REN.

Comprised of local and regional government agencies, a REN is an alternative to IOU energy management programs. A REN directly receives ratepayer funding from the CPUC to design and implement regional energy efficiency programs. The CPUC's decisions creating and affirming

RENs recognize many local jurisdictions' calls for increased flexibility, innovation, and autonomy in their ability to administer energy efficiency programs.

Currently there are two authorized RENs – the BayREN covering the nine bay area counties and the SoCAL REN covering Los Angeles County. Combined these two RENs received nearly \$70 million in 2012-2014 to operate energy efficiency programs in their communities. Their programs range from single-family whole house retrofits to public sector programs. In the coming cycle both RENs will be submitting business plans expanding their portfolios and deepening their capabilities and reach in their respective areas.

Continuing the legacy of tri-county collaboration, Ventura County has volunteered to lead the formation of a REN in coordination with Santa Barbara and San Luis Obispo Counties. As the lead agency, Ventura County has also offered to be the fiscal administrator to the CPUC.

Although specific details still require development, the REN would likely include the following programs and objectives.

Why should the government (State and local) be in the home improvement energy business?

What will be the quantified benefits in terms of energy saved, greenhouse gas forestalled, and number of homes improved? What are the cost benefit ratios?

Planning Commission of Thursday, January 12, 2017 (Abbreviated)

The meeting has been abbreviated. The agenda consists only of roll call and a discussion by staff of the future meeting agendas and potential future items. The next meeting is scheduled for January 26, 2017.

California Coastal Commission Meeting of Thursday, January 12, 2017 - 9:00 AM, SLO County Board of Supervisors Meeting Room, 1055 Monterey St., San Luis Obispo.

Item 14 - CONDITION COMPLIANCE: Oceano Dunes State Vehicular Recreation Area (ODSVRA) CDP Review: Review of the overall effectiveness of the methods being used to manage vehicle impacts in relation to coastal resources at ODSVRA as required by coastal permit 4-82-300, as amended, in the Oceano Dunes area of San Luis Obispo County. It is difficult to ascertain when this item will actually come up during the day-long meeting.

The report is extensive and technical, including 54 pages of text and another 50 pages of maps, photos, and proposed changes to the language in the coastal permit now held by the State Parks Department, which operates the park and ODSVRA. The key staff recommendations for amendments to the current coastal permit include:

1. ODSVRA Access and Staging. Within six months of the January 12, 2017 CDP re-review (i.e., by July 12, 2017), DPR shall submit an Access Study for Executive Director review and approval. The Access Study may be based upon DPR's past access analyses (i.e., including the

2006 Alternative Access Study Oceano Dunes State Vehicular Recreation Area. Produced by Condor Environmental Planning Services, Inc.), but shall be updated as necessary to reflect any pertinent new information (including with respect to habitat protections for sensitive species) that may affect its evaluations and/or conclusions.

2. Managing Day-to-Day Operations. Effective immediately (i.e., as of January 12, 2017), the existing interim vehicle use limits specified in CDP special conditions 3 and 8 (i.e., special condition 3 of CDP amendment 4-82-300-A5) shall be eliminated. The intent of this changes to allow DPR to manage the Park as it manages other Parks (consistent with providing ecologically balanced recreation, and through best resource and recreation management practices and adaptation on a daily basis) to protect the Park and its resources, as well as the surrounding area, from the effects of potential overuse. Such management will include limiting motorized recreation to defined areas, prohibiting activities as needed to protect natural resources (including sensitive species and habitats), protecting cultural and archaeological resources, and restoring lands. CDP requirements (e.g., limiting riding to defined areas, prohibiting disallowed activities in non-riding dune areas, protecting archaeological resources, requiring ongoing monitoring and reporting, etc.) will continue to apply, both informing and providing a complementary framework for DPR's day-to-day management decisions.

Dune and Related Resource Fencing

Ensure that CDP requirements for dune fencing within the riding area protect significant vegetated areas and provide for maintaining protected vegetated dune areas within the riding area that are at least as large (or larger) in terms of acreage as is currently the case. This condition would modify language related protective dune fencing requirements, including existing CDP special condition 3 (see Exhibit 4).

