

State of California
AIR RESOURCES BOARD

Second Notice of Public Availability of Modified Text and Availability of Additional Documents and/or Information

PUBLIC HEARING TO CONSIDER ADOPTION OF AMENDMENTS TO THE
CALIFORNIA CAP ON GREENHOUSE GAS EMISSIONS AND MARKET-BASED
COMPLIANCE MECHANISMS

Public Hearing Dates: September 22, 2016 and June 29, 2017
First Notice of Public Availability Date: December 21, 2016 - January 20, 2017
Second Notice of Public Availability Date: April 13, 2017
Deadline for Public Comment: April 28, 2017

At its September 2016 public hearing, the Air Resources Board (ARB or Board) considered staff's proposed sections 95801 to 96022, 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 or Regulation). The Board did not take action on the proposal at the September 2016 Board hearing.

On December 21, 2016, staff released a Notice of Public Availability of Modified Text. Comments that were received during the formal public comment period for the modified text, as well as further staff analysis, are reflected in proposed modifications in this second Notice. The changes, including a removal of the proposed assistance factors for post-2020 industrial allocation, are described below and are incorporated in the modified regulatory text. The changes recognize that further work will be needed in future rulemaking proceedings to address environmental justice, industry, environmental groups, and other stakeholder comments on a post-2020 program.

This Notice does not presuppose, nor take the place of, any future Governor or Legislative direction. Any such direction would need to be effectuated by ARB.

All regulatory documents for this rulemaking are available online at the following ARB website: <https://www.arb.ca.gov/regact/2016/capandtrade16/capandtrade16.htm>

The text of the modified regulatory language is shown in Attachment A. The original regulatory language proposed August 2, 2016, is shown in ~~striketrough~~ to indicate deletions and underline to indicate additions. For the modified text proposed December 21, 2016, deletions and additions to the proposed language are shown in ~~double strikethrough~~ and double underline format, respectively. New deletions and additions to the proposed language that are made public with this second Notice are shown in **~~striketrough~~** and **underline** format, respectively.

In the Final Statement of Reasons, staff will respond to all comments received on the record during the comment periods. The Administrative Procedure Act requires that staff respond to comments received regarding all noticed changes. Therefore, staff will only address comments received during this 15-day comment period that are responsive to this Notice, documents added to the record, the changes detailed in Attachment A, or additional comments on Attachments B-F of the first 15-day Notice of Public Availability of Modified Text.

Documents Incorporated by Reference

The following documents are hereby proposed for incorporation by reference to the Regulation:

- California Air Resources Board (2017). Method to Determine the Boric Oxide Equivalent in Borate Products.
- U.S. Department of Agriculture (2005). Agriculture Shipping Point and Market Inspection Instructions for Pistachios in the Shell.

Summary of Proposed Modifications

Staff's proposed modifications to the originally proposed amendments to sections 95802, 95814, 95830, 95832, 95833, 95835, 95852, 95852.2, 95870, 95871, 95890, 95891, 95892, 95893, 95894, 95910, 95911, 95912, 95913, 95914, 95920, 95921, 95922, 95943, and 95985, title 17, CCR are summarized below and attached to this notice as Attachment A.

The following summary does not include all modifications to correct typographical or grammatical errors, changes in numbering or formatting, nor does it include all of the non-substantive revisions made to improve clarity.

A. Modifications to Section 95802. Definitions.

Definitions of "Adjusted Hulled and Dried Pistachios," "Blanched Almonds," "Flavored Almonds," "Flavored Pistachios," and "Pasteurized Almonds" are added to accommodate product-based benchmarks described in section 95891. The deletion of the definitions for "Almonds" and "Pistachios" was also removed, thereby keeping these definitions since they are used in these new definitions.

A definition of "Boric Oxide Equivalent" is added to define the term used in a proposed benchmark, and the definition of "Soda Ash Equivalent" is modified to separate out borate manufacturing from soda ash manufacturing to accommodate the boric oxide equivalent benchmark.

Text stating that staff may revise some product definitions are removed, and the definitions of "Butter," "Buttermilk Powder," "Freshwater Diatomite Filter Aids," "Intermediate Dairy Ingredients," and "Seamless Rolled Ring" remain unchanged.

Staff's continued review of data for these products has not resulted in any proposed changes to benchmarks or related definitions.

Definitions of "Electric Power Entity" and of "ARB ID" are added to ensure clarity and consistency of terminology with the Regulation for the Mandatory Reporting of Greenhouse Gas Emissions (MRR). The definitions of "Importer of Fuel" and "Intrastate Pipeline" are modified to ensure consistency with modifications proposed in MRR.

A definition of "Entity Type" is added to clarify modifications to section 95835 and the definition of "Fuel Cell" is added to further define the power generation device, which term already exists in the Regulation.

The previously deleted definitions of "Nonfat Dry Milk and Skimmed Milk Powder (Low Heat)," "Nonfat Dry Milk and Skimmed Milk Powder (Medium Heat)," and "Nonfat Dry Milk and Skimmed Milk Powder (High Heat)" are reinstated through December 31, 2017, to allow for vintage 2018 allocation before the institution of new benchmarks and product data reporting in calendar year 2018. The "Milk Powder (High Heat)," "Milk Powder (Low Heat)," and "Milk Powder (Medium Heat)" definitions are clarified to state that they are in effect as of January 1, 2018.

The definition of "Offset Project Data Report" is modified to clarify that only an attested Offset Project Data Report is considered valid for meeting the reporting deadlines in the Regulation. The definition of "Reporting Period" is modified to clarify that the listing documentation establishes the Reporting Period, which can only be modified if ARB and the Offset Project Registry (OPR), if applicable, are notified before any deadlines are missed.

A definition of the acronym "CPP" is added to describe the Clean Power Plan.

B. Modifications to Section 95814. Voluntarily Associated Entities and Other Registered Participants.

Section 95814(a)(2) is modified to remove a change proposed in the 45-Day Public Notice that any entity (as well as individual) registering as a voluntarily associated entity must have at least one account representative with a primary residence in the United States. The section is modified to revert to the original language in order to ensure an individual registering as a voluntarily associated entity must have a primary residence in the United States. Staff originally proposed the change to ensure that an entity has a presence in the United States to allow proper enforcement of the Regulation. However, staff has concluded that enforcement of section 95834, which applies requirements to individuals registering as tracking system users such as account representatives, is sufficient for that purpose. In addition, the proposed change to section 95814(a)(2) would have removed the requirement that an individual registering as a voluntarily associated entity must have a primary residence within the United States. Staff concluded that reverting to

the original language and relying on section 95834 ensures better enforcement.

