

California Climate Program

**Partnership for Market Readiness
Tenth Meeting of the Partnership Assembly
(PA10)**

**Michael J. Gibbs
California Air Resources Board
November 2014**

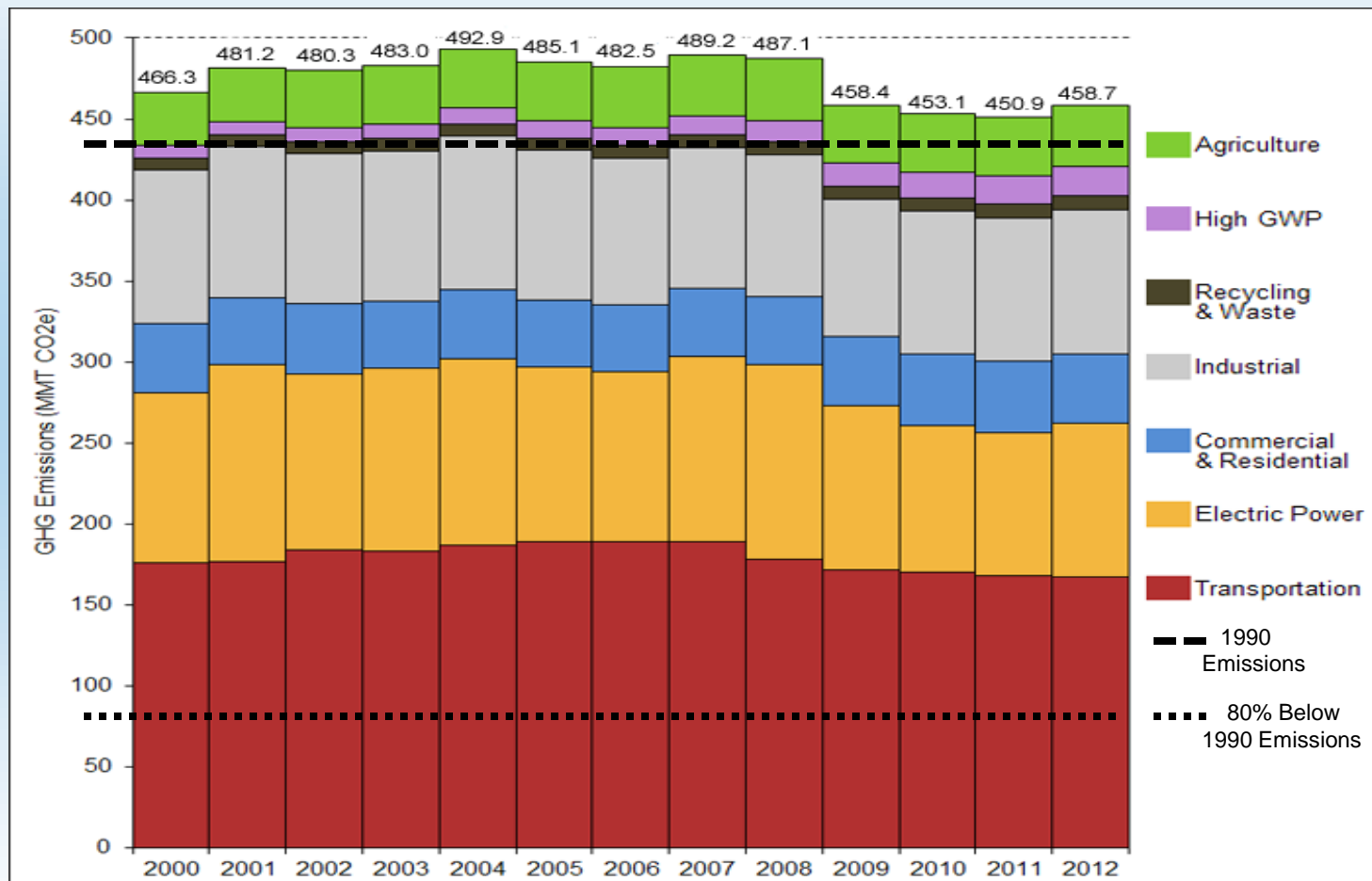
Overview

- ❑ **California Climate Program**
 - Emission goals
 - Cap-and-Trade Program
- ❑ **Ongoing Engagements**
- ❑ **Interest in becoming a PMR Technical Partner**

