



CLIMATE
ACTION
RESERVE

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Officer, Los Angeles Department of Water and Power

July 5, 2018

Via Electronic Submission

Re: Comments on the June 21 Workshop to Discuss Potential Changes to the
Cap-and-Trade Regulation

Dear Chairwoman Nichols and Members of the California Air Resources Board:

The Climate Action Reserve commends the California Air Resources Board and its staff for the achievements of the state's pioneering cap-and-trade program and the work being done to expand and strengthen the program. The Reserve is the largest Offset Project Registry (OPR) serving California's Compliance Offset Program and has issued over 34 million registry offset credits to 148 projects under the current Cap-and-Trade Regulation. Supporting these offset projects over the last five years has given us significant insight into the processes and requirements codified in the Cap-and-Trade Regulation. Our comments below are based on this experience working with ARB staff and offset project developers, and our desire to improve the efficient implementation of the Compliance Offset Program. These comments are intended to expand on the comment letters we submitted on March 16, 2018 and May 10, 2018.

The Reserve would like to comment on Section 95976(g) for evaluating alternate methods.

Section 95976(g) General Procedure for Approving Alternate Methods to Demonstrate Accuracy Pursuant to Compliance Offset Protocols:

The Reserve recognizes this proposed addition to the Regulation to be a positive step towards improving the flexibility of the Compliance Offset Protocols. However, we believe that this section should explicitly specify the scope of applicability. For example, protocol sections related to metering, monitoring, modeling and other aspects of quantification techniques may be appropriate, but certain other protocol sections, such as eligibility or project definitions, should not be open to alternate methods. We would recommend making this proposed language more explicit as to the scope of the potential for proposing alternate methods. We would also appreciate more specificity around how ARB will evaluate the perceived accuracy of a method.

The Reserve thanks the Members of the Board as well as the ARB staff for their consideration of these comments and for their continued efforts to improve the Compliance Offset Program.

Sincerely,

A handwritten signature in black ink, appearing to read "Craig Ebert". The signature is written in a cursive style with a large initial "C" and a distinct "Ebert" at the end.

Craig Ebert
President