C. Modifications to Section 95830. Registration with ARB.

Section 95830(c)(1)(B) is modified to reduce redundancy and further clarify the disclosures of individuals or entities serving as partners that control an entity.

Section 95830(c)(1)(I) currently states that the registration process is not complete until the members of a direct corporate association have confirmed the allocation of purchase and holding limits. However, when these associations cross jurisdictions, the accounts must be opened before the association can be created. The section is modified to ensure that cross-jurisdictional accounts can be opened.

Section 95830(c)(4) is modified to clarify the term “agent” refers to “account viewing agents.” Section 95830(e)(4) is modified to clarify that failure to update registration may result in account restriction or revocation.

Section 95830(g)(4)(B) is modified to clarify what entity registration data must be entered by the entity into the tracking system and what entity registration data may be provided to California by an external GHG ETS. This is necessary because some types of data may only be entered into or revised in the tracking system by the registering entity. The modifications provide clarity without changing the meaning or intent of the initially proposed amendments.

D. Modifications to Section 95832. Designation of Representatives and Agents.

Sections 95832(f)(1)-(4) are modified to improve clarity and readability with no change in meaning. The existing language uses the term “designation” to refer to the initial assignment of an account representative, and “redesignation” to indicate a change to an assignment. The revised text uses the term “designation” for both.

Section 95832(f)(4) is further modified to remove the requirement that an entity with no active account representatives must submit a superseding application in order to appoint new ones. The modified text allows a previously-disclosed officer or director to designate new representatives.

E. Modifications to Section 95833. Disclosure of Corporate Associations.

Section 95833(a)(1)(B) is modified to clarify the list of individuals that may control an entity.

Section 95833(a)(6) is modified to clarify when an individual is considered to have shared roles. ARB is removing the proposal to extend the presumption of shared roles to Account Viewing Agents, Bidding Advisors, and all individuals disclosed at registration as having knowledge of market position because the proposal could have resulted in inconsistent market enforcement since the regulatory requirements

in Québec and Ontario would not contain the same provisions.

Staff is also proposing to remove originally proposed language in section 95833(a)(6)(A), which would have allowed entities having individuals with shared roles to avoid being classified as having a direct corporate association if they create a “firewall” to prevent information sharing. ARB has concluded this option should not be available when the individuals with shared roles are employees of the registered entity. The modification to proposed section 95833(a)(6)(A) makes this clear.

The new text in section 95833(a)(6)(B) restores some of the text originally found in section 95833(f)(7) concerning individuals with shared roles that are Cap-and-Trade Consultants or Advisors. Direct corporate associations would be created if the individual has not been disclosed as a Cap-and-Trade Consultant or Advisor and there is no measure in place to prevent information sharing between entities. An entity itself has the duty to determine if a consultant or advisor has access to its market position.

F. Modifications to Section 95835. Changes to Entity Type and Reassignment of Facilities Already Registered to Different Entity Accounts.

Section 95835(c)(2)(A) is modified to clarify the options for disposing of allowances in an entity’s account that has been suspended or revoked and to correct a regulatory citation. Section 95835(c)(2)(B) is modified to spell out the acronym “EPE” as “electric power entity,” since the acronym is not used elsewhere in the Cap-and-Trade Regulation.

Section 95835(c)(2)(C) is added to harmonize with proposed changes to MRR related to requirements that fuel suppliers and electric power entities must meet before being eligible to exit the program. This requirement would be consistent with the proposed MRR requirements which do not allow fuel suppliers and electric power entities that have a change of ownership to contract the reporting (or compliance obligation) of the transactions that occur prior to the change to another entity.

Sections 95835(d)(1)-(3) are modified to clarify that an entity eligible to change its entity type must select the new type before there will be a change to its current type.

The section on return of initial allocation for entities exiting the program is moved from section 95835(f)(1) to section 95890(k). This generalizes the requirements on returning free allowances for all entities that do not have a compliance obligation or do not operate under an activity eligible for industry assistance in a specific year, not just those entities that close their CITSS account.

Sections 95835(f)(2) and (3) are modified to clarify the conditions and mechanisms for disposing compliance instruments remaining in an entity’s accounts when an entity requests a voluntary account closure. Section 95835(f)(2) is modified to

specify that the entity's accounts must be clear of compliance instruments prior to closure. If an entity has compliance instruments in its compliance or holding accounts, modified section 95835(f)(2)(B) would allow the entity to request ARB to retire allowances held in its holding or compliance account or transfer them to the account of one other registered entity.

Section 95835(f)(3) is modified to remove the first 15-day language describing a 30-day deadline for transferring compliance instruments after a voluntary account closure is made, along with other actions that ARB could take to dispose of the remaining compliance instruments if the 30-day deadline is not met. Staff had proposed the 30-day deadline to reduce the administrative burden imposed when entities fail to clear their accounts after making a closure request. Upon reconsideration, the section is modified to reflect the voluntary nature of the closure request and because tracking system developments have reduced the burdens of administrative transfers. The revised language simply states that an entity's accounts will be closed in the tracking system once the compliance instruments have been transferred out of the entity's accounts.

G. Modifications to Section 95852. Emission Categories Used to Calculate Compliance Obligations.

Section 95852(b)(1)(B) is modified to replace "participating resource scheduling coordinator" with "EIM Participating Resource Scheduling Coordinator" to provide clarity on the definition of CO₂e_{specified}.

Section 95852(b)(2)(A)(10) is modified to reinstate the clarification that imports of power via the CAISO EIM market shall not constitute resource shuffling. Based on input from CAISO and stakeholders, ARB developed an EIM bridge solution through the current regulatory amendments process for MRR and the Cap-and-Trade Regulation. The calculation under ARB's bridge solution, identifying emissions resulting from California load not being accounted for in the current EIM deeming methodology, reasonably and conservatively captures GHG emissions from EIM market operations, pending further improvements to the EIM algorithm through CAISO's two pass proposal. The EIM bridge solution is enacted through section 95852(b)(1)(D) of the Cap-and-Trade Regulation, and section 95111(h) of MRR. These sections establish the calculation and retirement of allowances equivalent to EIM Outstanding Emissions from the pool of unsold allowances. When summed with the retirement of allowances for emissions reported by the EIM Participating Resource Scheduling Coordinators, the additional retirement of EIM Outstanding Emissions is sufficient to ensure the full atmospheric effect of California's EIM imports are accounted for. This satisfies ARB that the CAISO EIM market does not constitute resource shuffling, and can be included in the exemption associated with short-term power transactions: Section 95852(b)(2)(A)(10).

