

**Important Process Information Regarding the
Air Resources Board Compliance Offset Investigation
Livestock Methane Destruction**

Issued January 13, 2016

On September 29, 2015, the California Air Resources Board (ARB) initiated an investigation into whether compliance offset credits issued for livestock methane destruction events that took place at the T&M Bos Dairy in Fair Oaks, Indiana (Facility) may have been generated while the Facility was not in compliance with air permitting rules of the Indiana Department of Environmental Management's Office of Air Quality. Identified parties have provided information to ARB, and the Executive Officer has requested and received additional information to make a final determination.

This notice begins the regulatory 30-day period for the Executive Officer to make a final determination as to whether ARB will invalidate any compliance offset credits generated at the Facility. After the 30-day period begins, the Executive Officer may issue the final determination at any time and does not need to wait for the 30-day period to conclude. The release of the final determination will be noticed ahead of time to ensure all market participants receive the information simultaneously. Once the final determination is made publicly available, offsets determined to be valid that were not allowed to be transferred during the investigation will no longer be blocked from being transferred.

Additional Information

Additional information about this investigation can be found in this FAQ:
http://www.arb.ca.gov/cc/capandtrade/offsets/bos_dairy_offset_investigation_faq.pdf

If you have questions or comments, contact Jason Gray at (916) 324-3507 or via email at jason.gray@arb.ca.gov.