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**

California Emissions Inventory and Goals



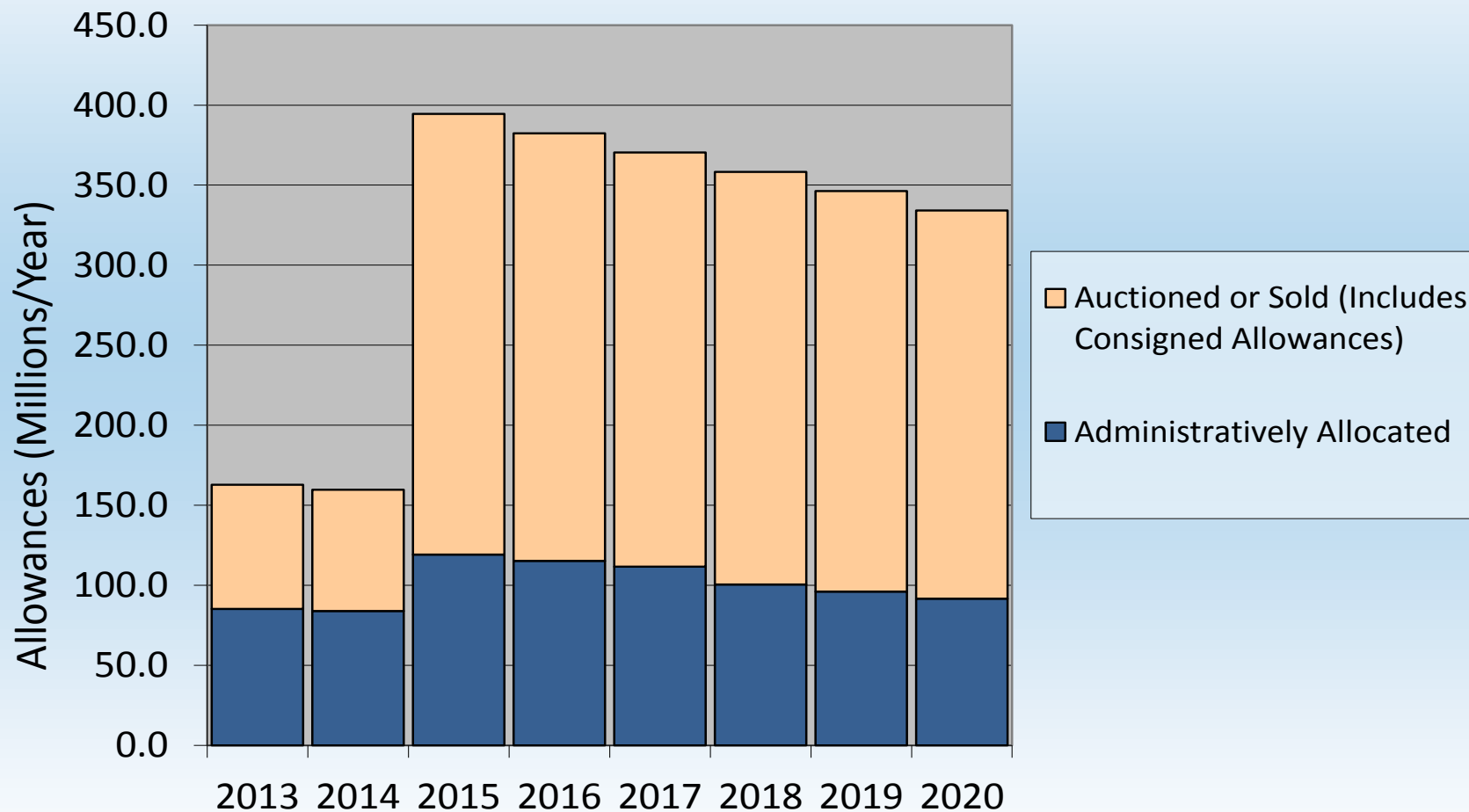
Cap-and-Trade Status

- ❑ **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**

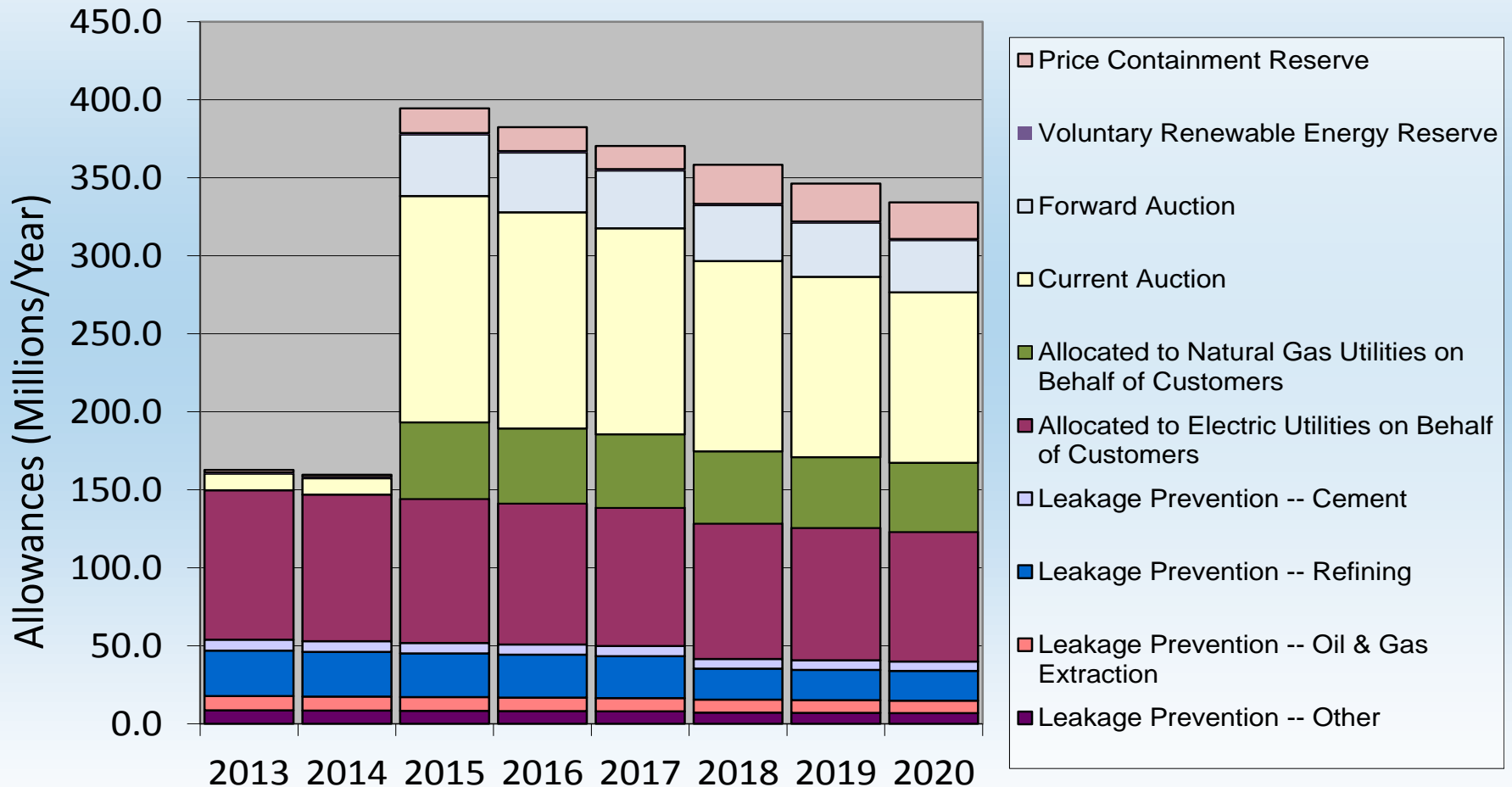
Who is Covered?

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

Auctions in Context



Auctions in Context: Details



Notable Features

- ❑ **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**

Ongoing Engagements

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

Interest in PMR

- Continue to Learn**
- Share California's Experience**
- Engage in PMR Activities**
- Share the PMR country information with other US states**

For Additional Information

ARB Climate Change Web Site:

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

California Climate Change Portal:

www.climatechange.ca.gov