H. Modifications to Section 95852.2. Emissions without a Compliance Obligation.

Section 95852.2(b)(14) is added to exempt fuel cell emissions from biomass-derived fuels whose combustion emissions are exempt. This amendment is needed to clarify that emissions from biomass-derived fuels that meet the exemption criteria in 95852.1.1 are also exempt in fuel cells, which do not combust the fuel.

I. Modifications to Section 95870. Disposition of Vintage 2013-2020 Allowances.

Section 95870(e)(2) is modified to remove reference to table 8-3, which has been removed from section 95871. In the originally proposed 45-day amendments for this rulemaking, four industrial sectors with to-be-determined emissions leakage risk were added to Table 8-1. This table provides the leakage risks and assistance factors for 2013 through 2020 for each industrial activity. In the first 15-day regulatory change proposal, staff assessed the leakage risk and assigned assistance factors for these four sectors using the methodology described in Appendix K of the 2010 Initial Statement of Reasons (Appendix K).¹ Staff provides information below to supplement the first 15-day proposal to more fully explain (where possible) the data sources used to calculate leakage risk. The four sectors are “other food crops grown under cover” (North American Industry Classification System (NAICS) code 111419); “wet corn milling” (NAICS code 311221); “cyclic crude, intermediate, and gum and wood chemical manufacturing” (NAICS code 325194); and “automobile manufacturing” (NAICS code 336111). Assistance factors for the 2013–2020 period are assigned to these four sectors in Table 8-1.

In the absence of sufficient publicly available data, staff used confidential business information for the emissions intensity component of the emissions leakage assessments of NAICS codes 111419 and 325194. Staff determined that NAICS code 111419 has a medium trade exposure (11 percent) and NAICS code 325194 has a high trade exposure (65 percent). NAICS code 111419 was calculated to receive a medium leakage risk designation and a third compliance period assistance factor equal to 75 percent. NAICS code 325194 was calculated to receive a high leakage risk designation and a third compliance period assistance factor equal to 100 percent. This sector was incorrectly categorized in the medium leakage risk category in the first 15-day regulatory proposal, and is correctly placed in the high leakage risk category in this second 15-day regulatory proposal. The new NAICS code of 325194 is added because it better reflects the activities of a currently covered entity in the Cap-and-Trade Program.

Sufficient public data were available to assess the emissions leakage risk of NAICS codes 311221 and 336111. Staff determined that NAICS code 311221 has a high

¹ <https://www.arb.ca.gov/regact/2010/capandtrade10/capv4appk.pdf>

trade exposure (19 percent) and medium emissions intensity (3,842 metric tons carbon dioxide equivalent (MTCO_{2e}) per million dollars value added using 2010 to 2014 data, and 1,353 MTCO_{2e} per million dollars value added using 2004 to 2006 data). Applying the Appendix K methodology results in a high leakage risk classification for this sector, with a third compliance period assistance factor equal to 100 percent. NAICS code 336111 was determined to have a high trade exposure (79 percent) and very low emissions intensity (59 MTCO_{2e} per million dollars value added using 2010 to 2014 data, and 44 MTCO_{2e} per million dollars value added using 2004 to 2006 data). Applying the Appendix K methodology results in a low leakage risk classification for this sector, and a third compliance period assistance factor equal to 50 percent.

The following activities were added to Table 8-1 or modified from existing activities in the table to match the activities listed in new, updated, or removed benchmarks in Table 9-1: “mining and manufacturing of borates,” “sulfuric acid regeneration,” “fluid milk product processing,” “cream processing,” “milk powder (low heat) processing,” “milk powder (medium heat and high heat) processing,” “dairy product solids for animal feed processing,” “almond blanching,” “almond flavoring,” “almond pasteurizing,” “pistachio flavoring,” and “pistachio hulling and drying.”

J. Modifications to Section 95871. Disposition of Allowances from Vintage Year 2021 and Beyond.

Table 8-3 and the text of section 95871(d) are deleted in response to extensive comments from stakeholders expressing concerns both about the contracted leakage studies² and staff’s proposed methodology³ for developing assistance factors using these studies. These deletions have the effect of removing all post-2020 industrial allocation from the Regulation. Staff intends to continue assessment of appropriate calculations of emissions leakage risk for the post-2020 period, and to propose post-2020 assistance factors in a future rulemaking.

The most frequent comments from stakeholders to staff regarding post-2020 industrial allocation fell into two broad categories: concerns about limitations of the leakage studies, and concerns with staff’s specific methodology of applying the leakage studies to develop assistance factors. Regarding the studies, stakeholders expressed concerns with transparency and precision in the international and domestic studies. Stakeholders also commented on the empirical choices used in the international and domestic studies, limitations in data availability that prevented the researchers from incorporating important sector-specific institutional details,⁴ the need for additional time to discern the applicability of the studies, and the use of

² These studies are described and included as references in Appendix E to the Initial Statement of Reasons for this rulemaking.

³ This methodology is outlined in Attachment B to the first 15-day notice for this rulemaking.

⁴ For example, the studies were not able to directly analyze the impact of process emissions, and the domestic study excluded key fuels used by some covered industrial sectors.

confidential firm-level U.S. Census data that necessarily limited disclosure of intermediate steps in calculating the published results.

Stakeholders also raised concerns over the assumptions staff used to translate the study results into the assistance factors presented in Table 8-3 of the first 15-day proposal. These concerns included the choices of steps that converted the leakage risk metrics of the international and domestic studies into a single sector-specific assistance factor, the use of international market transfer rather than international output drop, and the method by which post-study regressions were applied to smooth the assistance factors across sectors based on energy intensity and trade exposure. Some mining sectors also submitted trade and financial data that contradicts publicly available U.S. Economic Census and international trade data.

