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April 5, 2016

Submitted via email

Rajinder Sahota, Branch Chief, Cap-and-Trade Program
Craig Segall, Senior Staff Counsel
California Air Resources Board
1001 I Street
Sacramento, California 95812

Subject: Trading Ready Program Design

The Public Generating Pool (PGP) is composed of nine consumer-owned electric utilities in Washington and one consumer-owned electric utility in Oregon. Collectively, PGP member utilities serve approximately one million customers with an aggregate utility owned asset base that is 94% carbon-free. PGP is engaged in discussions within Oregon and Washington regarding state implementation plans under the federal Clean Power Plan. Our work has led us to appreciate the need for 'trading-ready' state implementation plans to assure a least-cost approach to carbon reduction for electric power ratepayers.

It is our understanding that changes to California's Cap-and-Trade program are needed in order to conform with Clean Power Plan requirements. PGP encourages the California Air Resources Board to consider now the changes required in its program to assure that California's state implementation plan would be considered 'trading-ready' under the Clean Power Plan. California is a significant stakeholder in any multi-state trading platform in the West and it is important for other states to know that California will be eligible at the time of implementation.

Although the Clean Power Plan implementation is currently on hold, PGP believes that states should be prepared for potential implementation as early as 2022. For that reason, we urge you to identify and take the necessary actions to make California's implementation plan 'trading-ready' under the Clean Power Plan.

Sincerely,

A handwritten signature in black ink, appearing to read "Therese Hampton", is written in a cursive style.

Therese Hampton
Executive Director, Public Generating Pool

cc:

Sarah Rees, Washington Department of Ecology
Stu Clark, Washington Department of Ecology
Tony Usibelli, Washington Department of Commerce
Colin McConaha, Oregon Department of Environmental Quality
Andy Ginsburg, Oregon Department of Energy
Jason Eisdorfer, Oregon Public Utility Commission

Public Generating Pool

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Klickitat County PUD / Lewis County PUD / Pend Oreille County PUD / Snohomish County PUD / Tacoma Power