AKI K. NAKAO, Director

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July 18, 2008

RE: Alameda County's Comments on the July 2008 Draft Local Government Operations Protocol

To Whom It May Concern:

Please find, listed below, Alameda County's comments on the Draft Local Government Operations Protocol, which was issued for public review in June of 2008. We appreciate the effort undertaken by all groups involved in preparing this much needed document and appreciate your consideration of the following items. If you have any questions on any of these comments, or would like to discuss further, please feel free to contact me at 510-208-9751 or ryan.bell@acgov.org

Sincerely,

Ryan Bell
Sustainability Project Manager
Alameda County – General Services Agency

Issues / Items of Concern

2.2 pg 16
Please add an additional discussion of the importance of choosing an "average" base year. A cool year could cause a significant decrease in green house gas emissions from facilities (or vise versa for a warm year). Therefore, a local government is likely to develop a better understanding of their emissions by averaging consecutive years to create the base emissions level or conducting annual inventories to identify overall emission trends.

2.3 pg 16
Please consider renaming this section since the term "scope" has a very specific definition in this protocol.

3.3 pg 19
A brief clarification of how financial control applies in the local government sector would be helpful, as the concept of "economic benefit" or "economic gain" is a bit of a misnomer when applied to government operations since local governments do not (usually) generate revenue from the operation of any facility.

3.6.2 pg 22
Please include clarifications for situations where a local government owns and maintains a facility that they then lease out to fully or semi- autonomous agencies or organizations. Drawing these boundaries can be quite complex.

4.4 pg 27
The definition of scope 2 should be expanded to include waste generated and disposed of through a local government's operations. Waste generation/disposal emissions most closely resemble those of other scope 2 emissions.

- Emissions from waste generation/disposal are "indirect emissions that are a consequence of activities that take place within the organizational boundaries of the reporting entity, but that [can] occur at sources owned or controlled by another entity."
- Waste generation/disposal "embodies a significant opportunity for GHG management and reduction."
- Waste generation and disposal is critical for "ensur[ing] that local governments provide a comprehensive emissions profile reflecting the decisions and activities of their operations."

Finally, waste disposal does not met the conditions set for scope 3 (4.7 pg 28) in that local governments do have operational and financial control over how much waste is generated and how it is disposed of.

Calculating emissions from waste generation can also be completed with well-recognized methodologies (WARM). Excluding waste generation from the mandatory reporting required for scope 2 emissions has the impact of excluding a significant emissions source and negating the potential benefits that occur through waste reduction, recycling, prevention, and composting programs.

5.1.3 pg 30
Please specifically clarify that "tonne" means a metric ton. This is often a source of great confusion.

6.1.1 pg 34 (step 2)
It appears that the reference to table C.2 is incorrect and it should be C.1.

6.2.1 pg 40
Please add a short description of how a utility specific emissions factor can be "third party verified to an existing reporting standard." The inclusion of a paragraph discussing CCAR verification without mentioning how other third party standards could be applicable leaves the reader with the impression that they must use e-grid if their utility does not participate in CCAR. – This is addressed (in part) later in section 6.2.3. Please merge these two sections into one section on choosing an appropriate emission factor. Splitting them will likely cause the reader to overlook this important information.

6.2.4 pg 40
The County strongly disagrees with the decision to exclude "green power" and "renewable energy credit" purchases from consideration when calculating emissions from electricity use. Requiring local governments to consider green power and REC purchases as grid electricity discriminates against local governments based on their location and contradicts the core

principles the Protocol is striving to maintain (1.1 pg 13). Excluding consideration of green power and REC purchases:

- Contradicts the guidance surrounding base years (2.2 pg 16) which states that "any emissions reduction activities put in place before base year are considered part of the status quo…"
    - Section 2.2. further states that measures in place at the tiem of the baseline inventory "do not provide the local government with credit towards reaching an emissions reduction target that may be adopted." By excluding existing green power purchased from the inventory and the emission reduction measures, the Protocol is eliminating a significant opportunity for reducing emissions and sending market price signals regarding energy generation preference.
- Discriminates against local governments that do not operate in states with a deregulated electricity sector that allows utility choice.
    - Participants in states that allow utility choice can choose to by power from utility companies that have a lower emissions profile, which would be reflected in their "third party verified" electricity emission factors. Communities that are not in states which allow such a choice only have the option to reduce the carbon footprint of their electricity production through green power or REC purchases, which are ignored when a more generic emission factor is required.
- Unfairly advantages communities that have the financial, technical, and staffing resources to implement more intensive renewable power generation or community choice aggregation projects, while disadvantaging communities that opt for a simpler/less expensive option for reducing their carbon footprints.

Local governments have both operational and financial control over what types of electricity they purchase. Discounting green power purchases does not credit the local government for making an informed (often costly) choice about their electricity use and its impact on climate change. This exclusion is akin to requiring all fleet emissions be calculated based on the regional fleet average fuel mix as opposed to the actually types of fuel used; or that emissions from all waste generated be computed as if that waste were landfilled when that is standard practice in a region.

6.2.4 pg 40
What emission factors should a local government use if they own an electricity generation facility that is producing a portion of the power they use? The County's assumption would be that municipal power generation would be calculated/reported as any other electricity use (that is with the generation facility's emissions being reported as scope 1 in the government facilities and the electricity use reported as scope 2 – and calculated using the emission factor for that power plant). A similarly is made on the side of renewable energy generation – that is, a government should still report the electricity usage from onsite green power generation (i.e. wind, solar, fuel cells) but apply the appropriate (usually 0) GHG emission factor. Please add specific guidance to address these points.