Staff is committed to continuing to provide industrial allowance allocation at levels sufficient to minimize emissions leakage for the post-2020 period to meet the AB 32 requirement to minimize emissions leakage to the extent feasible. Minimizing emissions leakage for the post-2020 period is important as the rate of reductions to achieve the 2030 target is steeper than the existing rate to achieve the 2020 target. After the current 2016 rulemaking concludes, staff will initiate a deliberative process with input from industrial, environmental justice, environmental groups, and other interested stakeholders to establish a robust and transparent framework for establishing post-2020 assistance factors, and will propose assistance factors and industrial allocation for post-2020 compliance periods before the start of post-2020 allocation.

K. Modifications to Section 95890. General Provisions for Direct Allocations.

Section 95890(a) is modified to remove a reference to Table 8-3 and post-2020 industrial allocation. Removing this reference ensures that section 95890 is consistent with the removal of post-2020 industrial allocation, Table 8-3, and the language from section 95871(d) from the proposed regulation. Staff intends to propose the addition of post-2020 industrial allocation into the Regulation in a future rulemaking.

Section 95890(j) is modified to limit the application of a negative allocation to entities sharing a CITSS account instead of all direct corporate associates. This modification ensures a closer relationship between the entity receiving the allocation, and the entity who would experience a negative allocation.

The section on return of initial allocation for entities exiting the program is moved from section 95835(f)(1) to section 95890(k), and clarifies rules for the return of allocation that is required for any entity that meets any of the following criteria in the year for which the entity was allocated allowances: (1) does not incur an emissions compliance obligation, or (2) does not operate under an activity with a leakage risk designated in Table 8-1 of the Regulation. Allowances are allocated to industrial entities for emissions leakage protection and transition assistance. Because there is

no emissions leakage risk or need for transition assistance when an entity has no compliance obligation and there is no justification for industrial allocation when the entity is not operating under an activity eligible for industrial allocation, allocated allowances for the year in question must be returned to the State.

L. Modifications to Section 95891. Allocation for Industry Assistance.

Section 95891 is modified throughout to remove references to Table 8-3 and post-2020 industrial allocation. Updating and removing these references ensures that section 95891 is consistent with the removal of post-2020 industrial allocation, Table 8-3, and the language from section 95871(d) from the proposed regulation.

Sections 95891(b) and 95891(c)(2)(B) are amended to conform true-up allowance allocation to the return of allocation requirements in section 95890(k). Section 95891(c) is also updated to replace references to section 95835(f)(1), the language for which was moved to section 95890(k).

For Table 9-1 benchmarks that require a change in reporting of product data (potash, soda, and borate mineral mining; dairy product manufacturing excluding cheese, lactose, and whey products; and almond and pistachio processing), existing benchmarks are reinstated for allocation through vintage 2018 allowances, and new products and benchmarks are added for vintage 2019 allowance allocation (including true-up allocations to correct for changes in production from prior years) and beyond. The new benchmark for sulfuric acid regeneration is clarified to state that allocation for this product will begin with vintage 2019 allocation. These changes are to accommodate the fact that these product data are reported through MRR, the proposed changes for which will not be in effect until January 1, 2018. In other words, the product data reported through MRR for the new benchmarks will not be available until 2018 for vintage 2019 allocation, but the first allocation under the proposed Regulation will occur in October 2017.

As part of staff's ongoing assessment of stakeholder and other data during this rulemaking, staff reviewed the soda ash and borate industry and found a significant difference in the emissions intensities of borate mining and processing and soda ash mining and processing. Because these are two different products with two different emissions intensities, staff proposes a new benchmark for borates and modification of the soda ash equivalent benchmark to remove borates. (Both of these benchmarks will be implemented starting with vintage 2019 allocation. The pre-existing soda ash benchmark is reinstated for allocation through vintage 2018 allowances.) This proposal is consistent with the Cap-and-Trade Program's principle of one product, one benchmark, in which products should not be differentiated by technology or raw material quality, and provides equitable treatment for all entities under NAICS code 212391.

Proposed benchmarks for fluid milk products, butter, condensed milk, milk powder (low heat), milk powder (medium heat and high heat), buttermilk powder, and

intermediate dairy ingredients are modified to reflect engineering estimates that allocate emissions to each product more accurately. These benchmarks will be implemented starting with vintage 2019 allocation. The currently in-effect Regulation's benchmarks for dairy products are reinstated for allocation through vintage 2018 allowances.

Benchmarks for almond blanching, almond flavoring, almond pasteurization, pistachio flavoring, and pistachio hulling and drying are added to Table 9-1. During the course of this rulemaking, staff assessed newly submitted data that enabled calculation of these new benchmarks, which staff believes more accurately represent emissions per unit product for the sector. These benchmarks will be implemented starting with vintage 2019 allocation. The pre-existing nut benchmarks are reinstated for allocation through vintage 2018 allowances.

Staff is no longer proposing changes to benchmarks for cream, freshwater diatomite filter aids, and seamless rolled ring. Review of data for these products did not result in any needed changes. Staff removed the placeholder language for these products, as well as for aforementioned benchmark sectors where changes were proposed.

Non-standard cap adjustment factors for certain industrial sectors have been removed from Table 9-2 for post-2020 budget years because the assessment of which sectors are eligible for these distinct factors requires an assessment of emissions leakage risk. Since no post-2020 leakage risk categorizations or assistance factors are proposed for the post-2020 period, staff is unable to determine which sectors might be eligible for the non-standard cap adjustment factors. Staff may address in a future rulemaking which sectors might be eligible for non-standard cap adjustment factors in the post-2020 period.

M. Modifications to Section 95892. Allocation to Electrical Distribution Utilities for Protection of Electricity Ratepayers.

Table 9-4 is replaced with updated 2021 through 2030 electric distribution utility (EDU) allocation that would provide adequate ratepayer protection. The proposed changes to the methodology for calculating 2021–2030 EDU allocation are to eliminate the cap adjustment factor from the allocation calculation, assume that not all Renewables Portfolio Standard (RPS)-eligible electricity has zero GHG emissions associated with it, and to update some EDUs' load and other assumptions where data and/or in-place contracts show that previous post-2020 assumptions are not valid. The updated calculations for all EDUs except Merced Irrigation District and Modesto Irrigation District are available at <https://www.arb.ca.gov/regact/2016/capandtrade16/post-2020-edu-allocation.xlsx>. To avoid disclosing proprietary information, data contained in the calculations for these two EDUs have only been provided to representatives for these EDUs.

