

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

### Scoping Plan Workshop

#### Design and Analysis of Compliance Mechanisms to Reduce Greenhouse Gas Emissions in California

January 16, 2008

California Air Resources Board

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## Workshop Overview

- Scoping Plan background
- Voluntary early actions policy
- Evaluation of costs and benefits of alternatives
- Overview of main mechanisms
- Options and issues for cap and trade
- Offsets, incentives and other mechanisms
- Next steps & wrap-up

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## Scoping Plan

- Describe how California will reduce GHG emission levels to 1990 levels by 2020
- Provide a vision for a low carbon future
  - Looking to 2020 and beyond
- Further define California's leadership in combating climate change
- Maximize benefits to California
  - Criteria and toxic air pollutant co-benefits
  - Economic development
  - Community participation and benefits
- Prerequisite for regulatory requirements

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## Scoping Plan Development Schedule

<i>Nov 30, 2007</i>	<i>Scoping Plan Kick-Off Workshop</i>
<i>Dec 14, 2007</i>	<i>Sector Summary Workshop</i>
<b>Jan 16, 2008</b>	<b>Mechanisms Workshop (Oakland)</b>
<i>Apr 4, 2008</i>	<i>Scoping Plan Scenarios Workshop (Sacramento)</i>
<i>June 2008</i>	<i>Draft Scoping Plan released</i>
<i>July 2008</i>	<i>Workshops on draft plan (Statewide)</i>
<i>Oct 2008</i>	<i>Final Staff Proposal released</i>
<i>Nov 20-21, 2008</i>	<i>Board Hearing - Scoping Plan</i>

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### Who Is Developing the Scoping Plan?

- ARB staff responsible for the Scoping Plan
- ARB working closely with Cal/EPA and Climate Action Team Subgroups
- CPUC and CEC conducting proceeding on electricity and natural gas sectors to provide recommendations to ARB
- Technical evaluations performed by ARB staff, multi-agency teams, and contractors
- Stakeholder outreach will be a joint effort with other state agencies

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### Sources of Input

- Environmental Justice Advisory Committee (EJAC) and Economic and Technology Advancement Advisory Committee (ETAAC) providing recommendations
- Market Advisory Committee Report
- Stakeholder input
- Academic and other experts

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### Collaborative Activities

- Western Climate Initiative
- International Climate Action Partnership
- Federal legislative efforts
- Post-Kyoto international negotiations
- Other state efforts:
  - Regional Greenhouse Gas Initiative
  - Midwest Greenhouse Gas Reduction Accord

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### Opportunities for Participation

- Scoping Plan Workshop Series
- Stakeholder workgroups
- Individual regulatory proceedings
  - Early action measures
  - Subsequent regulatory actions
- ARB Community Outreach Efforts
- Advisory Committees
  - Economic and Technology Advancement Advisory Committee
  - Environmental Justice Advisory Committee
- Workshops after release of the Draft Scoping Plan
- Board Hearing

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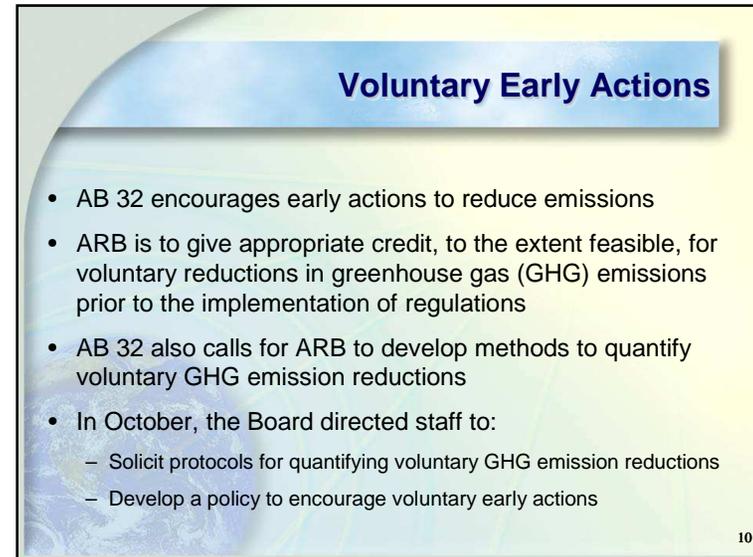