- 3. Dune Management and Fencing. Fencing at the perimeter of the riding area shall be maintained in a manner designed to best protect dune and other resources in the non-riding area. Significant vegetated areas within the riding area shall be similarly fenced, and riding and other disallowed activities prohibited within these vegetated "island" areas. Such vegetated island fencing shall be adjusted on a regular basis to respond to shifting vegetation, including as necessary to fence off new areas of significant vegetation, with an emphasis and preference on adaptation designed to ensure larger and more contiguous vegetated dune and dune habitat areas, as opposed to smaller and more isolated vegetated dune fragments. In all cases, DPR shall ensure to the maximum feasible extent that the acreage of such vegetated islands in the riding area is not reduced from January 2017 levels (allowing for "islands" that become connected to the perimeter non-riding area through adaptation to be counted toward vegetated island acreage).
- 4. Annual Monitoring. DPR shall prepare an annual monitoring report to be submitted for Executive Director review and written approval by December 31st of each year (with the first such report due by December 31, 2018). At a minimum, the report shall document the effectiveness of the previous year's Park management activities in achieving an appropriate balance between providing vehicular recreation and protecting dune and other coastal resources; it shall provide an evaluation of vehicular recreation and coastal resource trends,

impacts, and issues facing Park operations; and it shall provide recommendations for changes to

Park management to better address identified impacts.

Straw bales deployed as dust mitigation measures

It is not clear how these measures will actually impact use of the park and riding area. Do these measures in effect pre-empt the APCD? Or do they set up bear traps which could result in the closure of the area? For example, one section of the report complains that ATV's have killed 3 Snowy Plovers and that this is unacceptable. Would this mean that at some point the area could be closed?



The public is left in the dark about the import of the report.

LAST WEEK'S HIGHLIGHTS

Board of Supervisors Special Meeting of Tuesday, January 3, 2017 - 11:55 AM (Completed)

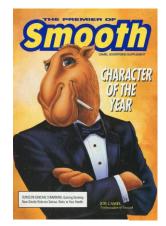
This was a special meeting for the swearing in of Supervisors Arnold, Hill, and Peschong. No regular business was transacted.

The real action (as noted above in Item 1) commences on Tuesday, January 10, 2017, when the Board will elect a Chair and Vice-Chair. It will make critical committee and commission assignments, including appointing 2 representatives to the Local Agency Formation Commission (LAFCO), one representative to the California State Association of Counties (CSAC), two representatives to the Economic Vitality Corporation (EVC), and others.

San Luis Obispo Council of Governments (SLOCOG) Meeting of Wednesday, January 4, 2017 (Completed)

The meeting was organizational focusing on farewells to departing members as well as making committee and lobbying association assignments for 2017. There was also a fairly long session on recognizing staffers for their years of service.

Notably, Central Coast Tax Payers Association President Andrea Seastrand gently questioned the Board relative to its activities included in its Annual Report about campaigning for the Measure J sales tax increase. Executive director Ron DeCarli characteristically and smoothly interceded on behalf of the speechless elected officials and split the proverbial hairs on the camel's rump. He deftly postured that much of the activity occurred prior to the actual legal placement of the Measure on the ballot and consisted of "educating" the public and attempting to determine their preferences for the types of projects that would be funded.



No one on the Board (let alone De Carli) pointed out that we already have the highest state taxes in the nation:

GAS TAX: CA has the nation's 7th highest "gas pump" tax at 56.6 cents/gallon (November, 2016). But add in the unique 10-12 cent CA "cap and trade" cost per gallon, and CA is in the top 3 states, with PA and WA. (National average is 48.9 cents.) Yet CA has the 9th worst highways. NOTE: CA state legislature leaders are discussing a new additional 17-cents/gal gasoline tax.

SALES TAX: CA has the highest state sales tax rate in the nation, 7.5% (does not include local sales taxes). Two 2015 bills sought a combined \$10 billion++ CA state and local sales tax increase (failed to pass that year).