Staff proposes to remove the application of the cap adjustment factors from post-2020 EDU allocation calculations. Ceasing to apply the cap adjustment factors

recognizes that EDUs are already required to reduce their emissions in response to RPS, among other regulatory requirements, and those reductions are already captured in the EDU allocation calculations through the RPS calculations and changes in long-term contracts (e.g., divestiture from coal contracts).

When calculating allowance allocation for each EDU, the assumed amount of zero-emission electricity used to fulfill RPS requirements is reduced by five percent to reflect non-zero-emission electricity which is used to firm and shape zero-emission RPS electricity. Therefore, assumptions of zero-emission electricity from RPS increase from 28 percent in 2020 to 45 percent in 2030. The five percent reduction from the originally proposed modifications in the first 15-day package comes from the maximum percentage (15 percent) of allowed firmed and shaped power allowed in the RPS program (Senate Bill 350, Statutes of 2015).⁵

The changes in load and other projections affect six EDUs. Three of these EDUs (Anza Electric Cooperative; City of Vernon; and Silicon Valley Power) have demonstrated a current load growth of three percent or more. For these EDUs, staff adjusted upwards the 2021 load and sales numbers using additional data on current or contracted load. Load growth factors beyond 2021 are not adjusted because predicting future load growth is more difficult. PG&E's nuclear (zero greenhouse gas emissions) electricity from Diablo Canyon Power Plant is prorated to reflect its contracted end date. Energy efficiency assumptions are removed from Pacificorp's assumed renewable energy because reductions in demand due to energy efficiency were not reflected in other EDUs' loads. Finally, for EDUs with projected retail sales more than 15 percent below projected load, retail sales are set at 15 percent below projected load instead of 7 percent below when calculating zero-emission electricity. This change is implemented so as to not disproportionately disadvantage the allocation of those EDUs whose load is more than 15 percent greater than sales relative to those EDUs whose load is between 7 and 15 percent greater than sales. This change affects allocation for the Port of Oakland. Further details of changes, including references to data relied upon for the recalculations, are outlined in the post-2020 EDU allocation spreadsheet (<https://www.arb.ca.gov/regact/2016/capandtrade16/post-2020-edu-allocation.xlsx>).

Staff proposes to pair the aforementioned changes with increased consignment requirements for publicly owned utilities (POU); these changes would be proposed in a future rulemaking since they are out of scope for the current rulemaking. In combination with limits on the use of allocated allowance auction proceeds, consignment incentivizes GHG emissions reductions by end-users and benefits energy-efficient ratepayers. Currently, investor-owned utilities (IOU) are required to consign all their allocated allowances to auction and return the value to ratepayers according to Senate Bill 1018 (Statutes of 2012) and specific methods governed by the California Public Utilities Commission, while POUs are not currently required to

⁵ https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160SB350

consign any allowances and have local control over how they use their allocated allowances. Staff anticipates proposing changes in a future rulemaking to require POUs to consign their allocated allowances like IOUs and return the value to industrial, small business, and/or residential ratepayers.

As mentioned in the ISOR and first 15-day notice package, methods for adjusting EDU allocation based on increased electrification, in particular the transportation sector, may also be considered in a future rulemaking.

N. Modifications to Section 95893. Allocation to Natural Gas Suppliers for Protection of Natural Gas Ratepayers.

Table 9-6 is modified to remove the initially proposed 100 percent consignment requirement by 2021 and instead continue the existing annual percent increase of 5 percent per year, reaching full consignment by 2030. As indicated in the first 15-day notice, staff continues to believe achieving full consignment is necessary to incentivize natural-gas related GHG reductions and achieve equity between covered and non-covered entities. Maintaining the cap adjustment factor for natural gas suppliers is expected to incentivize GHG reductions, and the proposed modification continues to achieve full consignment, if on a longer time line.

O. Modifications to Section 95894. Allocation to Legacy Contract Generators for Transition Assistance.

Section 95894(c) is modified to remove a reference to Table 8-3 and post-2020 industrial allocation to ensure consistency with the removal of post-2020 industrial allocation, Table 8-3, and the language from section 95871(d) from the proposed amendments. This has the effect of removing post-2020 allocation to legacy contract generators. Staff intends to propose, in a future regulation, changes that would reinstitute post-2020 legacy contract allocation at the same time that post-2020 industrial assistance factors are proposed.

P. Modifications to Section 95910. Auction of California GHG Allowances.

Section 95910(a) is modified to allow for the auction schedule, with dates listed in Appendix C, to be adjusted by a maximum of four business days rather than calendar days in order to accommodate weekday holidays. This change confirms that non-business days would not be included in an adjusted auction schedule.

Section 95910(d)(2) is modified to remove the reference to account closure under section 95835. Proposed changes to section 95835 already address administrative transfers for retirement for voluntary account closures, so the reference to section 95835 is no longer needed. Section 95910(d)(2)(B) is modified to clarify the management of offsets to be withdrawn by the Executive Officer as provided for in other sections of the Regulation. Staff proposes that any withdrawn offset credits from covered entity accounts are first applied to fulfill the entity's compliance

obligation, if any. Section 95920(d)(2)(B) is also modified to streamline the steps for returning offset credits. Rather than retiring them and replacing them with allowances for consignment, the proposed text would simply allow for excess offset credits to be returned to the entity's General Holding Account so the entity may sell or transfer the credits.

Sections 95910(d)(2)(C) and (D) are modified to correct the description of how withdrawn allowances are handled; the Executive Officer will consign an equal number of allowances to the next Current Auction. The consignment process is designed in a manner that already allows the Executive Officer to take the appropriate administrative actions to sell an entity's compliance instruments on its behalf. The same consignment process will be used for withdrawn allowances.

Q. Modifications to Section 95911. Format for Auction of California GHG Allowances.

Section 95911(c)(3)(C) is modified to incorporate the Bank of Canada's change in the publication of exchange rates, but the requirement remains the same for the Auction Administrator to announce the exchange rate prior to the opening of the auction window and use the most recently available buying rate published by the Bank of Canada. The Bank of Canada noon rates are currently updated by about 12:45 p.m. ET at month-end; however, effective March 1, 2017, the Bank of Canada will publish a single exchange rate reflecting the daily average exchange rate per currency pair by 16:30 ET.

Sections 95911(d)(2)(B) and (d)(3)(B) are modified to remove the proposal to increase the purchase limit for voluntarily associated entities in the Advance Auction from 4 percent to 25 percent. Existing tracking system functionality does not make this change possible at this time.

