



Linda S. Adams  
Secretary for  
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# Air Resources Board

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Arnold Schwarzenegger  
Governor

## AB 32 – California Global Warming Solutions Act Scoping Plan Program Design Technical Stakeholder Working Group Meeting

### **Invitation to Attend Technical Stakeholder Meeting on Cost Containment**

The Air Resources Board (ARB) staff invites you to participate in a public meeting to discuss the issue of cost containment. This is another in an ongoing series of program design technical stakeholder meetings. These meetings are being conducted to provide interested stakeholders the opportunity to provide specific technical input concerning various elements of the program design that may become part of the AB 32 Scoping Plan. The meetings are open to the public and full participation by all parties is encouraged.

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

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

Date: Friday, April 25, 2008  
Time: 1:30 p.m. - 5:00 p.m.  
Location: Sierra Hearing Room, 2<sup>nd</sup> Floor  
Address: Cal/EPA Headquarters Building  
1001 "I" Street  
Sacramento, CA 95814

### **Meeting Topic Details**

**The specific focus of this meeting will be to discuss cost containment mechanisms within the context of an emissions trading program.** Cost containment mechanisms are tools that can be used in an emission trading program to control the cost of allowances and moderate price volatility. Such mechanisms can help ensure that compliance costs do not keep firms from operating and that firms have reasonable expectations of future compliance costs. Examples of cost containment mechanisms include price ceilings, which limit how high prices can go, and price floors, which limit how low they can go. Flexible compliance mechanisms such as banking, borrowing, and offsets, could help keep allowance prices stable by giving firms options for meeting their obligations under the trading program. A California Carbon Trust, as recommended by the Economic and Technology Advancement Advisory Committee (ETAAC), could play the role of assuring that there is a buyer for every seller of allowances in the market, and vice versa. A briefing paper on the subject will be released prior to the meeting.

*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 Materials**

Meeting materials and an agenda will be posted prior to the workshop at <http://www.arb.ca.gov/cc/scopingplan/pgmdesign-sp/meetings/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?**

This meeting will be webcast, and viewers can email questions during the session to [ccplan@arb.ca.gov](mailto:ccplan@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. Written questions and comments can be submitted at any time to [ccplan@arb.ca.gov](mailto:ccplan@arb.ca.gov).

**Directions to Cal/EPA**

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

**Special Accommodations or Language Assistance**

To place your request for disability services, please contact ARB's Disability Coordinator at 916-323-4916 by voice or through the California Relay Services at 711. For interpreter services, please contact ARB's Bilingual Manager at 916-323-7053.

**Upcoming AB 32 Scoping Plan Events**

May 5, 2008	Workshop On Policy Scenarios	Sacramento
May 19, 2008	Stakeholder Meeting on Cost Effectiveness	Sacramento
May 19, 2008	Stakeholder Meeting on Enforcement	Sacramento
July 2008	Workshops on Draft Scoping Plan	Southern CA , San Joaquin Valley, Sacramento

We welcome and encourage your participation in this important effort. If you have any questions, please contact Matthew Zaragoza, ARB Office of Climate Change, at (916) 322-7648 or [mzaragoz@arb.ca.gov](mailto:mzaragoz@arb.ca.gov).

Sincerely,

Kevin Kennedy, Chief  
Program Evaluation Branch  
Office of Climate Change