PERSONAL INCOME TAX: Prior to Prop 30 passing in Nov. 2012, CA <u>already</u> had the 3rd worst state income tax rate in the nation. Our 9.3% tax bracket started at under \$50,000 for people filing as individuals. 10.3% started at \$1 million. Now our "millionaires' tax" rate is 13.3% – including capital gains (CA total CG rate is now the 2nd highest in the world!). 10+% taxes now start at \$250K. CA now has <u>by far</u> the nation's highest state income tax rate. We are 34% higher than 2nd place Oregon, and a heck of a lot higher than all the rest – including 8 states with <u>zero</u> state income tax and one state (NH) that taxes only dividends and interest income. Of course Prop 30 has now been made essentially permanent.

CA is so bad; we also have the nation's 2nd highest state income tax bracket. AND the 3rd. AND the 4th

Just like with Joe Camel, SLOCOG isn't telling you the downside. Higher taxes could be hazardous to your property values, job opportunities, and the ability of your children and grandchildren to live here.

Seastrand thus teased out what will likely to be part of SLOCOG's and the County's defense before the State Fair Political Practices Commission.

SLO COLAB IN DEPTH

In fighting the troublesome, local day-to-day assaults on our freedom and property, it is also important to keep in mind the larger underlying ideological, political, and economic causes and forces.

WILL THE NEW COUNTY BOARD MAJORITY TAKE CHARGE?

BY MICHAEL F. BROWN



One of the institutional weaknesses of California's Board of Supervisor form of county government, generically, is that no one is actually in charge from a policy leadership standpoint. There is no mayor, president, prime minister, or chairman elected at large to propose and rally an overall direction for the ensuing two or four years after a new majority is elected.

Most county boards follow a tradition of rotating the board chairmanship among themselves every January, rendering the position relatively weak. Five equal dukes and duchesses, each elected from a separate geographic district, grope for direction and at least three votes to entreat a protected, permanent, and sometimes-haughty careerist staff to formulate policy items

for potential action. Since each county supervisor is dependent on the voters in their respective districts for support and reelection, there is rarely a voice that can independently propose and lead countywide strategic policy.

Further adding to the centrifugal forces at play, four to seven of the department heads (depending on the practices in a particular county) are directly elected by the voters. These include the district attorney, sheriff, auditor controller (who contradictorily is both chief financial officer and internal auditor), assessor, county clerk-recorder, registrar of voters, and treasurer. Each of these officials is a politician in his or her own right and must stand for election every four years. Often candidates for and members of boards of supervisors must curry favor with some of these political players in the form of endorsements, appearance at rallies, and fundraising in order to be elected.

Further muddying the waters, a number of the appointed department head positions are subject to state legislatively imposed job qualifications and special protections that have rendered them somewhat independent and reminiscent of members of the medieval guild system.

Social services directors, county counsels, agricultural commissioners, behavioral health directors, and probation chiefs all come with California-specific educational and time-in-service requirements, which restrict the number of potential candidates statewide and constrain the ability of boards to enforce policy. In fact, the requirements for agricultural commissioner are so convoluted that it is almost impossible for counties to replace those who retire.

County counsels are provided with a four-year term and can only be removed for bad behavior or neglect of duties.

Unlike governors, presidents, mayors, and city councils (and sometimes city managers in advanced cities), most boards of supervisors have no access to an independent expert policy study and formulation staff.

The relatively structurally weak county administrative officers are primarily focused on the budget and must seek both board approval and staff consensus to even study, let alone propose, a major policy initiative. Moreover they can be fired with three votes on any given Tuesday and must be wary of offending the independently elected department heads or employee labor unions that are supporting particular supervisors with large campaign contributions, not to mention the supervisors themselves.



Given these realities, what can the new incoming San Luis Obispo County Board of Supervisors majority do to reform the existing county policy that is explicitly hard wired with the overarching "smart growth" prime directive (which is really no growth)?