Section 95911(f) is modified to clarify that winning bids will be fulfilled with allowances from both consignment and non-consignment sources. The change is added for clarity as the order of bid fulfillment remains the same. Section 95911(f)(1)(D) is modified to clarify the reference to section 95910(c)(2)(C). This change is consistent with the description of the same references used in section 95911(f)(3)(A).

R. Modifications to Section 95912. Auction Administration and Participant Application.

Section 95912(j) is modified to remove the phrase "issued by a financial institution with a United States banking license" from subparagraphs (B) and (C). The phrase had not been defined and is no longer needed given the addition of subparagraph (D) in the first 15-day change package. Subparagraph (D) has been modified to ensure forms of bid guarantees are consistent with U.S. banking laws and practices.

S. Modifications to Section 95913. Sale of Allowances from the Allowance Price Containment Reserve.

Section 95913(d)(1)(A) is modified to improve clarity of the section, and to explicitly reference the auction settlement price, rather than just a settlement price.

Section 95913(g)(2) is modified to remove the phrase "issued by a financial institution with a United States banking license" from subparagraphs (B) and (C). The phrase is not defined and is not needed given the addition of subparagraph (D) in the first 15-day change package. Subparagraph (D) has been modified to ensure forms of bid guarantees are consistent with U.S. banking laws and practices.

ARB has proposed collapsing the Reserve into a single tier, with the tier price set each year as the sum of that year's auction reserve price plus a fixed real dollar amount. In the initial proposal in the 45-day notice package, this amount was fixed at \$60. Staff derived this number by forecasting the auction reserve price and highest tier price for 2021 and taking the difference. Upon further review, section 95913(k)(2)(A) is modified to remove the initially proposed \$60 fixed amount, and to instead establish the fixed dollar amount in 2021 using the auction reserve price and highest tier prices in force during 2020. Staff is proposing the change to avoid the possibility that the 2021 value could be very different from the 2020 realization. This could happen if the realized rates of inflation over the period are very different from the rates staff used in the original estimate. After 2021, the fixed dollar amount would be increased each year by the rate of inflation, as in the original proposal from the 45-day package.

The reference to section 95911(c)(3)(E) in section 95913(k)(2)(A) has been corrected to section 95911(c)(3)(A). Section 95911(c)(3)(A) is specific to the determination of the Auction Reserve Price for a calendar year, which is published in December each year, rather than the announced Auction Reserve Price in effect for each quarter auction described in 95911(c)(3)(E).

Section 95913(k)(2)(B) is modified to clarify the exchange rate used to set the Canadian dollar Base Reserve Sale Price into U.S. dollars. The proposed change maintains the same requirement and refers to the new publication rate to be used by the Bank of Canada. Effective March 1, 2017, the Bank of Canada will begin publishing a single exchange rate reflecting the daily average exchange rate per currency pair by 16:30 ET.

Section 95913(l)(4) is modified to remove any reference to latest or preceding vintage year allowances since the allowances in the Allowance Price Containment Reserve (APCR) are immediately eligible for use to satisfy a compliance obligation, regardless of the vintage of the allowance. This is described in section 95913(l)(5). Since APCR allowances are handled in the same manner to satisfy a compliance obligation, regardless of vintage, the order of sale would be conducted until all accepted bids are filled or all allowances are sold.

Section 95913(m)(2)(D) is added to clarify that financial instruments must be acceptable based on banking law and bank practices, and subparagraphs (m)(2)(B) and (C) are modified to remove the phrase "issued by a financial institution with a United States banking license." The phrase had not been defined and is not needed given the addition of subparagraph (D).

Section 95913(n)(2)(B) is modified to remove the term "covered," as it is not needed. Section 95913(n)(3)(B) is modified to improve the readability of the section. The additional language does not change the effect or meaning of the provision. Sections 95913(n)(3)(A) and (B) are modified to include a reference to section 95911(g), which is another potential source of allowances placed into the Reserve. Section 95913(n)(3)(C) is modified to include the process to address the resolution of tie bids in a tier by assigning random numbers and distributing remaining allowances that result from the process of rounding down. This process is consistent with current section 95913(h)(5) describing the operation of reserve sales through 2020.

T. Modifications to Section 95914. Auction Participation and Limitations.

Section 95914(c)(1)(B) is modified to clarify that disclosure of bidding strategy at any auction (not just past or future) is prohibited.

U. Modifications to Section 95920. Trading.

Section 95920(d)(2)(B) is modified to further clarify the process for initially calculating the limited exemption from the holding limit for entities that are already registered into the Program as of January 1, 2017. The previous text did not cover all of the different factors that determine the size of the limited exemption for entities already registered. The revision harmonizes California's calculation of the limited exemption with those used in linked markets that do not have annual obligations.

Section 95920(d)(2)(D) is modified to correct a citation to section 95851 and section 95920(d)(2)(E) is modified to remove a redundant phrase regarding the limited exemption calculation. Section 95920(d)(2)(F) is modified to clarify the process for reducing the limited exemption in years when a compliance obligation is due. In years when an annual obligation is due, after the compliance event the limited exemption is reduced by the amount of the annual obligation. In years when a compliance period obligation is due, the limited exemption is reduced by the amount of emissions contained in the emissions reports used to construct the limited exemption. The number of years for which a compliance obligation is due that calendar year determines which annual reports are considered to remove emissions from the calculation, beginning with the oldest report used in the calculations. The reduction for the compliance period will take into account the previous removals of annual obligations from the calculations.

Section 95920(f) is modified to further clarify in the section header that the requirements relate to corporate association provisions. Section 95920(f)(3) is modified to update references to sections 95830 and 95835.

V. Modifications to Section 95921. Conduct of Trade.

Section 95921(a)(4) contains an existing requirement that a transaction agreement between two entities must exist before a transfer request is submitted. The section is modified to clarify that the transaction agreement must be between the two registered entities listed in the transfer request.

Section 95921(c)(1) contains an existing requirement that the entities that are parties to a transfer request must, at the request of the Executive Officer, submit documentation sufficient to verify the information entered in the transfer request. In practice, this is usually accomplished through the provision of the underlying transaction agreement and other documents confirming a transaction. The section is modified to clarify this practice without limiting the request to those documents.

