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RE: Comments on 15-day Proposed Regulatory Changes

Via Email Rajinder Sahota California Air Resources Board 1001 I Street Sacramento, California 95814

The following are our comments on the October 2014 proposed amendments to the California Cap and Trade regulation and to the ODS Destruction Protocol.

Section 3.8 Regulatory Compliance Proposed Amendment:

The regulatory compliance requirements for a project apply to the collection, recovery, storage, transportation, mixing, and destruction of ODS, including disposal of the associated post-destruction waste products. The regulatory compliance requirements extend to the destruction facility during the time ODS destruction occurs.

Comment:

The proposed language would only partially correct the prevailing uncertainty regarding the definition of regulatory compliance for an offset project. This uncertainty has been at the center of ARB's investigation of the offset credits associated with the Clean Harbors facility. If ARB's intent is to minimize or eliminate the uncertainty, which we have been advocating for over 2 years, we suggest the following revisions (in bold) for clarity and for consistency with related regulatory language:

The regulatory compliance requirements for a project apply to the collection, recovery, storage, transportation, mixing, and destruction of ODS, including disposal of the associated post-destruction waste products that are directly applicable to the ODS destruction project activities. The regulatory compliance requirements in this section apply to the incinerator and any other unit or operation at the destruction facility, directly related to the destruction activities, during the time ODS destruction occurs.

Appendix D. ODS Mass and Composition from Refrigerant and Appliance Foam Projects – Quantification Methodology

Section (a) (4)

Each single compartment, cylinder, drum, or any other eligible ODS container that has been identified and destined for destruction must be weighed separately, sampled separately, and treated as a separate destruction event.

Section (a) (5)

Recovery, collection, and aggregation activities may occur until the container has been identified and destined for destruction. After the ODS container has been identified and destined for destruction, ODS must not be added or removed, except for the purpose of sampling and analysis.

Comment:

Identifying when a container is destined for destruction is ambiguous. We believe it is important for offset project operators and verifiers to clarify more precisely when a container is "identified and destined" for destruction. We suggest defining the point at which a container is destined for destruction as the time when a sample is taken at the destruction facility from the container for analysis in preparation for destruction as part of the ODS destruction project. Up to that point, there are many scenarios where a container may or may not be destined for destruction.

Sincerely,

Todd English VP Operations EOS Climate