Supervisor John Peschong

If Supervisors Debbie Arnold, Lynn Compton, and John Peschong theoretically want to make it easier to zone in and build garden apartments, how should they go about

displacing the current set of laws and regulations which make their development almost impossible? Or how could they make it easier to develop housing for the homeless, including homeless RV parks, small apartments, and group homes?

Similarly how could the new board majority move beyond the county's current nihilist water policy of attrition by conservation and look strategically at big picture solutions with other jurisdictions?

How can the board redirect staff (especially planning, public works, the CAO, public health, community development, and economic vitality corporation) away from adding more and more plans, fish studies, fees, and regulations, and instead to come up with strategic proposals for generating household supporting jobs and the complementary housing?

How about an assignment that says: We want our children and grandchildren to be able to live and work in SLO County inter-generationally. This is more important than all the trivia. Go study this for a month, get the numbers, and give us some alternative policy scenarios. Don't just list the barriers, but propose some realistic yet innovative solutions. Stop fiddling with vacation rentals, winery ordinances, habitat conservation plans, fee studies, and the stupidly convoluted and constipated Resource Management System for a few weeks and do something real.

Aside from generating genuine strategic policy alternatives for public consideration, the results of the assignment would be a good performance test of imaginativeness and supposed expertise of the department heads involved. These professionals are making over \$200,000 in salary and valuable "fringe" benefits. Anyone can figure out how to ban vacation rentals or make adding a bedroom cost \$10,000 in "minor use" permit fees, but how are we going to keep our families here (particularly in the teeth of the impending Diablo Canyon shutdown)?



Especially germane to substantive policy leadership and during the Jan. 10, SLO County Supervisor Board meeting, the issue of electing a board chair and vice-chair will be on the agenda.

It is supposedly Supervisor Adam Hill's turn. Even though he is not part of the board majority, would he be willing to lead a new approach in recognition that there is a new majority?

Supervisor Adam Hill

After the election, the Santa Maria Times reported Hill as stating: "You know, it's always hard to predict," Hill said when asked if thinks Peschong's addition to the board will change its balance. "It would be great to focus on governing, and I feel confident we can do that. I look for (John Peschong) to be a practical, helpful voice more than anything." Santa Maria Times Nov. 9, 2016.

But will Hill be practical, truthful, and willing to govern in a different direction, or does he see Peschong as useful only if he is a handmaiden to himself (Hill) and Gibson and their established polices?

Ask him. If not, as they say in Jersey, "cut the crap," elect Peschong (who has large scale organizational experience) board chairman for three years, and start telling staff what policy is.

Hill should understand. After all, and from time to time, he waxes nostalgic about the hard ball New Jersey politics of his youth.

Mike Brown is the Government Affairs Director of the Coalition of Labor Agriculture and Business (COLAB) of San Luis Obispo County. He had a 42-year career as a city manager and county executive officer in 4 states including California. He can be reached at mike@colabslo.org. This article first appeared in the January 5, 2017 Calcoastnews.

THE TYPE OF PROSPERITY CALIFORNIA OUGHT TO SHOW THE WORLD

BY ED RING

As reported earlier this month in the <u>Los Angeles Times</u>, California policymakers are expanding their war on "climate change" at the same time as the rest of the nation appears poised to reevaluate these priorities. In particular, California's legislature has reaffirmed the commitment originally set forth in the 2006 "<u>Global Warming Solutions Act</u>" (AB 32) to reduce the state's CO2 emissions to 40% below 1990 levels by 2030.

Just exactly how California policymakers intend to do this merits intense discussion and debate. As the Los Angeles Times reporter put it, "The ambitious new goals will require complex regulations on an unprecedented scale, but were approved in Sacramento without a study of possible economic repercussions."