Section 95921(d) contains provisions governing transfers to or from an exchange clearing holding account (ECHA), which is used by some exchanges that take possession of allowances temporarily when they clear transactions. The original text contained provisions that exempted transfers to or from an ECHA from the requirement to be confirmed by an account representative from a destination account. This provision was included to recognize the potentially large volume of transactions that could be cleared through an ECHA. In an earlier rulemaking, staff had proposed eliminating this exemption, thus requiring transfers to or from an ECHA to be accepted by an account representative from the destination account of the transfers. This would have had the effect of subjecting transfers from an ECHA to the automatic holding limit test that is applied to all transfers. However, staff has decided to reinstate the exemption in section 95920(d)(3) based on concerns raised by stakeholders during the first 15-day package and to ensure the proposed amendments can be implemented in CITSS.

Section 95921(d)(4) is modified to clarify that in the event that the ECHA cannot complete a transfer under the exchange's rules governing delivery, the ECHA is required to inform ARB of the circumstances. This provision would allow ARB to investigate whether a registered entity has violated the provisions of this article while still ensuring only the entity receiving the transfer, and not the ECHA, is responsible for violations of the holding limit.

W. Modifications to Section 95922. Banking, Expiration, and Voluntary Retirement.

Existing section 95922(d)(2)(A) was designed to allow a transfer request to the retirement account to be based on a transaction agreement with an unregistered entity. The section is modified to more explicitly state that the option applies only to

voluntary transfers to the retirement account.

X. Modifications to Section 95943. Linked External GHG ETS or External GHG Program.

Existing section 95943(b) allows California registered entities to use compliance instruments from linked emission trading systems (ETS) and section 95943(c) allows the registered entities of a linked ETS to use compliance instruments issued by California. Staff is proposing to delete the word “only” in sections 95943(b) and (c) because the word is not needed to effectuate the meaning and implementation of sections 95944 and 95945. In addition, section 95943(c) is modified to remove the word “Access,” since that term is not utilized in section 95945.

Y. Modifications to Section 95985. Invalidation of ARB Offset Credits.

Section 95985(i)(3) is modified to treat all U.S. forest offset projects the same regardless of when ARB offset credits were issued. These modifications are consistent with previously proposed changes to the Forest Buffer Account replacement requirements in section 95985(h)(3).

In addition to these changes, there are some modifications correcting grammar, punctuation and spelling that have been made throughout the proposed changes. These changes are nonsubstantive.

These modifications do not change implementation of the Regulation in any way that affects the conclusions of the environmental analysis included in the Staff Report because the modifications consist primarily of clarifications to definitions, disclosure and other provisions, including allocation provisions. None of these modifications alter the compliance responses, so no additional environmental analysis or recirculation of the analysis is required.

Additional Considerations

Assembly Bill 197 (AB 197, Garcia, Chapter 250, Statutes of 2016) provides that, when adopting rules and regulations pursuant to Division 25.5 of the Health and Safety Code to achieve emissions reductions beyond the 2020 statewide greenhouse gas limit, ARB shall follow the requirements in Health and Safety Code section 38562(b), consider the social costs of the emissions of greenhouse gases, and prioritize emissions reduction rules and regulations that result in direct emission reductions from various sources.

ARB designed the Cap-and-Trade Regulation taking into account section 38562(b).⁶ The proposed amendments retain and extend the major elements of the Regulation,

⁶ See Proposed Regulation to Implement the California Cap-and-Trade Program, Staff Report: Initial Statement of Reasons, at II-50 - II-53 (2010), available at: <https://www.arb.ca.gov/regact/2010/capandtrade10/capisor.pdf>.

including those features bearing on section 38562(b) considerations. In addition, ARB has considered the social costs of GHG emissions. The social costs of GHG emission reductions from extending the Regulation beyond 2020 can be estimated using the U.S. Government's Interagency Working Group on Social Cost of Greenhouse Gases Social Cost of Carbon (SC-CO₂), which represents the long-term damage done by a ton of CO₂ emissions in a given year and the value of damages avoided for a ton of CO₂ reductions. Avoided social damage of the Regulation in 2030 ranges from \$800 million to \$8.4 billion (2015 dollars).⁷ This range is achieved by multiplying the estimated emission reductions from the Regulation in 2030 (i.e., 45-100 MMTCO₂e) by the 2030 year SC-CO₂ across U.S. EPA discount rates and inflated to 2015 dollars.^{8,9}

Finally, in developing the regulatory amendments that would take effect post-2020, the proposed declining cap acts to constrain and reduce emissions across approximately 85 percent of California's GHG emissions sources to ensure the 40 percent below 1990 level target is achieved, especially if other measures fail to achieve their anticipated GHG reductions. As designed, the Regulation will ensure GHG emission reductions occur within California that may also reduce criteria pollutants and toxic air contaminants. Sources covered by the Regulation include natural gas and fuel suppliers, large stationary sources, and electricity importers. The gradually declining cap on GHG emissions, along with the quantitative usage limitation for offset credits, means that the proposed amendments would result in direct emissions reductions at covered entities, including large stationary sources and other GHG emission sources. As noted in the ISOR, through 2030, the Cap-and-Trade Program is expected to deliver between 100-200 MMTCO₂e of the cumulative total emission reductions needed between 2021 and 2030 to achieve the 2030 target.¹⁰

⁷ Estimates of the avoided damages resulting from California's climate policies are also discussed in the proposed 2030 Target Scoping Plan, which is referenced in the ISOR and is currently under development. These estimates rely on the SC-CO₂ and they vary across different discount rates, which measure the value of money over time.

⁸ The U.S. Government SC-CO₂ values are in 2007 dollars. The 2030 SC-CO₂ values of \$16, \$50, and \$73 translate to approximately \$18, \$57, and \$83 in 2015 dollars, respectively, based on the Bureau of Labor Statistics CPI Inflation Calculator. For further discussion of the U.S. Government SC-CO₂, including U.S. EPA discount rates, see U.S. Environmental Protection Agency Fact Sheet on Social Cost of Carbon (December 2015), available at <https://www3.epa.gov/climatechange/Downloads/EPAactivities/social-cost-carbon.pdf>.

⁹ Chapter VI of the ISOR references the 2030 Target Scoping Plan, which discusses in Chapters 2 and 3 that the Regulation will result in additional GHG emission reductions—and associated avoided social costs—during the 2021-2029 period as well.

¹⁰ As discussed above, Chapter VI of the ISOR refers to ARB's development of the 2030 Target Scoping Plan, in which PATHWAYS modeling has confirmed (with further specificity) the GHG emissions reduction estimates contained in the ISOR. Specifically, the Cap-and-Trade Program is expected to achieve 191 MMTCO₂e GHG emission reductions of the cumulative 680 MMTCO₂e GHG emission reductions needed between 2021 and 2030 to achieve the 2030 target.

