



Linda S. Adams  
Secretary for  
Environmental Protection

# Air Resources Board

Mary D. Nichols, Chairman  
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Arnold Schwarzenegger  
Governor

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

### Public Meeting to Discuss International Offsets in a California Cap-and-Trade Program

**Topic and Purpose:** The Air Resources Board (ARB) seeks your input on the development of a compliance offsets program as part of the cap-and-trade rulemaking process. In an offset program, parties may develop projects to achieve greenhouse gas (GHG) emission reductions or removals from activities in sectors not subject to an emissions cap. These projects can generate “offsets,” i.e. verified reductions of emissions whose ownership can be transferred and used for compliance in the capped sectors. The cap-and-trade rulemaking will establish appropriate rules for use of offsets.

At this public meeting, ARB staff will discuss how international offsets, which are mentioned in the Scoping Plan as a potential compliance mechanism, could play a role in the California cap-and-trade program. Under other cap-and-trade systems, such offsets help incentivize cost-effective greenhouse gas reductions throughout the world economy. Currently, the primary source of international offsets is the Kyoto Protocol’s project-based Clean Development Mechanism (CDM). The CDM has received some criticism; therefore, recent international and national discussions have focused on ways to reform the CDM, such as crediting offsets based on an entire sector performing beyond a specified standard. Staff will discuss these issues, and describe preliminary concepts for international offsets in California, including a potential sectoral approach.

ARB staff will be accepting public comment on this topic and requests that comments be provided no later than September 11, 2009.

#### **Where and When is the Meeting?**

This meeting will be held at Cal/EPA Headquarters in Sacramento and will also be webcast.

Date: Thursday, July 30, 2009  
Time: 9:00 a.m. to 12:30 p.m.  
Location: Coastal Hearing Room, 2<sup>nd</sup> Floor  
Address: Cal/EPA Headquarters Building  
1001 “I” Street  
Sacramento, CA 95814

**[WEBCAST LINK](#)** (see details below)

*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>.*

California Environmental Protection Agency

All Interested Parties

July 23, 2009

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### **More Information on Public Meetings**

This meeting initiates a discussion of reviewing and approving offsets in a cap-and-trade program. ARB is scheduling other public meetings to discuss cap-and-trade program design issues including but not limited to reporting, market operations, cap setting, and allowance distribution. ARB will post these meetings on the ARB website at: <http://www.arb.ca.gov/cc/capandtrade/capandtrade.htm>.

### **Meeting Materials**

ARB will post meeting materials and an agenda prior to the workshop at <http://www.arb.ca.gov/cc/capandtrade/meeting/meetings.htm>. At this website, you may also join our electronic mailing list to receive further notices of ARB activities and public meetings related to the implementation of AB 32.

### **Can't Make It to the Meeting?**

ARB will webcast this meeting. Viewers can email written comments or questions during the session to [ccworkshops@arb.ca.gov](mailto:ccworkshops@arb.ca.gov). Webcast links are posted at <http://www.calepa.ca.gov/broadcast/>. ARB recommends that you do not run other programs while viewing the webcast, as it may interrupt or lower the quality of the signal.

### **Directions to Cal/EPA**

There are many ways to arrive at the Cal/EPA Headquarters Building. We encourage you to take public transportation or drive low emission/high efficiency vehicles whenever possible. Use the following link for directions and information on public transit: <http://www.calepa.ca.gov/EPAldg/location.htm>

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

If you require special accommodations or language needs, please contact Brieanne Aguila at (916) 324-0919 or [baquila@arb.ca.gov](mailto:baquila@arb.ca.gov) as soon as possible. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

### **We Value Your Input**

We welcome and encourage your participation in this important effort. If you have any questions, please contact Brieanne Aguila, ARB Office of Climate Change, at (916) 324-0919 or [baquila@arb.ca.gov](mailto:baquila@arb.ca.gov).

Sincerely,

Kevin Kennedy  
Assistant Executive Officer  
Office of Climate Change