

November 4, 2016

California Air Resources Board
1001 I Street
Sacramento, CA 95814
Via web submission



Re: The use of carbon offsets under Cap-and-Trade

Thank you for the opportunity to provide these comments regarding the October 21, 2016 workshop on the Cap-and-Trade Regulation Amendments.

Origin Climate is a California-based company whose mission is to combat climate change by bringing emission reduction projects to fruition. Over the past decade, we have worked with dozens of projects in sustainable agriculture to produce high-quality carbon offsets.

We believe that **ARB should not further restrict the use of offsets** under the Cap-and-Trade Program for the following reasons:

1. ***Offset projects result in compelling environmental benefits*** in rural and disadvantaged communities in California and across the United States. These benefits include GHG emission reductions but also impacts such as water conservation or improved water quality.
2. ***GHG emissions are different than other air pollutants*** and require separate regulatory tools for management. To the extent that local air pollutants continue to be problematic in certain areas, the appropriate response is to strengthen the programs that address those pollutants instead of driving up the cost of California's effort to reduce GHGs.
3. ***Economic justice will be diminished*** as the price of gasoline and electricity will rise further without the use of GHG cost control mechanisms like offsets. This would disproportionately impact lower-income households.
4. ***Other methods are available*** to prioritize direct emission reductions in the most disadvantaged communities.

Should ARB decide to place any additional restriction on the use of offsets by emitters in the most disadvantaged communities, we believe that this should be balanced by an increase in the allowable use of offsets by emitters in other areas to ensure that the benefits cited above are maintained.

Thank you again for your ongoing work on the critical issue of addressing climate change, and for the opportunity to comment here.

Sincerely,

A handwritten signature in black ink, appearing to read 'Nick Facciola', written over a light blue horizontal line.

Nick Facciola, Director of Carbon Projects