

# **Québec's Cap-and-Trade System Compliance Requirements**

CARB Cap-and-Trade Workshop June 25, 2013

Jean-Yves Benoit
Director - Carbon Market Division
Climate Change Office
Government of Québec





### Status Update

- Cap & Trade Legislation (2009)
- 2020 Mitigation Goal (2009)
- Initial Cap & Trade Regulation (December 2011)
- Amendment to the C&T Regulation (December 2012)
  - Allow linking with California & other jurisdictions
  - Introduce Offset Regulation
- Québec and California linked Program: January 2014





#### **Compliance Requirements**

- Compliance obligation
  - to cover each metric tonne CO2 equivalent of the verified emissions ...
- Date of compliance obligation
  - November 1<sup>st</sup> following the end of each compliance period
- Compliance periods

• First : 2013-2014

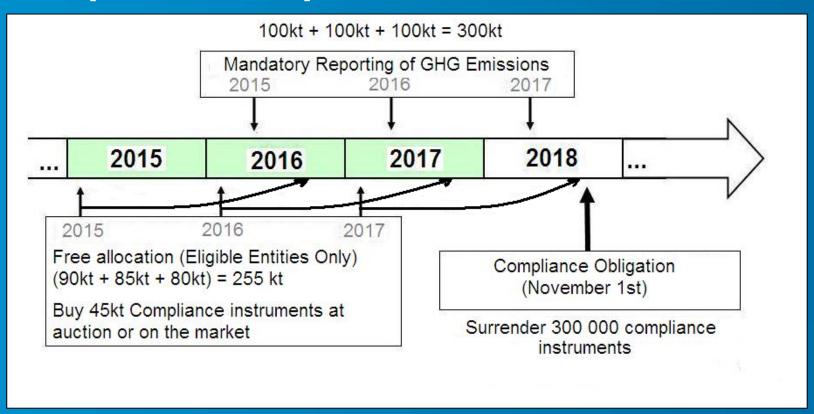
• Second: 2015-2017

■ Third: 2018-2020





#### **Compliance Requirements**







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- Compliance instruments valid for surrender
  - Québec Allowances, Early Reduction Credits and Offsets Credits
  - California Allowances and Offsets credits (once linked)
- Order of Compliance Instruments Retirement
  - 1. Offset Credits: earlier vintage first (subject to 8% limit)
  - 2. Early Reduction Credits
  - 3. Allowance purchased from the Allowance Price Cost Containment Reserve
  - 4. Allowances : earlier vintage first



## UN QUÉBEC POUR TOUS

Merci!

