April 2008

Ms. Mary Nichols, Chair
California Air Resources Board
1001 “I” Street
Sacramento, CA 95812

Dear Ms. Nichols:

As you are likely aware, local governments throughout the state are suffering from cutbacks and budget shortfalls during these difficult economic times. As much as anyone we are dealing with rising energy costs and reductions in sales tax revenues as part of the financial downturn. These revenue reductions have real costs for real people in my community.

Please consider various solutions to meet the needs of AB 32 implementation as you design plans for compliance. Now, more than ever, we need flexibility in meeting these needed, yet ambitious goals.

Please keep an open mind to market based solutions – even if it is only a part – of the final plan you develop. Flexibility is required during these difficult times. In fact, it is the only way we will meet the goals outlined in AB 32 without harming local economies and possibly increasing the costs of electricity and gas in California.

Thank you for your consideration.

Sincerely,

[Signature]
Mayor of [City], Ca.

[Signature]
P A U L  S. L E O N