



Union of Concerned Scientists

Citizens and Scientists for Environmental Solutions

Steve Cliff
Rajinder Sahota
California Air Resources Board (CARB)
Sacramento, CA 95812

June 27, 2012

Re: Comments on linkage with Quebec

Dear Mr. Cliff and Ms. Sahota,

Thank you again for the opportunity to submit comments on regulation for linking California's and Quebec's cap-and-trade programs. We focus these comments on CARB's process for ensuring that Quebec's offsets protocols, and the offsets protocols of any jurisdiction with which California shall link in the future, meet the requirements of AB 32 that offsets credits be real, permanent, quantifiable, verifiable, and enforceable, additional to what would have otherwise occurred, and represent a no lesser reduction in greenhouse gas emissions than a California compliance instrument. Ensuring the quality of offsets programs across linked jurisdictions is a challenging aspect of linking cap-and-trade programs. Since credits are fungible across linked programs, ensuring the quality of the offsets program of all linked jurisdictions is essential to the integrity of the entire set of linked programs.

We urge CARB to make clear the criteria it will use to assess whether the offsets protocols of a linked jurisdiction meet AB 32 requirements. We also urge CARB to make its assessments publicly available.

Second, we urge CARB to establish procedures that would discourage a linked jurisdiction from making substantial changes to its own cap-and-trade program that weakens the program so it no longer meets California's requirements. CARB should clarify that if a jurisdiction makes substantial changes to its program, such as adopting a new protocol or substantially modifying an existing protocol, CARB will evaluate that change. If CARB finds that the program no longer meets CARB requirements, CARB will disallow the additional use of compliance instruments from that jurisdiction until its program is found once again to meet CARB's standards.

Once again, thank you for your hard work developing the cap-and-trade regulation, and we appreciate the opportunity to provide comments on this important step forward in building wider cooperation on climate change mitigation.

Sincerely,

Barbara Haya
Consultant to Union of Concerned Scientists