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Hon. Mary D. Nichols, Chairman
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Re: Comments on Public Information Sharing in California's Cap-and-Trade Program

Dear Madame Chairman:

Calpine Corporation (hereinafter, "Calpine") appreciates the opportunity to provide these written comments on California Air Resources Board ("CARB" or the "Board") staff's January 25, 2013 presentation entitled "Public Information Sharing in California's Cap-and-Trade Program"[1] and related market information publication issues.[2]

I. INTRODUCTION AND SUMMARY

Calpine applauds CARB for successfully launching the first compliance period of the Cap-and-Trade Program Regulation, Cal. Code Reg., tit. 17, §§ 95800 *et seq.* ("Regulation") on January 1 of this year. CARB's progress on Cap-and-Trade Program implementation is commendable.

Calpine participated in the January 25, 2013 public information sharing workshop and agrees with several of the proposed approaches reflected by CARB staff during its presentation. However, Calpine has significant concerns regarding CARB's indications with respect to whether, when and how a covered entity's holding and compliance account information will be released to the public.

In particular, Calpine provides the following comments on public information sharing under the Regulation:

- Holding Account Information: The Regulation protects holding account information from being publicly released. Contrary to the preliminary analysis of the Emissions Market

[1] *See* CARB, Presentation re: Public Information Sharing in California's Cap-and-Trade Program (Jan. 25, 2013), *available at*: http://www.arb.ca.gov/cc/capandtrade/meetings/01252013/presentation.pdf (hereinafter, "Information Sharing Presentation").

[2] CARB stated at the January 25, 2013 workshop that it requested comments on its presentation, the Emissions Market Assessment Committee's preliminary analysis, and "any other market information release related topics." Information Sharing Presentation, at 21.

Assessment Committee ("EMAC"), CARB struck the right balance in promulgating the Regulation. CARB should continue to protect holding account information from public disclosure.

- Compliance Account Information: The Regulation requires CARB to release certain information on the compliance instruments contained in compliance accounts in a timely manner. Given the sensitivities of releasing individualized compliance account information and the potential harm that would result to the largest market participants, the Regulation can only reasonably be interpreted to require public disclosure of compliance account information *in the aggregate*. Correspondingly, to fulfill the public interest in receiving information on covered entities' compliance status, CARB could, after the date when any annual or compliance obligation is due, release a compliance report, summarizing the compliance status of each entity and any excess emissions obligation satisfied or yet to be satisfied. Alternatively, if CARB should decide to release information on the number of compliance instruments in each covered entity's and/or consolidated entities' compliance account, it should do so only after the surrender date for each triennial compliance period. In either case, CARB could release information on the quantity of compliance instruments held by entities implicated in any unlawful "corner" of the market or other manipulative trading practice prohibited by the Regulation.

- Calpine supports CARB staff's proposal with respect to release of information on auction results. CARB should not view the proposed list of information as exclusive, but should continue to demonstrate the flexibility displayed in republishing the results of the first auction to reflect unforeseen circumstances that may be material to market participants. Calpine also supports CARB's proposal for release of information on reported transactions of compliance instruments, as well as its proposal for publication of offset project data and information on offset project invalidation.

These comments are discussed in more detail below.

II. DISCUSSION

A. Holding Account Information Should Remain Confidential

CARB, in its Information Sharing Presentation, discussed whether holding account balances should be published.[3] Calpine believes holding account balances should not be published.

The Regulation currently provides that CARB will "protect confidential information to the extent permitted by law by ensuring that the accounts administrator...[p]rotects as confidential the quantity and serial numbers of compliance instruments contained in holding accounts."[4] CARB

[3] *Id.* at 11.

[4] Regulation § 95921(e)(3).

provided a solid justification for this provision in its Final Statement of Reasons ("FSOR"), which states that "[r]egular releases of holdings of individual firms may reveal commercially sensitive information on trade strategies that could increase the vulnerability of a participant or of the market as a whole to manipulation."[5] CARB was right to protect holding account information when it finalized the Regulation in 2011; nothing has changed since that would justify reversing course on the permissibility of disclosing holding account information, either in aggregate or by individual covered entity.

