



Air Resources Board



Matthew Rodriguez
Secretary for
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Mary D. Nichols, Chairman
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Edmund G. Brown Jr.
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May 15, 2012

Public Consultation on Investment of Cap-and-Trade Auction Proceeds

May 24, 2012
1:30 p.m. to 5:00 p.m.
Byron Sher Auditorium
Cal/EPA Headquarters Building, 2nd Floor
1001 "I" Street, Sacramento, California 95814

The meeting can be viewed via webcast: <http://www.cal-span.org/>.

California will be developing an investment plan for the auction proceeds from the cap-and-trade program to reduce greenhouse gases that contribute to climate change. As part of this process, the California Air Resources Board (ARB) is hosting a public consultation to solicit input from stakeholders and experts on the development of the plan. Representatives from the Administration and the Legislature have been invited to hear from two panels of speakers, followed by open public comment.

The first panel will examine how California can effectively invest the auction funds to meet the goals of Assembly Bill 32 (AB 32) including support of long-term, transformative efforts to improve public health and develop a clean energy economy. The second panel will discuss what criteria should be prioritized in the development of an investment plan, and why. The public is invited to share ideas on either or both of these questions at the meeting, or to submit written comments by June 22, 2012. Following the meeting, ARB will provide instructions on how to submit written comments and will make those written comments publicly available.

Background. The Global Warming Solutions Act of 2006 (Chapter 488, Statutes of 2006 [AB 32, Núñez/Pavley]), requires California to reduce statewide greenhouse gas emissions to 1990 levels by 2020 and to maintain and continue reductions beyond 2020. As part of this effort, ARB has developed a cap-and-trade program. The program establishes a statewide emissions limit on sources responsible for 85 percent of greenhouse gases and creates a financial incentive for investment in clean and efficient technologies. Under the program, a portion of the allowances required for compliance will be auctioned.

Strategic investment of auction funds can further the purposes of AB 32 and deliver long-term economic, environmental, and clean energy benefits. The first auction is scheduled for November 2012 and auctions will be held on a quarterly basis thereafter through 2020.

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

Meeting Format. The meeting will begin with an introduction by ARB Chairman Mary Nichols (the meeting moderator), followed by remarks from the participants on each panel and discussion. There will be an open public comment period after the panel discussions. To accommodate the anticipated large number of commenters at the meeting, each speaker may be limited to two minutes. If you would like to speak at the meeting, we request that you be brief and focus your remarks on one or both of the following questions:

- How California can effectively invest the auction funds to meet the goals of Assembly Bill 32 (AB 32) including support of long-term, transformative efforts to improve public health and develop a clean energy economy?
- What criteria should be prioritized in the development of an investment plan for auction funds and why?

Although this meeting is being hosted by ARB, and a quorum of Board members may be present, this is not a Board meeting. No decisions will be made, nor actions taken at this meeting. Members of the Board will be attending only to obtain information and ideas from the panels and the public regarding how the funds received through the cap-and-trade auction should be expended.

Accommodation. To request special accommodations or language needs, please contact Carol Wysong at 916.322.0289 as soon as possible. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

Directions to Cal/EPA headquarters and public transit can be found at:
<http://www.calepa.ca.gov/EPAbldg/location.htm>.

Contact. If you have questions about this meeting, please contact Shelby Livingston at slivings@arb.ca.gov or 916-324-0934.