Thank you for a helpful session, and thank you for the opportunity to comment.

1. I recommend staff review the Congressional Budget Office January 2010 report, "Evaluating Limits on Participation and Transactions in Markets for Emissions Allowances." This report evaluates the risks presented by market-distorting limits on trade and trade participation in connection the then-proposed federal cap-and-trade program. It is available at http://www.cbo.gov/sites/default/files/cbofiles/ftpdocs/120xx/doc12006/12-10-limitsallowancemarkets.pdf

2. Please delete "for the avoidance of doubt" from §95835(b). The phrase adds nothing in any context, since words are written down to begin with to avoid doubt.

3. Please delete "any legal services" from §95979(b)(R)(2). That phrase, combined with §95923(c)(2) and §95914(c)(3)(D), requires a company threatened with an ARB enforcement action respecting auction participation to tell ARB the name of the lawyer it consults about defending itself. It also requires the lawyer to self-report. Both of these severely infringe upon the attorney-client privilege. It is also illegal in California for an attorney to perform §95914(c)(3)(D). California Business & Professions Code §6068(e)(l) requires every California lawyer "To maintain inviolate the confidence, and at every peril to himself or herself to preserve the secrets, of his or her client."