CARB stated in the information sharing workshop that one of the purposes of information sharing is to provide "[s]ymmetric information", which "makes it more difficult for entities to trade on private information."[6] While the FSOR demonstrates CARB's awareness and understanding of the risk of manipulation posed by disclosure of holding account information,[7] this risk asymmetrically falls upon covered entities: Publicly releasing holding account information would make covered entities – and, in particular, a subset of the largest covered entities who are uniquely affected by the Regulation – vulnerable to manipulation because brokers or competitors could "reverse engineer" a covered entity's allowance deficiency using the entity's (1) holding account balance, (2) compliance account balance and (3) expected compliance obligation (which could be estimated considering Mandatory Reporting Rule ("MRR") emissions data and near-term demand conditions). In turn, publication of this information would asymmetrically benefit entities and individuals holding compliance instruments who are not subject to a compliance obligation.

Calpine would strongly caution CARB against changing course in light of the preliminary assessment of the EMAC. In its brief analysis, EMAC recommends creating a "real-time register available on the web giving the number of allowances, by vintage, held in each holding account and each compliance account."[8] EMAC justifies this recommendation, in part, by arguing that "information provision limits the possibility that market participants will be able to manipulate the market."[9]

EMAC's proposal is rooted in the economic theory that increased transparency concerning covered entities' holdings will result in reduced transaction costs and increased market efficiencies, potentially smoothing out volatility in the market. However, there are limits to the gains to be achieved through increased transparency, as emphasized by the United States

[5] FSOR, Response to Comment L-11, at 1658 (Oct. 2011).

[6] Information Sharing Presentation, at 6.

[7] Calpine agrees with CARB when it stated that "[i]f a potential manipulator is unaware of who has allowances in holding accounts, that entity will not be able to estimate the probability of success of a manipulative scheme. The manipulator would also be unable to estimate whether covered entities are short and would need to buy even at higher prices." FSOR, Response to Comment L-10, at 1657.

[8] EMAC, Issue Analysis: Public Information Sharing in California's Greenhouse Gas Emissions Cap-and-Trade Market, at 1 (Sep. 20, 2012), *available at*: http://www.arb.ca.gov/cc/capandtrade/emissionsmarketassessment/informationsharing.pdf.

[9] *Id.* at 2.

Department of Justice ("DOJ") in recent comments it submitted to the Federal Energy Regulatory Commission ("FERC") concerning possible changes to FERC's regulations under the natural gas market transparency provisions of the Natural Gas Act.[10] DOJ emphasized the potential anticompetitive behavior that can be fostered by providing too much information on individual market participants' transactions,[11] as will be discussed in more detail below.

EMAC contends that providing detailed account information "will not reveal information on market participants' competitively sensitive business strategies because, in addition to physical allowance transactions, market participants also will engage in purely financial allowance transactions" and, "[a]s a result, market participants will not be able to identify whether any individual market participant is 'long' or 'short' allowances, because these forward market positions and other purely financial relationships between market participants are unknown."[12]

EMAC's theory on this point is untested and amounts to little more than speculation. The market for "purely financial" allowance transactions is nascent, at best. Moreover, the market for bilateral forward contracts is still immature and it is highly uncertain if this market will be robust enough to satisfy demand. In this regard, we would note that the results released by CARB for the first auction do not demonstrate a strong interest in establishing a secondary market among non-covered entities, with 97% of the current vintage allowances sold to those with a compliance obligation.[13]

Further, the predominant standard contract currently available for future delivery of allowances provides for physical settlement on a date certain – December 15 of the vintage year – which is almost a year in advance of any surrender obligation. In light of this, the EMAC's suggestion that covered entities can simply use forward delivery contracts to maintain the confidentiality of their position is plainly false;[14] such transactions cannot be relied upon to adequately prevent

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[10] Comment of the U.S. Department of Justice, re: Enhanced Natural Gas Market Transparency, FERC Docket No. RM13-1-000 (Feb. 1, 2013).

[11] *Id.* While we recognize that the natural gas markets are inherently different from the market for compliance instruments, DOJ's comments are highly instructive on how agencies seeking to enhance the transparency of markets by reporting information on individual participants' transactions can avoid anticompetitive consequences. At the very least, these comments offer a notable counterpoint to the belief apparent in EMAC's proposal that all other considerations should be subordinate to the goal of realizing increased market efficiencies through heightened transparency.

[12] EMAC, Issue Analysis: Public Information Sharing in California's Greenhouse Gas Emissions Cap-and-Trade Market, at 2.

[13] California Air Resources Board Quarterly Auction 1, at 1 (providing that "Allowances Purchased by Compliance Entities" amounted to 97%).

