**Cap-and-Trade Regulation Amendment Request**

NOTE: Please use this form to highlight a request to amend a specific section (or related sections) of the Cap-and-Trade Regulation. Submission of this form aids staff in tracking requests and **does not mean** staff will ultimately propose an amendment in the version of the amendments noticed pursuant to the Administrative Procedure Act. This form is intended only as an additional tool ARB will use to evaluate requested changes to the regulation. Amendment requests may be for reasons of policy, clarity, or errors, etc. Staff may contact you if we need more information. Additionally, submission of this form will be a public record, and will be included in the ultimate rulemaking file related to these amendments, but may not be specifically answered in the Final Statement of Reasons. (Government Code section 11346.9(a)(3).) Please complete this form (with as much detail as possible, though it need not be formal regulatory language) and mail or email (preferred) to:

David Allgood (dallgood@arb.ca.gov)

Stationary Source Division

P.O. Box 2815

Sacramento, CA 95812

**General Information**

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| August 2, 2013 |

Date:

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| Bill Buchan, Market Potential, Inc. |

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| Graphic Packaging International, Inc. |

Submitted by: Affiliation:

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| Buchan@mktpotential.com |

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| 510 928 5786 |

Contact Phone: E-mail:

**Section**

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| 95856(h)(1)(c) and (2)(c) |

Primary section(s):

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Related section(s):

**Amendment Request**

Type of amendment: xPolicy ☐Error ☐Clarity

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| Graphic Packaging International supports the ARBs proposed change under 95856 (h)(1)(c) and (2)(c) to allow current year vintage allowances up to the true-up amount for prior year compliance for facilities with leakage risk as identified in Table 9-1 of section 95891(b). We ask that ARB consider enhancing this provision by removing the true-up amount limitation. Allowing facilities to use current year vintage for prior year compliance can provide a strong cost containment benefit to EITE facilities. Facilities could now delay purchases of allowances if they thought future prices of allowances would be cheaper. As a facility with leakage risk, we see our proposed change as a significant means for cost – containment of cap and trade costs, a very important consideration for all EITE facilities.  |

Reason for amendment:

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| 1. We support the proposed change to 95856(h)(1)(c) and 95856(h)(2)(c) to allow the use of current year allowances for prior year compliance.
2. We further ask that this concept be expanded by removing the true-up amount limitation so that the regulation can provide industry added cost-containment.
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Additional information: