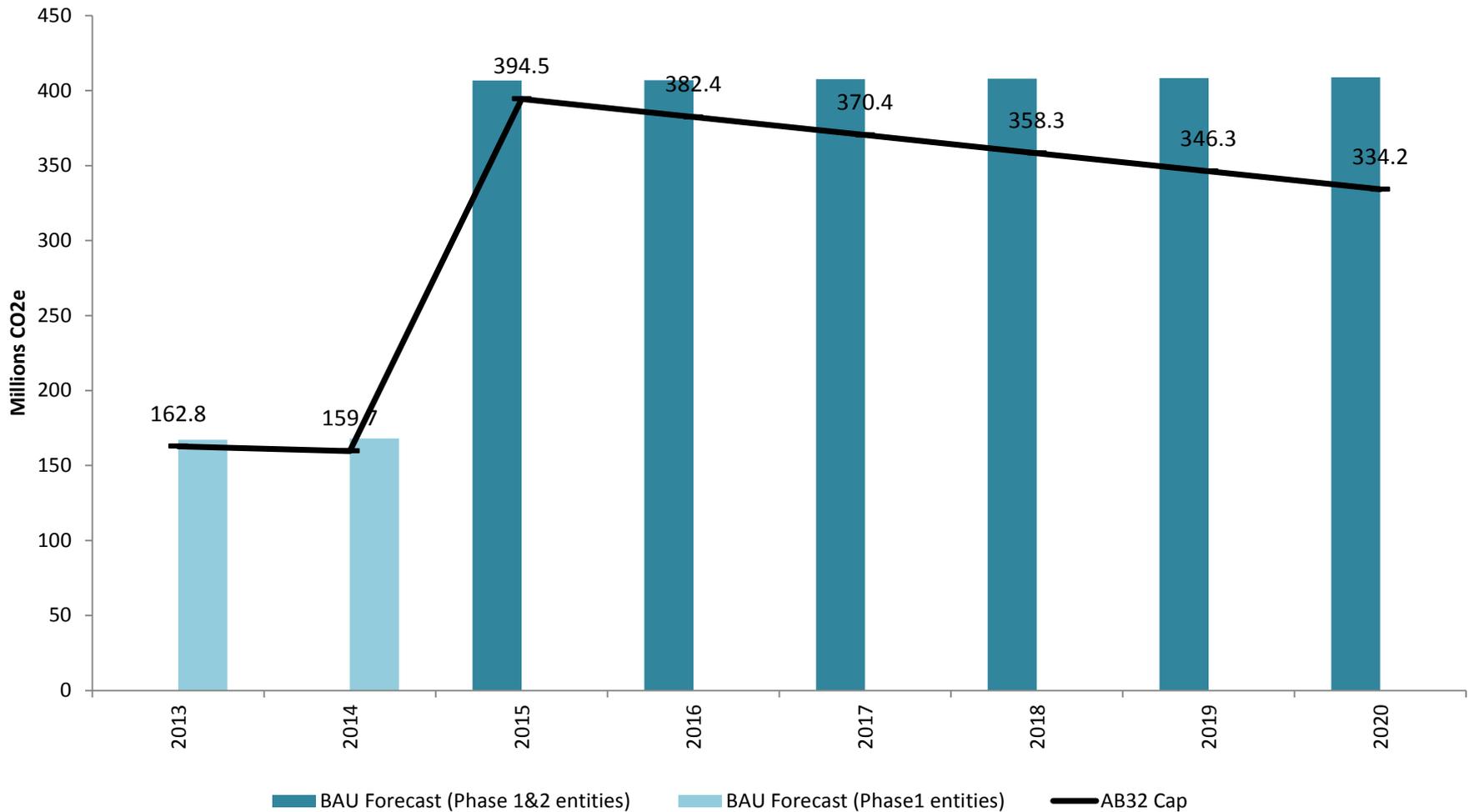


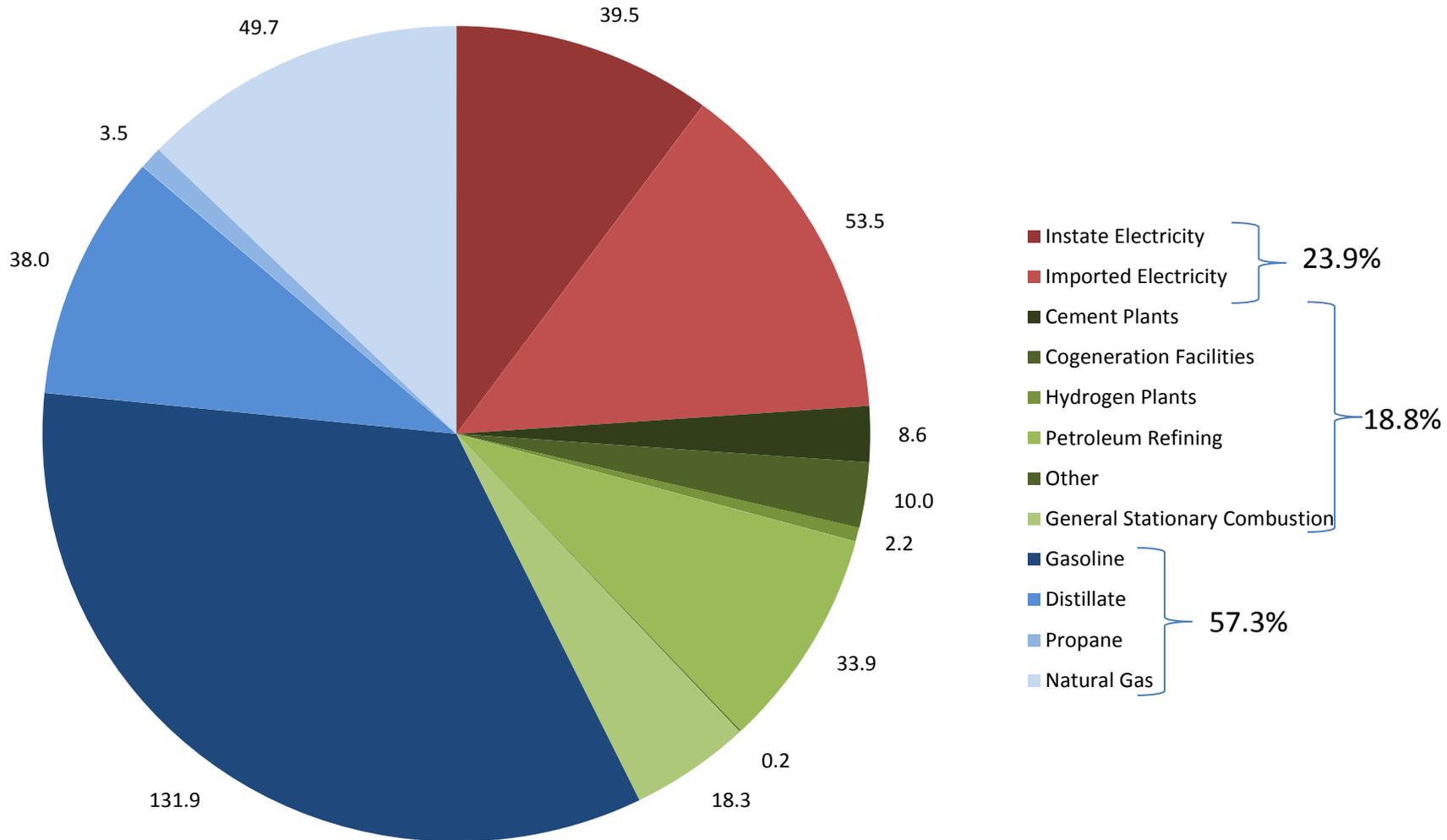
# Public Availability of GHG Allowance Information in the California C&T Market

