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October 17, 2014

Edie Chang  
Deputy Executive Officer  
California Air Resources Board  
1001 I Street, P.O. Box 2815  
Sacramento, CA 95812

Subject: Proposed 15-Day Amendments to the California Cap-and-Trade Regulation dated October 2, 2014

Dear Ms. Chang:

Chevron has been a California company for more than 130 years and is the largest Fortune 500 corporation based in the state. We have participated in stakeholder meetings and discussions with ARB and its staff in order to make the program and this proposed rule workable for California, while meeting the goals of AB 32.

The 15-Day Amendments to the California Cap-and-Trade Regulation represent substantial progress in improving the Cap-and-Trade Regulation in order to achieve ARB's compliance and market-oversight goals through clear and reasonable requirements. We appreciate the opportunity to work with staff and management to address our concerns regarding corporate affiliation disclosure requirements. In addition, we are providing comments on recent auction application attestation disclosure guidance.

### **Disclosure of Corporate Affiliations – Section 95830(c)(1)(H)1**

Chevron strongly supports the Proposed 15 day Amendments to the California Cap-and Trade Regulation Section 95830(c)(1)(H)1 that clarifies acceptable methods for compliance with the corporate affiliation requirements. We specifically support the changes to allow use of publically disclosed corporate affiliate information via SEC (10K), FERC and CFTC as a compliance alternative. Chevron is thankful to ARB for providing guidance on this matter in July 2014 and proposing regulatory changes that add necessary certainty for registrants using this alternative method. We appreciate ARB's overall responsiveness and collaborative exchange of information in addressing this issue. The process of developing this alternative option through a series of meetings between a broad coalition and ARB was exemplary in the open exchange of concerns and ideas by both groups.

October 17, 2014

**Auction Application Attestation Disclosure - Section 95912(d)(4)(E)**

Although not part of this 15 day package, we also wish to express support of ARB's 10/10/14 guidance on regulatory requirements related to submitting an Auction Application Attestation Disclosure, as described in Section 95912(d)(4)(E). Chevron has not had the opportunity to fully analyze the guidance but believes that it goes in the right direction by defining investigation and setting reasonable standards for older data and data from corporate affiliates. Just as ARB moved from guidance to regulation for disclosure of corporate affiliates, we recommend that the auction application attestation disclosure be treated in the same fashion. Regulations are needed to create a stable ongoing registration process that meets ARB's information needs without imposing inadvertent compliance risks.

We understand that it is ARB's position that it could not make these changes because they lie beyond the current scope of rulemaking. We ask therefore that ARB continue to work with the broad coalition to initiate a new Cap and Trade rulemaking in the very near future to address this particular issue.

**Conclusion**

We are hopeful that the collaborative dialogue which produced the disclosure of corporate affiliation amendments and auction application attestation disclosure guidance will continue to bear fruit in the form of further amendments toward a more effective Cap and Trade regulation.

Chevron sincerely appreciates the opportunity to work with ARB staff and leadership and submits these comments on the proposed 15-Day Amendments to the Cap- and-Trade Regulation, dated October 2, 2014 for consideration.

Sincerely,

*(submitted via email)*

Michael Rubio  
California Government Affairs

cc: Richard Corey, ARB  
Rajinder Sahota, ARB