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June 2, 2016

Mary Nichols, Chair California Air Resources Board 1001 | Street Sacramento, CA 95812

Dear Ms. Nichols:

As Chair of the Joint Legislative Audit Committee, I am writing to request that the California Air Resources Board provide me, the JLAC members, and Assemblymember Adam Gray information on the programs and projects that receive funding from the Greenhouse Gas Reduction Fund (GGRF). At the JLAC hearing on May 25, 2016, Assemblymember Adam Gray presented his request (audit number 2016-118) to audit the GGRF. I withheld a vote on this audit request; instead, we are requesting the Air Resources Board provide the following specific information for each program that has received GGRF appropriations since the implementation of the cap-and-trade program:

- a. The name of the program, administering department, and total amount of funding appropriated to the program.
- b. The methodology used to measure greenhouse gas (GHG) reductions for projects funded by the program.
- c. The program's overall GHG emission reduction per dollar of investment.
- d. Whether the program required, as a condition of eligibility or as a priority for funding, a cost-effective threshold.
- e. Any other metrics that are used in the program to evaluate its effectiveness, including quantified air quality benefits.
- f. Whether the GHG emissions from the program could have been achieved through other existing regulatory programs.
- g. The schedule or timeframe by which the GHG emission reductions, as a result of the funded projects, are expected to be achieved.
- h. The extent to which the Air Resources Board will use information on program effectiveness to inform the next investment plan.

Please provide this verifiable information to me, the JLAC members, and Assemblymember Adam Gray no later than July 1, 2016. If the information is not complete and accurate, Assemblymember Gray's



audit request will be resubmitted and voted on before the end of this Legislative Session. If you have any questions or require clarification of the information requested, do not hesitate to contact me or Debbie Meador, Chief Consultant in JLAC at (916) 319-3300.

Sincerely,

Freddie Rodriquez 52nd Assembly District Adam Gray

21st Assembly District