[14] *See supra* note 12, at 2 ("if a firm has an expected GHG emissions obligation for the year of 100 million tons of CO2-equivalents, and currently has only 50 million tons of allowances in its compliance account, and 25 million tons in its holding account, this market participant could hedge this short position through a confidential bilateral forward market purchase of 25 million tons or more of allowances for delivery *sometime* during the current compliance year.") (emphasis added). We note that the EMAC's example may illustrate its own lack of understanding of the strictures imposed by the Regulation on market participants: a hypothetical holding limit of at least 25 million tons is several times larger than the holding limit for current vintage and earlier allowances in the

opportunistic suppliers from "squeezing" individual entities still in need of compliance instruments prior to a surrender deadline. Accordingly, it would be wholly unreasonable for CARB to base disclosure upon the unproven and speculative assumption that covered entities will be able to rely upon purely financial transactions or bilateral forward contracts to mask their position.

It would also betray the principle that covered entities should be able to procure all the compliance instruments they need from the auction itself,[15] without resorting to financial or forward delivery contracts to meet their compliance obligations. In this respect, we would note that the most commonly traded standard form contract for forward delivery of allowances has consistently traded at higher prices than the current vintage auction clearing price for the first auction. While this premium may be attributable to several factors, CARB should not, through its policy for disclosure of account information, provide even greater upwards pressure on this premium. Doing so only risks sending false carbon pricing signals to the market, for no other reason than the need of covered entities to maintain the confidentiality of their position.

Finally, Calpine would note that the two most mature GHG cap-and-trade systems—the European Union Emissions Trading System ("EU ETS") and the Regional Greenhouse Gas Initiative ("RGGI")—do not publicly release holding account balance information.[16] If linkage with such programs should ever be a goal, CARB should not inscribe such an incongruous policy into its own program and should not abandon its earlier decision to protect holding account information.

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first compliance period and more than twice as large as the holding limit for current vintage and earlier allowances starting in the second compliance period. *See* Regulation § 95920(d) (providing for a current vintage and earlier holding limit of 5.945 million allowances in 2013 and 11.7375 million allowances in 2015). EMAC's failure to appreciate the limitations imposed on the largest market participants by provisions such as the holding limit may reveal its misapprehension of the real risk to market participants posed by disclosing information on individual covered entities' accounts. Further, EMAC's apparent assumption that covered entities can specify delivery dates which would maintain the confidentiality of their positions does not reflect existing standardized contracts and market realities.

[15] The Allowance Price Containment Reserve is also intended to provide a source of allowances that covered entities can access if it should become highly costly to procure allowances at auction or through some other means.

[16] *See, e.g.,* European Commission, "Regulation establishing a Union Registry for the trading period commencing on 1 January 2013, and subsequent trading periods, of the Union emissions trading scheme pursuant to Directive 2003/87/EC of the European Parliament and of the Council and Decision 280/2004/EC of the European Parliament and of the Council and amending Regulations (EC) No 2216/2004 and (EU) No 920/2010", Art. 83, cl. 1 (Nov. 18, 2011) (not yet published in the Official Journal) (stating that "[i]nformation, including the holdings of all accounts, all transactions made, the unique unit identification code of the allowances and the unique numeric value of the unit serial number of the Kyoto units held or affected by a transaction, held in the EUTL [i.e., European Union Transaction Log] and the Union Registry shall be considered confidential..."); *see also* European Commission, Climate Action, EUTL, Operator Holding Account, http://ec.europa.eu/environment/ets/oha.do?languageCode=en (cataloging all covered entities in the EU ETS and providing a search function which shows each entity's GHG emissions and surrendered emission allowances for each compliance cycle (i.e., calendar year emissions and associated reporting and allowance surrender obligations)). The EUTL, in accordance with Article 83 of the above cited regulation, does not publish information about entity holding account balances.

For the foregoing reasons, Calpine recommends that CARB continue to protect holding account balances from being publicly released, as the Regulation currently provides.

B. Compliance Account Information Should Be Released In Aggregated Form Only

CARB posed at the information sharing workshop the question of how often compliance account balances should be public and what information should be disclosed vis-à-vis compliance account balances.[17]

The Regulation states that CARB will require the accounts administrator to "[r]elease[] information on the quantity and serial numbers of compliance instruments contained in compliance accounts in a timely manner."[18]

The publication of individualized compliance account information would allow potential manipulators to estimate whether covered entities are short and need to buy more allowances at even higher prices. This is true in part because of the illusory nature of the "masking" of positions that EMAC contends can be accomplished through use of purely financial transactions and forward trades. And it is particularly true for the largest compliance entities, given the constraints imposed upon them by the Regulation's holding limits.

