



# Air Resources Board



**Linda S. Adams**  
Secretary for  
Environmental Protection

**Mary D. Nichols, Chairman**  
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**Arnold Schwarzenegger**  
Governor

## AB 32: California Global Warming Solutions Act of 2006

### Notice of Public Workshop to Discuss Sector-Based Crediting and Subnational Reducing Emissions from Deforestation and Degradation (REDD) as part of a California Cap-and-Trade Program.

#### **Public Workshop on Cap-and-Trade Program Development**

Staff from the Air Resources Board (ARB) and the Nicholas Institute for Environmental Policy Solutions at Duke University invite you to participate in a workshop to discuss the potential role of sector-based offset credits and subnational Reducing Emissions from Deforestation and Degradation (REDD) programs in a California cap-and-trade program. Staff will provide an update on work being conducted through the Governors' Climate and Forest Task Force (GCF) related to development of a state-level international forest offset REDD program. Staff will seek input on technical issues and the potential to allow REDD offset credits to be used in a California cap-and-trade program.

The workshop will be facilitated by Dr. Brian Murray, Research Professor and Director for Economic Analysis at the Nicholas Institute. This workshop will provide the public an opportunity to discuss and comment on these issues. We welcome and encourage your participation in this event. For further information, please contact the ARB Office of Climate Change at (916) 324-2303.

#### **Workshop Time and Location**

We encourage you to take public transportation or drive low emission/high efficiency vehicles whenever possible. This workshop will be held at the following location and will also be webcast:

Date: Friday, July 30<sup>th</sup>, 2010  
Time: 9:00 a.m. – 3:00 p.m.  
Location: Sierra Hearing Room 2<sup>nd</sup> Floor  
Cal/EPA Headquarters  
1001 "I" Street  
Sacramento, CA 95812  
Directions: <http://www.calepa.ca.gov/EPABldg/location.htm>

#### **Background**

The AB 32 Scoping Plan, California's framework for reducing greenhouse gas emissions, incorporates a range of measures including the creation of a cap-and-trade program. On November 24, 2009 ARB released a [Preliminary Draft Regulation](#) (PDR) for the cap-and-trade system. This PDR provided a conceptual regulatory framework

*The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see our website: <http://www.arb.ca.gov>.*

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for offsets that included sector-based crediting from external programs. The PDR outlined an approach that includes international credits from developing countries through sector-based programs. Sector-based offset credits differ from project-based offset credits in that (a) sector-based credits come from a state or province-level program in a developing country; (b) the state/province-level program establishes a greenhouse gas reduction target for an entire sector; and (c) the state/province contributes towards the sector's target through its own direct measures.

California has been working with 13 state and provincial governments from the United States, Brazil, Indonesia, Nigeria, and Mexico through the GCF to establish a framework for a subnational sector-based program focused on REDD. For background, a "Regulatory Design Options for Subnational REDD Mechanisms" paper detailing how REDD could fit into a subnational compliance market was produced by the GCF and can be found at:

<http://www.gcftaskforce.org/documents/Workshop%20Options%20Paper%20-%20REDD%20Reg%20Design.pdf>

### **Workshop Materials**

The workshop materials and agenda will be posted prior to the workshop at <http://www.arb.ca.gov/cc/capandtrade/meetings/meetings.htm#publicmeetings>. At this website, you may join our electronic mailing list to receive notices of ARB activities and public meetings.

Comments on sector-based offsets and REDD must be posted at <http://www.arb.ca.gov/cc/capandtrade/comments.htm> by August 20<sup>th</sup> 2010 at 6:00 pm.

### **Video/Audio Webcast**

A live video/audio webcast will be available for the workshop at the following link: <http://www.calepa.ca.gov/broadcast/?BDO=1>.

ARB recommends that you do not run other programs while viewing the webcast, as it may interrupt or lower the quality of the signal. You can also submit your questions and comments during the workshops to [ccworkshops@arb.ca.gov](mailto:ccworkshops@arb.ca.gov).

### **Special Accommodations or Language Assistance**

If you require a special accommodation or need this document in an alternate format or language, please contact the Office of Climate Change at 916-322-2037 as soon as possible. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

Sincerely,

/s/

Kevin M. Kennedy, Ph.D.  
Assistant Executive Officer  
Office of Climate Change  
California Air Resources Board