At the risk of providing actual quantitative facts that may be extraordinarily challenging for members of California's legislature, most of whom have little or no formal training in finance or economics (ref. <u>California's Economically Illiterate Legislature</u>, 4/05/2016), the following chart depicts data that helps explain the futility of what California's citizens are about to endure:

CALIFORNIA ENERGY CONSUMPTION, POPULATION, GDP, AND CO2
EMISSIONS

Comparisons to the rest of the USA, China, India, and the world

		w/o CA	w/o US		
	CA	US	World	China	India
Population (millions)	39	286	7,149	1,381	1,310
Carbon emissions (metric ton units = millions)	358	5,049	30,262	10,540	2,342
Energy consumption (BTU units = trillions)	7,605	82,534	423,119	117,992	25,321
GDP (\$ = trillions)	2.45	16.11	100.54	21.27	8.72
Per capita energy consumption (million BTUs)	196	288	59	85	19
Per capita GDP (GDP / population)	63,105	56,256	14,063	15,405	6,658
Energy intensity (BTUs per \$1.00 GDP)	3,106	5,122	4,209	5,548	2,903
Carbon intensity (kilograms CO2 per \$1.00 GDP)	0.15	0.31	0.30	0.50	0.27

The first row of data in the above table is "Carbon emissions," column one shows California's total annual CO2 emissions including "CO2 equivalents" – bovine flatulence, for example, is included in this number – expressed in millions of metric tons (MMT). As shown, in 2014 (the most recent year with complete data available) California's CO2 emissions were down to 358 MMT. That's 73 MMT lower than 1990, when they were 431 MMT. While this is a significant reduction, it is not nearly enough according to California's state legislature. To hit the 40% reduction from 1990 levels by 2030, CO2 emissions still need to be reduced by *another 100 MMT*, to 258 MMT. That's another 28% lower than they've already fallen. But California is already way ahead of the rest of the world.

As shown on row 8 of the above table, California's "carbon intensity" – the amount of CO2 emissions generated per dollar of gross domestic product – is already *twice* as efficient as the rest of the U.S., *twice* as efficient as the rest of the world, more than *three times* as efficient as China, and nearly twice as efficient as India. We're going to do even more? How?

A few more data observations are necessary. As shown, California's population is 0.5% of world population. California's GDP is 2.0% of the world GDP. California's total energy consumption is 1.4% of world energy consumption, and California's CO2 emissions are 1.0% of the world's total CO2 emissions.

These stark facts prove that nothing Californians do will matter. If Californians eliminated 100% of their CO2 emissions, it would not matter. On row 1 above, observe the population of China – 1.4 billion; the population of India – 1.3 billion. Together, just these two developing nations have *seventy times* as many people as California. The per capita income of a Californian is *four times* that of someone living in China; *nine times* that of someone living in India. These nations are going to develop as much energy as they can, as fast as they can, at the lowest possible cost. They have no choice. The same is true for all emerging nations.

So what is really going on here?

If California truly wanted to set an example for the rest of the world, they would be developing clean, safe, exportable technologies for nuclear power and clean fossil fuel. Maybe some of California's legislators should take a trip to Beijing, where burning coal generated electricity and poorly formulated gasoline creates killer fogs that rival those of London in the 1900's. Maybe they should go to New Delhi, where diesel generators supplement unreliable central power sources and raise particulate matter to 800 PPM or worse. Maybe they should go to Kuala Lampur, to choke on air filled with smoke from forests being incinerated to grow palm oil diesel (a "carbon neutral" fuel).

According to the BP Statistical Review of Global Energy, in 2015, renewables provided 2.4% of total energy. Hydroelectric power provided 6.8%, and nuclear power provided 4.4%. Everything else, 86% of all energy, came from fossil fuel. In the real world, people living in cities in emerging nations need *clean* fossil fuel. So they can breathe. Clean fossil fuel technology is very good and getting better all the time. That is where investment is required. Right now.

Instead, purportedly to help the world, California's policymakers exhort their citizens to accept a future of rationing enforced through punitive rates for energy and water consumption that exceed approved limits. They exhort their citizens to submit to remotely monitored, algorithmic management of their household appliances to "help" them save money on their utility bills. Because supposedly this too averts "climate change," they restrict land development and exhort

their citizens to accept home prices that now routinely exceed \$1,000 per square foot anywhere within 50 miles of the Pacific coast, on lots too small to even put a swing set in the yard for the kids. They expect their citizens to avoid watering their lawns, or even grow lawns. And they will enforce all indoor restrictions with internet enabled appliances, all outdoor restrictions with surveillance drones.

