



To: The Honorable Mary Nichols, Chair
California Air Resources Board

Fr: Climate Change Policy Coalition

Date: January 20, 2017

Re: CCPC Comments Regarding the California Air Resources Board's
Proposed Amendments to the Regulation for the Mandatory Reporting
of Greenhouse Gas Emissions [December 21, 2016]

The Climate Change Policy Coalition [CCPC] is a coalition of business, housing and taxpayer groups working for effective implementation of California's climate change policies. Our goal, has been, and continues to be to serve as a constructive voice in the implementation of AB 32 and ensuing legislation and regulations to 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 respond to the California Air Resources Board's (ARB's) proposed amendments to the regulation for the Mandatory Reporting of Greenhouse Gas Emissions released on December 21, 2016.

CCPC continues to be opposed to changing the Mandatory Reporting Regulation amendments (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.

Unfortunately, in the most recent ARB/MRR staff report released on December 21, 2016 the staff MRR report states:

“At this time staff is not make [sic] changes to the originally proposed verification deadline of August 1. Staff plans to hold a workshop in early 2017 to further discuss the verification deadline. As such, staff is retaining the amended language, but additional proposed amendments may be issued in a second package of proposed modified amendments, with an additional comment period based on further dialogue with stakeholders.”

We continue to advocate for maintaining the September 1st MRR verification deadline 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 indications from the staff MRR report that states, *“Staff plans to hold a workshop in early 2017 to further discuss the verification deadline....additional proposed amendments may be issued in a second package*

of proposed modified amendments, with an additional comment period based on further dialogue with 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
Mr. Richard Corey, ARB Executive Officer
Ms. Edie Change, ARB, Assistant Executive Officer
Ms. Rajinder Shahota, Branch Chief, Cap-and-Trade Program