

To:

Mary Nichols, Chair

California Air Resources Board

Fr:

Climate Change Policy Coalition

Date:

September 19, 2016

Re:

California Air Resources Board's Proposed Amendments to the

Mandatory Reporting of Greenhouse Gas Emissions

The Climate Change Policy Coalition is a coalition of business and taxpayer groups working for effective implementation of AB 32. Our goal, has been, and continues to be to serve as a constructive voice in the implementation of AB 32 and ensure that the greenhouse gas emission reductions required by the statute are achieved while maintaining the competitiveness of California businesses and protecting the interests of consumers and workers.

Our comments today focus on the California Air Resources Board's (ARB's) consideration of the proposed amendments to the regulation for the Mandatory Reporting of Greenhouse Gas Emissions. While we understand this is the first of two ARB hearings on the issue and that staff anticipates making its final recommendation to the ARB in the Spring of 2017; there is one chief issue that needs to be addressed as the proposed amendments are refined.

As we conveyed in workshops and in one-on-one meetings, CCPC is concerned with the regulatory revisions that will make changes to the verification

deadline. Specifically, we are strongly opposed to changing the Mandatory Reporting Regulation (MRR) report verification deadline to August 1st. We believe that moving the verification deadline from September 1st to August 1st will create a significant burden for both reporting entities and verification bodies.

We recommend leaving the verification deadline at September 1st and, if necessary, consider pushing back cap-and-trade deadlines that appear to have flexibility.

Alternatively if ARB feels strongly about moving forward with the August 1st deadline, we would request:

- ARB consider efficiencies within ARB staff and verifier activities allowing a compromise verification completion date in recognition of the added scheduling burden to reporting entities;
- That flexibility be provided to obligated parties if reporting dates create problems arising from industry-specific sector needs (such as crop processing or high demand conditions);
- Provide incentives for advanced reporting and verification;
- Alignment of penalties, allowing for verification compliance problems beyond the control of the obligated party; and,
- Recognition of good-faith efforts by obligated parties to provide timely compliance that is otherwise compromised.

CCPC looks forward to working with you to find a resolution that fits within the proposed amendments to the MRR while at the same time is equitable for the regulated stakeholders. Should you have any questions or need anything further from us, please feel free to contact Shelly Sullivan at (916) 858-8686.

Cc: California Air Resources Board Members
Dr. Steven Cliff, Senior Advisor to the Chair
Richard Corey, Executive Officer
Edie Chang, Deputy Executive Officer