Emissions Market Assessment Committee  
Quarterly Meeting  
September 24, 2012

# Forecasted BAU GHG Emissions Compared to the Allowance Cap Covered Entities Only 2013 - 2020



# GHG Emissions, by Sector and Segment 2010 BAU Forecast

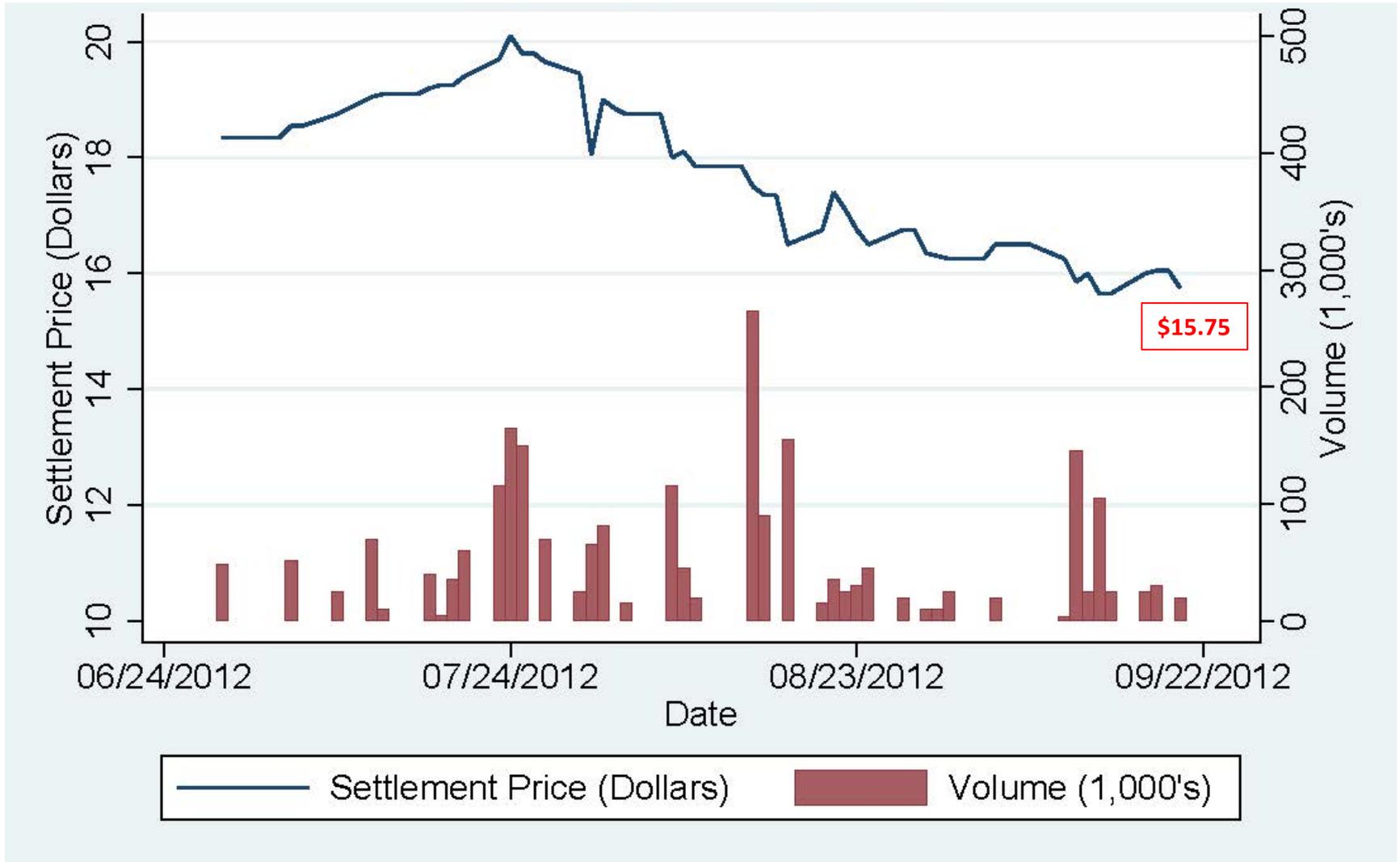


Total = 389.18 millions tonnes CO<sub>2</sub>e

# California GHG Allowance Prices and Trading Volume

ICE OTC 2013 Vintage, December 2013 Contract Month

June 24, 2012 – September 20, 2012



# Data Availability on Physical Allowance Transactions Enhances the Efficiency of the Market

- Symmetric information among market participants reduces likelihood of market manipulation
  - Participants face risk of explaining behavior publicly
  - Improves ability to undermine attempts to manipulate
- Auction provides a price discovery mechanism
- Third parties able to independently evaluate market performance
- Minimizes duplicative data collection by third-parties
- Minimizes transaction costs