Given the sensitivities surrounding publishing compliance account information for each covered entity, either in real-time or monthly, Calpine recommends that CARB only publish the quantity of compliance instruments contained in all compliance accounts on an aggregated basis. This interpretation accords with the plain text of the Regulation, which requires CARB to release information on the quantity "of compliance instruments in compliance accounts." The use of the plural in this context strongly supports that this information should only be released in the aggregate. Indeed, if CARB had intended to release every individual covered entity's compliance account information, then section 95921(e)(4) should have read "information on the quantity and serial numbers of compliance instruments contained in *each* compliance account."[19]

Because compliance instruments in compliance accounts cannot be traded, the primary value of this information is for public awareness. As CARB states, one of the purposes of sharing this kind of information is for the "public [to be] able to see how [the] market is working and that covered entities...are complying."[20] This public disclosure and confidence-building function is equally served by releasing compliance account information in an aggregated form.[21]

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[17] Information Sharing Presentation, at 11.

[18] Regulation § 95921(e)(4).

[19] Other sections of the Regulation demonstrate CARB's ability to point specifically to "each" account when that was its intention. *See, e.g.*, Regulation § 95831(a)(1) (providing that the Executive Officer shall not create more than one holding account, limited use holding account, compliance account or exchange clearing holding account for each registered entity).

[20] Information Sharing Presentation, at 6.

[21] *See* Western Climate Initiative ("WCI"), Design Recommendations for the WCI Regional Cap-and-Trade Program, at 12 (revised Mar. 13, 2009), *available at*:

In tandem with release of the total volume of compliance instruments in compliance accounts in aggregated form, CARB might also, to support the public disclosure and confidence-building functions, issue compliance reports on an ongoing basis, disclosing to all members of the public which entities have satisfied their annual and triennial compliance obligations, which have not, any excess emissions obligations imposed on covered entities, whether they had satisfied such obligations and civil/criminal penalties imposed for non-compliance. CARB already issues compliance reports under its existing programs and has the authority inherent in its duties to enforce and implement the Regulation to disclose such compliance-related information to the public.

We also believe withholding disclosure of individual entities' compliance account information is consistent with the requirements of the California Public Records Act ("CPRA"), which generally prohibits the government from disclosing "trade secrets".[22] A covered entity's individualized compliance account information easily falls with the bounds of a non-disclosable trade secret.[23] However, even if it did not, the CPRA's "catch-all" exemption provides that government agencies can withhold information where, "on the facts of the particular case the public interest served by not disclosing the record clearly outweighs the public interest served by disclosure of the record."[24] Here, the public interest in not disclosing individualized compliance account balances clearly outweighs the public interest in disclosure because of the unique risks posed by releasing each covered entity's compliance account information and the fact that the aggregated disclosure would serve the same public awareness function as disaggregated entity-specific disclosure.

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http://www.westernclimateinitiative.org/component/remository/general/design-recommendations/Design-Recommendations-for-the-WCI-Regional-Cap-and-Trade-Program/ (recommending that "[t]o ensure transparency and maintain public confidence, certain data from the emissions reports, allowances, and offsets that are used for compliance will be made public in a timely manner"). WCI's recommendation to release "certain data" about allowances "that are used for compliance" can be fulfilled by reporting upon each covered entity's compliance status, as suggested below, and/or by CARB's proposal for release of information on retired compliance instruments. *See* Information Sharing Presentation, at 17.

[22] "Trade secrets" include, non-exclusively, "any formula, plan, pattern, process, tool, mechanism, compound, procedure, production data, or compilation of information which is not patented, which is known only to certain individuals within a commercial concern who are using it to fabricate, produce, or compound an article of trade or a service having commercial value and which gives its user an opportunity to obtain a business advantage over competitors who do not know or use it." Cal. Gov. Code § 6254.7(d).

[23] While the CPRA includes an express exception for "all air pollution emission data, including those emission data which constitute trade secrets" (Cal. Gov. Code § 6254.7(e)), a covered entity's compliance account balance is not "air pollution emission data".

