

State of California
AIR RESOURCES BOARD

**Notice of Public
Availability of Additional Documents and Information**

**PUBLIC HEARING TO CONSIDER ADOPTION OF AMENDMENTS TO THE
CALIFORNIA CAP ON GREENHOUSE GAS EMISSIONS AND MARKET-BASED
COMPLIANCE MECHANISMS TO ALLOW FOR THE USE OF COMPLIANCE
INSTRUMENTS ISSUED BY LINKED JURISDICTIONS**

Public Hearing Date: June 28, 2012
Public Availability of Additional Documents Date: June 11, 2012
Deadline for Public Comment: June 27, 2012

At its October 2011 public hearing, the Air Resources Board (ARB or Board) adopted sections 95800 to 96023, title 17, California Code of Regulations (CCR). These sections comprise the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms Regulation, including Compliance Offset Protocols (cap-and-trade regulation).

The cap-and-trade regulation provides a fixed limit on GHG emissions from the sources responsible for about 85 percent of the state's total GHG emissions. The cap-and-trade regulation reduces GHG emissions by applying a declining aggregate cap on GHG emissions, and creates a flexible compliance system through the use of tradable instruments (allowances and offset credits). The cap-and-trade regulation became effective January 1, 2012.

On May 9, 2012, Staff released a Notice of a Public Hearing to Consider Amendments to the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms. Following the 45-day public comment period, the Board is scheduled to consider the amendments at its meeting on June 28, 2012.

This Notice of Public Availability of Additional Documents and Information (15-day Notice) places additional documents into the regulatory record. This Notice provides the public with two documents issued by the government of Québec. These documents contain Québec's proposed regulations covering cap-and-trade and mandatory greenhouse gas reporting. These documents will enable the public to understand ARB staff's analysis of the Québec Cap-and-Trade Program and the proposal to allow for the interchange of compliance instruments between the California and Québec Programs.

The documents added to the record represent the new regulations as proposed by the Québec government on June 8, 2012. Official government documents are available through the Québec Gazette at:

<http://www2.publicationsduquebec.gouv.qc.ca/home.php#>; or

<http://www.mddep.gouv.qc.ca/changements/carbone/reg-PEDE-20120608-en.pdf>; and

http://www.mddep.gouv.qc.ca/air/declar_contaminants/reg-mod-reg20120608-en.pdf

Staff has reviewed the draft Québec regulations related to the cap-and-trade program and greenhouse gas reporting. Based on staff's review, Québec's draft cap-and-trade regulation is consistent with the proposed amendments to the California Cap-and-Trade Regulation and ensures the same level of program security and environmental stringency. In reviewing the Québec draft greenhouse gas reporting regulation, staff determined most reporting requirements are similar to the California mandatory greenhouse gas reporting regulation and both reporting programs would provide for rigorous greenhouse gas emissions reported data. Staff did identify some differences in how the two programs address missing data. Both regulations do exceed the minimum recommendations to support a rigorous market program as developed by WCI. As part of usual program oversight, staff from both jurisdictions will monitor their programs and recommend any changes to the respective regulations, as needed.

In the Final Statement of Reasons, staff will respond to comments received on the record during the initial 45-day comment period, all comments presented at the June 28, 2012 Board hearing both orally and in writing, and comments received related to this information added to the rulemaking record by this 15-day Notice. The Administrative Procedure Act only requires that staff respond to comments on changes that are noticed.

Additional documents for this rulemaking action are available online at the cap-and-trade website referenced here:

<http://www.arb.ca.gov/regact/2012/capandtrade12/capandtrade12.htm>

The Board is scheduled to consider the proposed regulations on June 28, 2012. As part of finalizing the regulation, the Board will consider the related environmental analysis and written responses to environmental comments.

Additional Document(s) Added to the Record

Staff has added to the rulemaking record two documents issued by the Government of Québec.

- Cap-and-trade system for greenhouse gas emission allowances- Amendments
- Mandatory reporting of certain emissions of contaminants into the atmosphere- Amendments

These documents can be accessed at:

<http://www.arb.ca.gov/regact/2012/capandtrade12/capandtrade12.htm>

Contacts

Inquiries concerning the substance of the proposed regulation may be directed to Mr. Steve Cliff, Chief, Climate Change Program Evaluation Branch, at (916) 322-7194 or Ms. Rajinder Sahota, Manager, Climate Change Program Monitoring Section at (916) 323-8503.

Public Comments

In order to be considered by the Board, written comments not physically submitted at the meeting, must be submitted on or after June 11, 2012, and received no later than 12:00 noon, July 27, 2012. Only comments relating to the additional documents shall be considered by the Board, and may be submitted by postal mail or electronic mail submittal as follows:

Postal mail: Clerk of the Board, Air Resources Board
1001 I Street, Sacramento, California 95814

Electronic submittal: <http://www.arb.ca.gov/lispub/comm/bclist.php>

Please note that under the California Public Records Act (Gov. Code § 6250 et seq.), your written and oral comments, attachments, and associated contact information (e.g., your address, phone, email, etc.) become part of the public record and can be released to the public upon request.

If you need this document in an alternate format or another language, please contact the Clerk of the Board at (916) 322-5594 or by facsimile at (916) 322-3928 no later than five (5) business days from the release date of this notice. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

Si necesita este documento en un formato alternativo u otro idioma, por favor llame a la oficina del Secretario del Consejo de Recursos Atmosféricos al (916) 322-5594 o envíe un fax al (916) 322-3928 no menos de cinco (5) días laborales a partir de la fecha del lanzamiento de este aviso. Para el Servicio Telefónico de California para Personas con Problemas Auditivos, ó de teléfonos TDD pueden marcar al 711.

Attachments

The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see ARB's website at www.arb.ca.gov.