

California Climate Program

**Partnership for Market Readiness
Eleventh Meeting of the
Partnership Assembly (PA11)**

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California Air Resources Board

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Overview

- ❑ **California Climate Program**
- ❑ **Cap-and-Trade Program Update**
- ❑ **Climate and Energy Goals**
- ❑ **Ongoing Engagements**

California Climate Program

- ❑ **Reduce emissions to 1990 levels by 2020**
- ❑ **Programs:**
 - Clean Cars
 - Low Carbon Fuel Standard
 - Renewable Portfolio Standard
 - Cap-and-Trade Program
 - Energy Efficiency
 - Others
- ❑ **2050 Emissions Goal: 80% below 1990 levels**

Cap-and-Trade Program Update

□ Recent Activity:

- **Compliance Event – November 2014**
- **Joint Auctions with Quebec:**
 - November 2014
 - February 2015
- **Program expanded to include fuels on January 1, 2015: Gasoline; diesel; propane; natural gas**

□ Upcoming:

- **Compliance Event – November 2015**

Climate and Energy Goals

□ Climate Goals:

- Emissions Commitments
- Reduce short lived climate pollutants
- Manage natural and working lands so that they can store carbon

□ 2030 Energy Goals:

- Increase to 50% electricity derived from renewables
- Reduce petroleum use in cars & trucks by up to 50%
- Double energy efficiency achieved at existing buildings & make heating fuels cleaner

Ongoing Engagements

- ❑ **Visits and Information Exchange**
- ❑ **MOUs**
 - **China**
 - **Mexico**
 - **Others**
- ❑ **US States and Canadian Provinces**
- ❑ **PMR**

For Additional Information

ARB Climate Change Web Site:

www.arb.ca.gov/cc/cc.htm

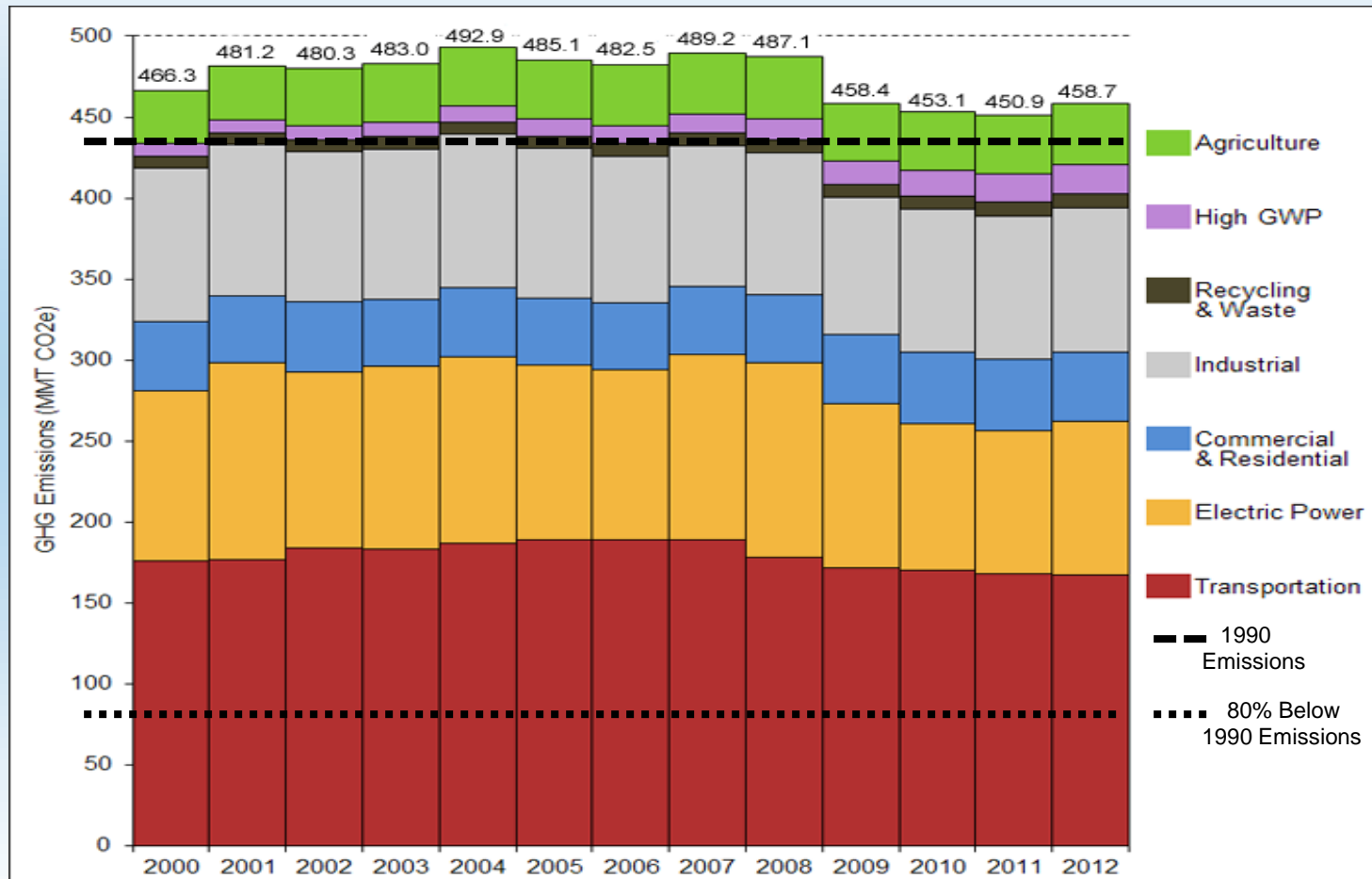
California Climate Change Portal:

www.climatechange.ca.gov

Appendix

- **Additional Information on the California Climate Program**
 - Emissions Inventory and Goals
 - Cap-and-Trade Program Overview

California Emissions Inventory and Goals



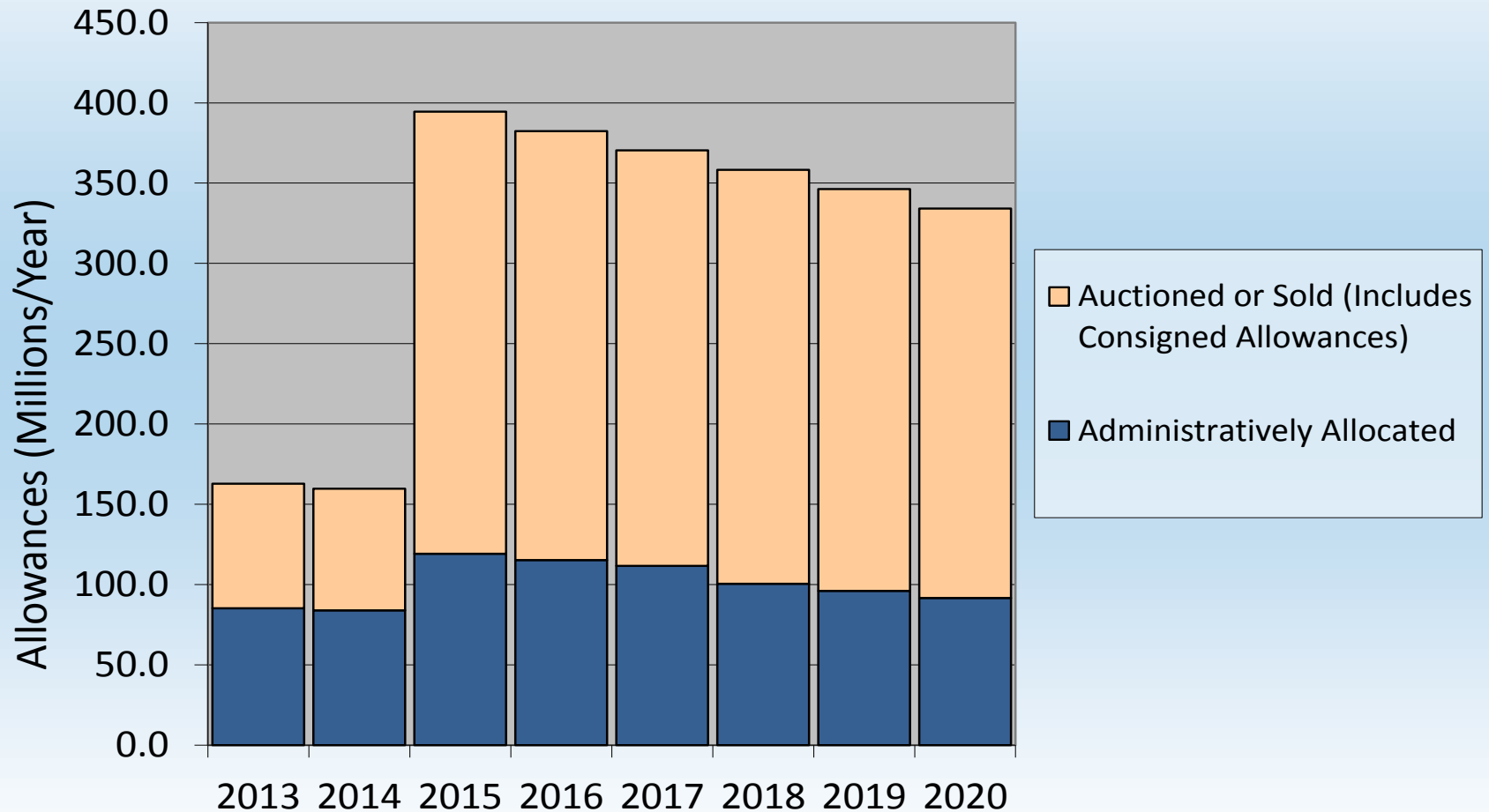
California Cap-and-Trade Status

- ❑ **Program is Operating**
- ❑ **Infrastructure**
 - **California Electronic Greenhouse Gas Reporting Tool (Cal e-GGRT)**
 - **Compliance Instrument Tracking System Service (CITSS)**
 - **Auction and Reserve Sale Platform**
- ❑ **Allowance Auctions and Offset Credits**