# Data Availability on Physical Allowance Transactions Has Minimal Costs

- Publicly releasing data CARB is already collecting has low administrative costs
- Competitively sensitive business strategies are not compromised
  - Financial transactions
  - Output-updating is historic
  - Multi-product firms
- Unlikely to enhance ability to tacitly collude

# Wide Range of Allowance Data Can Be Made Available in a Timely Fashion

- Ownership information for each individual market participant account including
  - Parent company name
  - Contact information (e.g., mailing address, phone number, responsible party)
- Annual allocations of allowances by account name or number for each market participant receiving an annual allocation
- A real-time online register providing the serial number of each allowances, by vintage, held in each holding account and each compliance account

# Wide Range of Allowance Data Can Be Made Available in a Timely Fashion (cont.)

- A record of each allowance movement into and out of each account including
  - Serial number
  - Vintage
  - Transaction date
  - Buyer name and seller name

\*for all types of transactions including:

CARB quarterly auctions

transfers into or out of compliance accounts

transfers into or out of holding accounts

transactions between related entities

transactions between arms-length private parties

# Wide Range of Allowance Data Can Be Made Available in a Timely Fashion (cont.)

- Quarterly CARB auction information, including:
  - Number of allowances made available for sale
  - Total number of allowances sold
  - The names of each winning bidder including the number of allowances won
  - Auction clearing price
  - The maximum bid, the minimum bid, the weighted average mean bid, and the median bid

# Differences Exist in Types and Timing of Public Information Release Across Cap and Trade Programs

Less ← → More

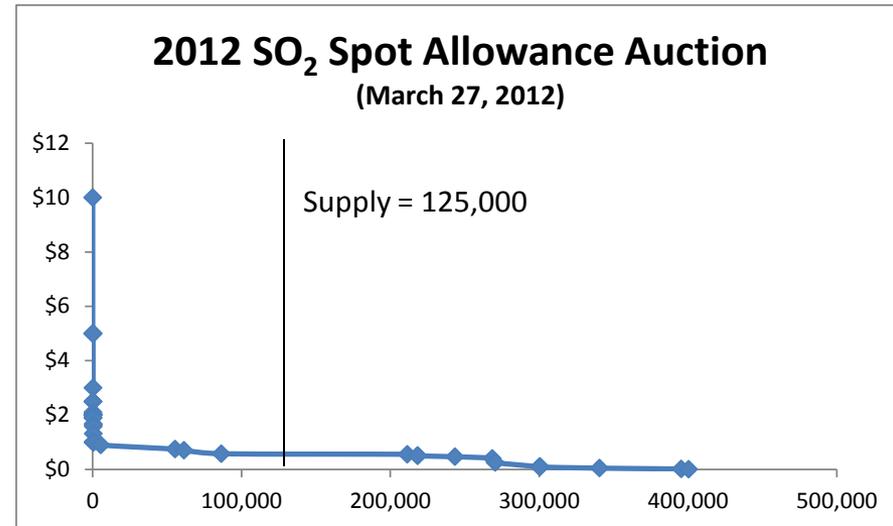
RGGI

U.S. Acid Rain

Current Control Period Offering

- Quantity Offered: 37,949,558
- Quantity Sold: 24,589,000
- Clearing Price: \$1.93
- Number of Bidders: 22
- Ratio of bids to Supply: 0.65x
- Percent Won by Electric Generators: 100

(Auction #17: Sept 5, 2012)



# Differences Exist in Types and Timing of Public Information Release Across Cap and Trade Programs

Less ←————→ More

RGGI

U.S. Acid Rain

Transaction Type  
Total Allowances Transacted  
Allowances in Control Period  
Recorded Date  
Transaction Date  
Exchange Settlement Transaction  
Price

Transaction Type  
Number of Allowances in Transaction  
Allowance Vintage  
Allowance Serial Numbers  
Transaction Confirmation Date  
Buyer Account Number  
Seller Account Number  
Buyer Account Name  
Seller Account Name  
Buyer Owner/Operator Name  
Seller Owner/Operator Name  
Buyer Representative  
Seller Representative

# Conclusion

**Publicly release as much data  
as practical in as short a time  
frame as practical**