This crackdown is a tremendous opportunity for a handful of high-technology billionaires operating in the Silicon Valley, along with an accompanying handful of California's elites who benefit financially from politically contrived, artificial resource scarcity. For the rest of us, and for the rest of the world, at best, it's a misanthropic con job.

The alternative is tantalizing. Develop clean fossil fuel and safe nuclear power, desalination plants, sewage recycling and reservoirs to capture storm runoff. Loosen restrictions on land development and invest in road and freeway upgrades. Show the world how to cost-effectively create clean abundance, and export that culture and the associated enabling technologies to the world. Then take credit as emerging nations achieve undreamed of prosperity. With prosperity comes literacy and voluntarily reduced birthrates. With fewer people comes far less pressure on the great wildernesses and wildlife populations that remain, as well as fisheries and farmland. And eventually, perhaps in 25 years or so, renewables we can only imagine today, such as nuclear fusion, shall come to practical fruition.

That is the example California should be showing to the world. That is the dream they should be selling.

Ed Ring is the vice president of policy research for the <u>California Policy Center</u>. This article first appeared in the December 27, 2016 California Policy Center Latest News.



ANNOUNCEMENTS

ALERT

ASK YOUR ELECTED OFFICIALS TO CONTACT TRUMP ON DIABLO CLOSURE & TO SEND HIM RESOLUTIONS OF SUPPORT TO KEEP IT OPEN It appears that the Trump Administration could help develop a path to incentivize PG&E to keep the Diablo Nuclear Power Plan open and facilitate its relicensing. As we have been reporting, local officials never did anything to support PG&E's effort while it was alive. They either openly opposed it or tacitly opposed it by their silence and overtly negligent failure to promote it. Once PG&E announced the closure plan, they all wrung their collective hands and demanded reparations for the negative impacts on local revenues and the economy.

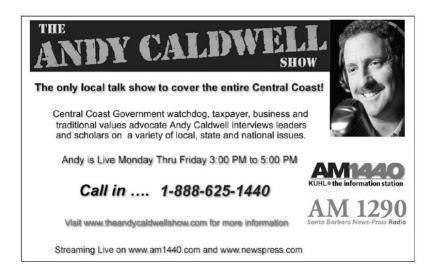
The Trump transition team sent a memo of inquiry to the US Department of Energy (DOE) requesting factual information that would help it to begin to formulate policy and develop qualifications for Presidential appointments to implement that policy. Aside from the fact that the DOE leadership and staffers are resisting the legitimate requests (see the related article on page 10 below), the questions signal a strong interest in preserving existing nuclear generating plants and perhaps promoting future development of new plants. The questions are part of a long list, which includes other subjects including budgetary, staffing, fossil fuel, green energy, and other normal concerns for an incoming administration.

The nuclear energy related questions include the following:

- Does DOE have a plan to resume the Yucca Mountain license proceedings?
 - **COLAB NOTE:** They may have shelved or subverted previous plans, good to know if so.
- How can the DOE support existing reactors to continue operating as part of the nation's infrastructure?
 - **COLAB NOTE:** Our local officials should explain the huge negative impacts of the plant closure and offer to work with the new DOE team to save the plant. What costs have been imposed by the State of California which could be reduced or eliminated by a reformed Trump Environmental Protection Agency (EPA)?
- What can DOE do to help prevent premature closure of plants?
- How do you recommend continuing to support the licensing of Small Modular Reactors?
- How best can DOE optimize its Advanced Reactor R&D activities to maximize their value proposition and work with investors to develop and commercialize advanced reactors?

All of these questions are concerned with support of nuclear plants, suggesting strongly that the new administration is interested in keeping existing plants open and licensing new plants.

Given their recent protests and concerns, including filing protests with the California Public Utilities Commission (CPUC), how could these same officials drop the ball and let this opportunity pass?



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