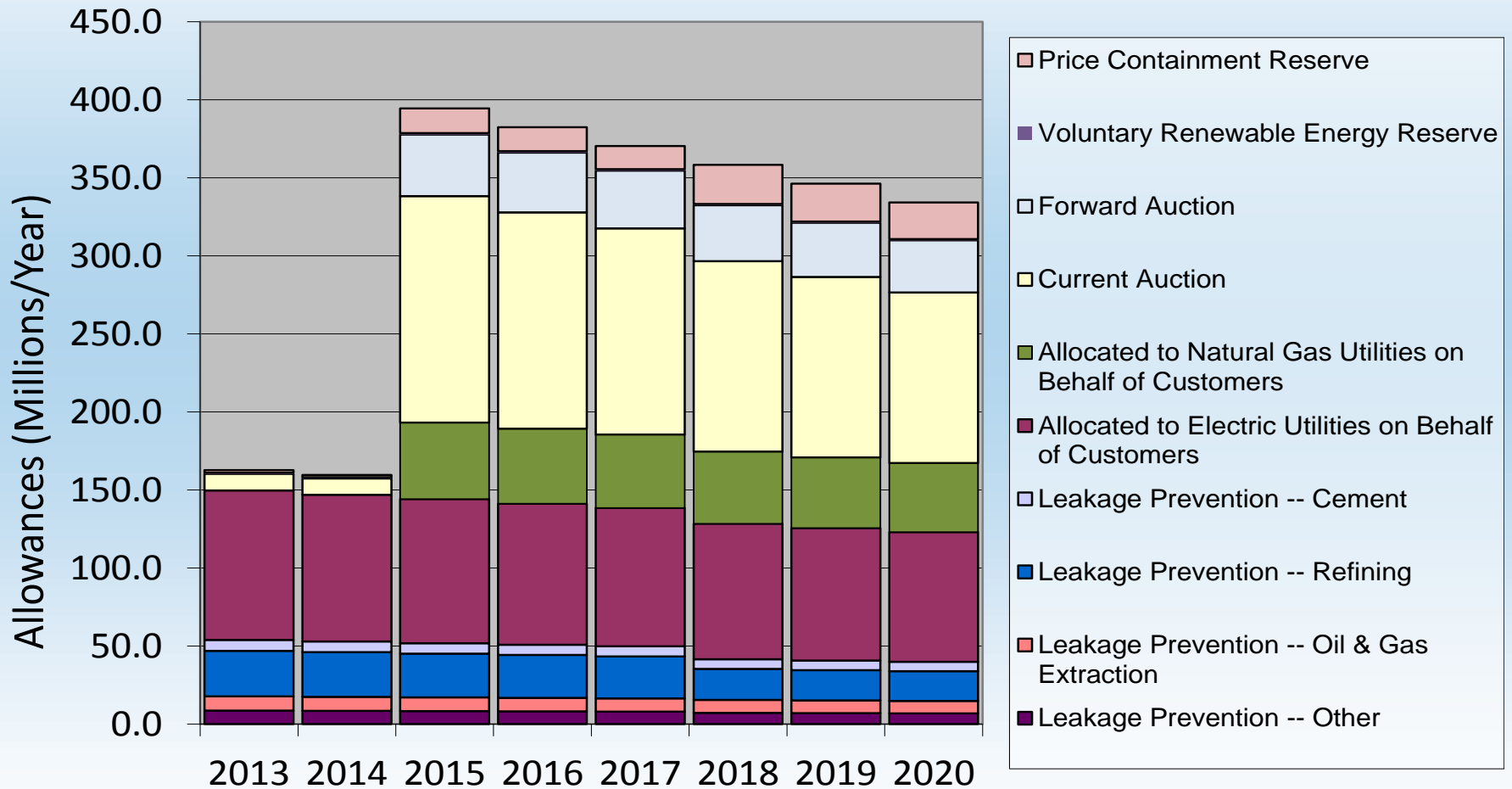
Who is Covered?

- ❑ **Stationary sources of emissions at or above 25,000 metric tons of CO₂e per year**
 - **Industrial emitters**
 - **Electricity generation and electricity imports**
- ❑ **As of January 1, 2015:**
 - **Transportation fuels**
 - **Residential and commercial use of natural gas, propane**

Auctions in Context



Auctions in Context: Details



Notable Features of the Cap-and-Trade Program

- ❑ Link with Quebec
- ❑ Offset Limit
- ❑ Escalating Auction Floor Price
- ❑ Allowance Price Containment Reserve
- ❑ Market Monitoring:
 - Proof of Identity: “Know Your Customer”
 - All instruments and transfers are recorded
 - Holding Limits and Purchase Limits