Chapter 7 pg 62
Please provide an explanation at least a text box) on why emissions from transit vehicles are accounted for in the local government inventory when their emissions are more directly tied to the community's personal vehicle use than to the government operations. Although accurate, based on a strict operational control methodology, it sends the wrong signal to local decision

makers. Under this methodology, a government would greatly increase its emissions profile by increasing transit service despite the fact that such a move may actually serve to reduce overall emissions. It is an inconsistent accounting practice to include the emissions source (the bus fleet) in the government inventory, but the benefits it provides (through VMT reductions) in the community inventory. At the very least some guidance should be provided on this issue, and the County recommends classifying transit fleets as scope 3 (if not as a community emission).

7.1 page 68 step3
Please include additional clarification about how various non-highway vehicles are classified in terms of emission factors presented in table C-12. The terms "construction" and "light/heavy utility" leaves a lot of room for interpretation.

Also, please provide guidance on accounting for the fuel usage of non-highway vehicles that are not typically individually tracked (i.e. "forklifts and scissor lifts or grounds keeping equipment). Can a government can participate even if they do not monitor fuel usage in every lawnmower and leaf blower? Additionally, many construction projects have a fuel tank the job site but fuel use is not monitored on each individual piece of equipment at that site.

Chapter 9 (overall) pg 84
Please provide guidance for emissions from incineration and other waste disposal operations. Only including landfills sends the message those other disposal methods are carbon neutral in the inventory. This is not the case when petroleum based plastics and other products are incinerated (and per guidance in the chapter 13, biogenic emissions from an incinerator should be captured as an informational item as well).

Additionally, please provide guidance for the inclusion of any "closed" landfills that a jurisdiction may own. Is there an amount of time after closing that a landfill can be excluded from the inventory (or would ever landfill be included even if many have been closed for over 100 years)? The longer a landfill has been closed, the less it emits, and the more difficult it will be to find information on the amount of waste interred in that facility or its composition – therefore an age limit is needed.

9.3.1 pg 87 step 2
Please specifically clarify that the waste composition going into the landfill should include all organic material, even material used as alternative daily cover (ADC). ADC is considered "diversion" for waste reporting in California, but it still produces GHG emissions in a landfill. As that distinction does exist in other state guidance, ADC should be specifically mentioned in the protocol.

9.3.4 pg 93
Wouldn't it be double counting to include surface measured fugitive emissions and emissions from one of the methodologies listed before?

12.2 pg 107 – 109
With each example, please include a description of why it is considered scope 3.

An explanation would be particularly useful for why business travel is considered optional for reporting? All business related travel, regardless of whether the vehicles are owned by the local

government or not, should be considered as emissions required for the government to conduce business and therefore as an emissions source in the inventory. The government has control over its fleet policy (i.e. if enough vehicle are available and if they are convenient to use for business travel). If the government leased a vehicle for business travel, it would be included in the inventory. The same justification applies to reimbursing staff for the use of their vehicles. (Many governments even provide stipends to managers in lieu of their using a fleet vehicle.)

Similarly, local governments decide whether they want to promote personal vehicles, transit, intercity rail, or air travel as preferred options for staff mobility to business functions.

In general, all travel that is required to conduct the business/operation of the local government, and that the local government pays for, should be included in the inventory regardless of the vehicle used.

12.2.2 pg 108
Waste generated directly by the local government should be classified as scope 2 emissions, in a similar manner to electricity. Both types of emissions fall within the local government's operational and financial control – the government puts policies into place that dictate how much and what type of waste is produced, how that waste is disposed of (recycled, composed, trashed, etc.), and what company/facility their waste is sent to. Both are generated due to actions taken by the local government, even though the emissions occur at a landfill facility that is / may be operated by another entity. Emissions from those landfills are generated to satisfy the government's need for disposing of its waste (much like power plant emissions are directly linked to the government's electricity consumption). *If waste generation/disposal emissions cannot be classified as scope 2, they should be required to be reported, even as scope 3.*

The WARM model provides an accounting methodology that can be used to calculate the emissions related to waste generation/disposal and takes into consideration a variety of disposal options and excluding these emissions has a greater impact on the completeness and accuracy of a local government's inventory than any inherent uncertainty introduced through use of WARM.

13.1.1 pg 110
Please provide clarification / additional instructions on the following points.

- When reporting the government's annual budget, should the budget for semi-autonomous agencies, which are not included in the government's emissions inventory because they are not within its operational control, be subtracted from the governments overall budget?
- Additionally, climate zone should be included in the profile to facilitate accurate comparisons between similar jurisdictions.
- Finally, the heating degree days and cooling degree days for the inventory year should be reported. Variation in weather patters can lead to significant variations in emissions from year to year. HDD and CDD will allow for normalization of inventory data between years and prevent misinterpretation of emission trends.

15.4.1 pg 136
A note should be added that, although a modification of the base year inventory should be undertaken for various structural changes within the organization, a service that is no longer provided (i.e. closing a department not just outsourcing its services) does not – nor does building

a new building and selling an old one if the same services continue to be provided by the local government. Specific guidance on these points would be helpful.

Table C.12 pg 162
Can you recommend a source for additional emission factors that may not be included in this, and other tables (i.e. bunker fuel)?