[24] Cal. Gov. Code § 6255(a). This catchall exemption "contemplates a case-by-case balancing process...Where the public interest in disclosure of the records is not outweighed by the public interest in nondisclosure, courts will direct the government to disclose the requested information." *Am. Civil Liberties Union of N. Cal. v. Superior Court*, 202 Cal. App. 4th 55, 68 (2011) (internal citations omitted).

We note the concerns expressed by DOJ in cautioning FERC against releasing too much information on individual natural gas market transactions.[25] It is not simply the case, as EMAC contends, that increasing transparency increases market function and efficiencies. Rather, according to DOJ, too much transparency can actually *suppress* competition and lead to anticompetitive behavior and higher prices for consumers.[26] Further, according to DOJ, the benefits of increased transparency can generally be realized while reducing the risk of anticompetitive consequences through three practical safeguards: "aggregation, masking, and lagging".[27] Interpretation of the Regulation to only require disclosure of aggregate compliance account information would employ the first two of these safeguards in tandem to mask individual entity's positions, while providing the information the public and market need to assess both the volume of instruments awaiting retirement in compliance accounts and covered entities' compliance with the Regulation.

Alternatively, if CARB contends that Section 95921(e)(4) requires release of each covered entity's (or consolidated set of entities') individual compliance account information, Calpine recommends that CARB should release this information no earlier than the date by which each covered entity must surrender the triennial compliance obligation.[28] Just as the existing Regulation provides CARB the authority to only require release of compliance account information in the aggregate, it also allows CARB to interpret what constitutes the "timely" release of such information.

Neither the EU ETS nor RGGI publicly discloses each entity's compliance account information before the termination of a compliance period.[29] Postponing the release of compliance account information until after the deadline for surrender of the triennial compliance obligation would employ the third safeguard suggested by DOJ for avoiding market manipulation.[30] By allowing for a "lagging" disclosure of the quantity of compliance instruments held in individual accounts,

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[25] *See supra* note 10.

[26] *Id.* at 2 ("transparency can increase the likelihood of an exercise of market power by facilitating coordination among suppliers, thereby raising prices for consumers.").

[27] *Id.* at 7.

[28] A covered entity must surrender its triennial compliance obligation by November 1 of the calendar year following the final year of the compliance period. Regulation §§ 95856(a), (f)(1). The triennial compliance obligation equals the covered entity's triennial covered emissions less compliance instruments surrendered to fulfill the annual compliance obligation for the years in the compliance period. *Id.* § 95856(f)(3). There is no annual compliance obligation due for the years in which the triennial compliance obligation is due (i.e., years 2015, 2018, and 2021). *Id.* § 95856(d)(3).

[29] *See, e.g.,* RGGI Compliance Report, https://rggi-coats.org/eats/rggi/Docs/ArchivedSourceSubmittedComplianceReport.pdf (providing a summary of covered source compliance information for first control period, which information includes source-specific emissions, each source's compliance obligation, and the number of allowances each source has banked and is published *after* the control period reconciliation is completed); *see also* European Commission, Climate Action, EUTL, Operator Holding Account, http://ec.europa.eu/environment/ets/oha.do?languageCode=en (publishing covered entities' compliance account information regarding surrendered allowances *after* each compliance cycle).

[30] *See supra* note 10.

CARB could effectively prevent a broker or competitor from identifying entities in need of compliance instruments prior to the date for surrender of the triennial compliance obligation and taking advantage of them. At the same time, the public confidence-building function would be equally served and the market would receive valuable information on the volume of banked compliance instruments residing in compliance accounts which are intended for use in future compliance periods.[31]

For the foregoing reasons, if CARB does not decide that the Regulation only requires release of compliance account information in the aggregate, but mandates its release for each individual covered entity or consolidated set of entities, Calpine would urge CARB to interpret Section 95921(e)(4)'s requirement for release in a "timely manner" to mean no more frequently than immediately after each date for surrender of the triennial compliance obligation.

In either case, CARB could always release information on compliance instruments held by entities or individuals who have been found to violate the Regulation's general prohibitions on trading.[32] DOJ suggested just such a strategy to FERC as another means for increasing the transparency of natural gas markets, while avoiding the anticompetitive impacts of releasing information on all market participants.[33] For example, if the Market Surveillance Committee or Market Monitor were to identify violations of the prohibition on trades involving "[a] corner or an attempt to corner the market for a compliance instrument",[34] it might be appropriate for CARB to release information on the quantity of compliance instruments in the accounts of the entities implicated in such a "corner" of the market. Such a release of information could be accomplished pursuant to CARB's inherent enforcement and market surveillance authority, irrespective of any protections afforded for entities and individuals who are complying with the Regulation.