<https://www.arb.ca.gov/cc/scopingplan/scopingplan.htm>

Additional Documents Added to the Record

This March 2017 Second Notice of Availability of Modified Text and Availability of Additional Documents and/or Information places additional documents into the regulatory record and ARB staff invites comments on these documents. Specifically, this Notice provides the public with documents pertaining to Ontario's Cap-and-Trade Regulations as well as ARB staff's assessment of Ontario's Cap-and-Trade Program and the Governor's linkage findings pursuant to Government Code section 12894, also known as Senate Bill (SB) 1018. These documents include: (1) Ontario's *Climate Change Mitigation and Low-carbon Economy Act 2016* – proclaimed in force May 19, 2016, (2) Ontario Regulation 452/09 "Greenhouse Gas Emissions Reporting" – effective December 1, 2009, (3) Ontario Regulation 143/16 "Quantification, Reporting, and Verification of Greenhouse Gas Emissions" – effective July 1, 2016, (4) Ontario's "Guideline for Quantification, Reporting and Verification of Greenhouse Gas Emissions" – effective January 1, 2017, (5) Ontario's "Guideline for Quantification, Reporting and Verification of Greenhouse Gas Emissions" – dated December 2015, (6) Ontario Regulation 144/16 "The Cap and Trade Program" – effective July 1, 2016, and as amended, (7) Ontario's Compliance Offset Credits Regulatory Proposal – dated November 15, 2016, (8) ARB Staff's "Discussion of Findings Required by Government Code section 12894" – dated January 2017, and (9) Governor's Transmittal Response to CARB on Findings Under SB 1018.

The documents added to the record represent the current statute and regulations adopted by the Ontario government. Official copies of these documents are available through the Ontario Government e-Laws website at:

Climate Change Mitigation and Low-carbon Economy Act 2016, proclaimed in force May 19, 2016, available at <http://www.ontario.ca/laws/statute/s16007>

Ontario Regulation ("O. Reg.") 452/09, Greenhouse Gas Emissions Reporting, effective December 1, 2009, and as amended, available at <https://www.ontario.ca/laws/regulation/090452>

O. Reg. 143/16, Quantification, Reporting, and Verification of Greenhouse Gas Emissions, effective July 1, 2016 and as amended, available at <https://www.ontario.ca/laws/regulation/r16474>

Ontario's Guideline for Quantification, Reporting and Verification of Greenhouse Gas Emissions, effective January 1, 2017, https://files.ontario.ca/guideline_for_quantification_reporting_and_verification_of_greenhouse_gas_emissions_2017.pdf

Ontario's Guideline for Quantification, Reporting and Verification of Greenhouse Gas Emissions, dated December 2015, http://www.downloads.ene.gov.on.ca/envision/env_reg/er/documents/2015/012-4549_d_Guideline.pdf

O. Reg. 144/16, The Cap and Trade Program, effective July 1, 2016, and as amended, available at <https://www.ontario.ca/laws/regulation/160144>

Ontario's Cap and Trade Program Regulation sets the same quantitative usage limits for offset credits in Ontario as are in place in California's program. Ontario has proposed amendments to its Cap and Trade Program to provide further details for offset credits that are consistent with California's and Québec's requirements. This amendment was initiated through a proposal entitled "Compliance Offset Credits Regulatory Proposal" which was published for comment on November 15, 2016. Comments were due on December 30, 2016. The proposal is available at http://www.downloads.ene.gov.on.ca/envision/env_reg/er/documents/2016/012-9078.pdf

Additional documents added to the record include:

- Post-2020 Electrical Distribution Utilities Allowance Allocation Spreadsheet
- U.S. Environmental Protection Agency Fact Sheet on Social Cost of Carbon (December 2015)
- Anza Electric Cooperative, Inc. and ConnectAnza, Financial and Statistical Report, USDA RUS Form 7, 2017
- City of Vernon Added Facilities Agreement (2017)
- City of Vernon, Agreement for Economic Development Incentive on Electric Service (2017)
- Silicon Valley Power, Utility Fact Sheet, Electric Utility, City of Santa Clara, FACT Sheet - JAN - DEC 2016 (2017)
- U.S. Nuclear Regulatory Commission, Diablo Canyon Power Plant, Unit 1
- U.S. Nuclear Regulatory Commission, Diablo Canyon Power Plant, Unit 2

Agency Contacts

Inquiries concerning the substance of the proposed regulatory action may be directed to the agency representative Jason Gray, Chief, Climate Change Program Evaluation Branch, at (916) 324-3507, Mary Jane Coombs, Manager, Program Development Section, at (916) 322-7554, or (designated back-up contact) Mark Sippola, Air Resources Engineer, at (916) 323-1095.

Public Comments

Written comments will only be accepted on the modifications identified in this Notice, the additional documents added to the rulemaking record in this Notice, the changes detailed in Attachment A, as well as any additional comments on Attachments B-F identified in the first 15-day Notice of Public Availability of Modified Text. Comments may be submitted by postal mail or by electronic submittal no later than 5:00 p.m. on the deadline date (listed at the beginning of the notice) to the following:

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

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

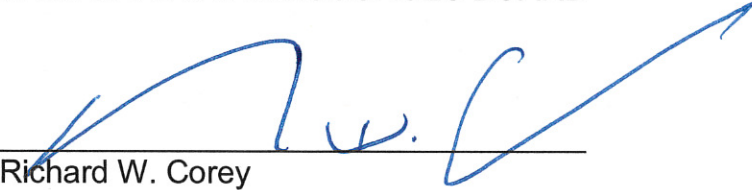
Please note that under the California Public Records Act (Gov. Code § 6250 et seq.), your written and verbal comments, attachments, and associated contact information (e.g., your address, phone, email, etc.) become part of the public record and can be released to the public upon request.

In order to be considered by the Executive Officer, comments must be directed to ARB in one of the two forms described above and received by ARB by 5:00 p.m. on the deadline date for public comment listed at the beginning of this notice. Only comments relating to the above-described modifications to the text of the regulations shall be considered by the Executive Officer.

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 alterno 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.

CALIFORNIA AIR RESOURCES BOARD



Richard W. Corey
Executive Officer

Date: April 13, 2017

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.