**Session 1**

**Voluntary Early Actions**

Email questions to [CCPlan@arb.ca.gov](mailto:CCPlan@arb.ca.gov)

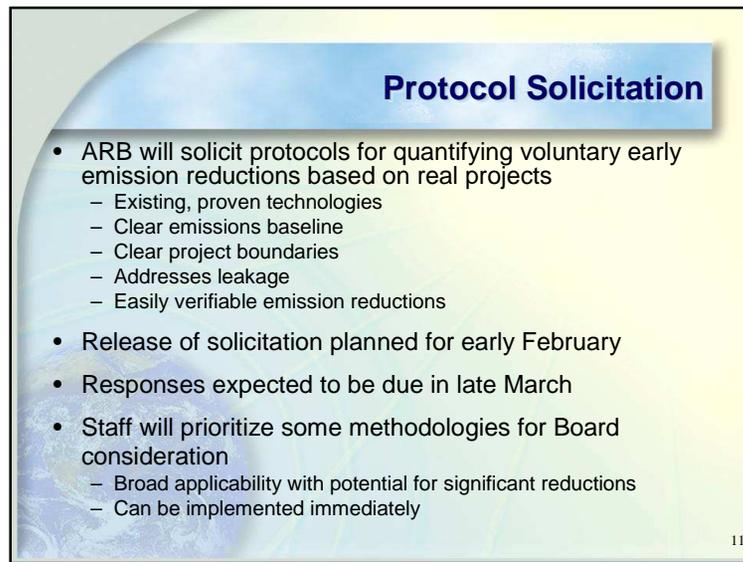
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**Voluntary Early Actions**

- AB 32 encourages early actions to reduce emissions
- ARB is to give appropriate credit, to the extent feasible, for voluntary reductions in greenhouse gas (GHG) emissions prior to the implementation of regulations
- AB 32 also calls for ARB to develop methods to quantify voluntary GHG emission reductions
- In October, the Board directed staff to:
  - Solicit protocols for quantifying voluntary GHG emission reductions
  - Develop a policy to encourage voluntary early actions

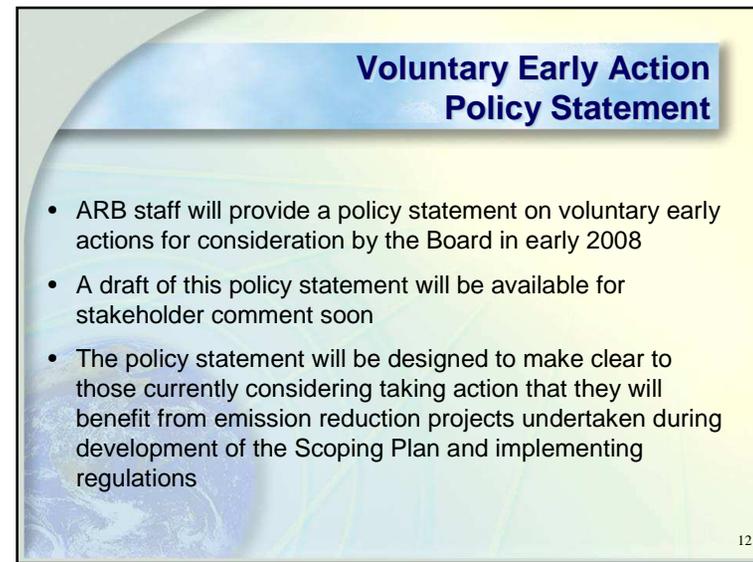
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**Protocol Solicitation**

- ARB will solicit protocols for quantifying voluntary early emission reductions based on real projects
  - Existing, proven technologies
  - Clear emissions baseline
  - Clear project boundaries
  - Addresses leakage
  - Easily verifiable emission reductions
- Release of solicitation planned for early February
- Responses expected to be due in late March
- Staff will prioritize some methodologies for Board consideration
  - Broad applicability with potential for significant reductions
  - Can be implemented immediately

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**Voluntary Early Action Policy Statement**

- ARB staff will provide a policy statement on voluntary early actions for consideration by the Board in early 2008
- A draft of this policy statement will be available for stakeholder comment soon
- The policy statement will be designed to make clear to those currently considering taking action that they will benefit from emission reduction projects undertaken during development of the Scoping Plan and implementing regulations

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