C. Calpine Support ARB's Proposals For Release Of Auction Results, Transaction Summaries And Offset Project Data

1. Auction Results. CARB has indicated its intention to satisfy the Regulation's mandate[35] for release of auction results by publishing certain information.[36] CARB has already put this proposal into practice in reporting upon the results of the first auction. The information

[31] This interest would be equally served by disclosure of the volume of banked compliance instruments in the aggregate, e.g., disclosing the number of allowances issued for vintage 2013 or 2014 remaining in compliance accounts on November 2, 2015 might allow the market to assess whether and to what extent covered sectors are, in the aggregate, on target to meet AB 32's goals.

[32] Regulation, § 95921(f).

[33] *See supra* note 10, at 7 ("rather than release all firm- and transaction-specific information it collects, the Commission could release such information only if it has reason to believe the market participants have violated its market manipulation rules.").

[34] Regulation, § 95921(f)(2)(B)

[35] *Id.* § 95912(j)(5).

[36] Information Sharing Presentation, at 13.

provided by CARB on the first auction served important purposes. In particular, CARB provided meaningful information to the market in revising its initial summary of auction results, which was released on November 19, 2012 and reported the "Total Submitted Bids Divided by Total 2013 Allowances Available for Sale" ("Total Submitted Bids")[37], by republishing the auction results on December 6, 2013 and including a summary of the "Total Qualified Bids Divided by Total 2013 Allowances Available for Sale", in place of the Total Submitted Bids.[38] The difference, which was particularly salient, revealed to market participants that, while the initial results suggested that the ratio of bids submitted to 2013 allowances available was greater than three-to-one, the ratio of qualifying bids (i.e., complying with the auction purchase limit, holding limit or bid guarantee) to available 2013 allowances was only slightly more than one-to-one.[39]

Calpine believes the circumstances leading to CARB's revision of the 2012 auction results illustrate the need for CARB to remain flexible in specifying what information will be released, so as to provide meaningful and material information to the market when unforeseen circumstances warrant. Accordingly, we support the Information Sharing Presentation's proposal for information that will be released on the auction results and would urge CARB to continue to respond to unanticipated events that might arise in association with the launch of the program which warrant release of additional material information.

2. Market Transaction Data. In its Information Sharing Presentation, CARB asks "[w]hat transfer information is useful for an efficient and transparent market?" and provides an "Example Market Transaction Data Report", illustrating the type of aggregated information on transactions it anticipates releasing.[40] Calpine agrees with the format for presentation of information illustrated by the example: By reporting the aggregate volume of a specific vintage and the number of transactions involved, along with the weighted average and median prices, the market will receive all the information it needs, while maintaining the confidentiality of the parties to the transaction, as required by the Regulation.[41]

3. Offset Project Data. The Information Sharing Presentation summarizes the offset project data that the Regulation requires Approved Offset Registries to publish and that CARB will correspondingly publish.[42] Additionally, it provides that CARB will publish the quantity

[37] *See supra* note 13 (published November 19, 2012).

[38] Additional Auction 1 Summary Results, at 2.

[39] According to CARB, the difference between these two ratios was due to the fact that "a very small number of auction participants exceeded their purchase limit, holding limit or bid guarantee, which led to the higher ratio for submitted bids." *Id.* at 1. While CARB maintained that "[t]hese bids did not have any effect on the final results in the action settlement" (*id.*), Calpine feels it was nevertheless important for CARB to report the discrepancy and remove any misconception among market participants that actual demand was more than three times the available allowances.

[40] Information Sharing Presentation, at 15-16.

[41] Regulation, § 95921(e)(1).

[42] Information Sharing Presentation, at 18-19.

and vintage of invalidated offsets, by project, on a monthly basis on its website.[43] Calpine supports these proposals and believe they will provide covered entities the information they need to make informed decisions and better assess the invalidation risk of offset products.

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Please feel free to contact me with any questions or concerns regarding these comments. Thank you for the opportunity to submit these comments.

Sincerely,

Kassandra Gough
Director, Government and Legislative Affairs

cc: James Goldstene, Executive Officer
Edie Chang, Chief, Planning and Management Branch, Office of Climate Change
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[43] *Id.* at 20.