

REQUEST FOR EARLY EFFECTIVE DATE

Pursuant to Government Code section 11346.2(d), the Air Resources Board (ARB) requests that sections 91500 through 91508 Title 17, California Code of Regulations (CCR), become effective upon filing with the Secretary of State. Good cause for this request exists.

The parties directly affected by these regulations are the 35 air pollution control and air quality management districts (districts) that use emissions trading as a compliance option as specified by sections 39607.5 and 40920.6 of the California Health and Safety Code.

Section 39607.5 contained in Part 2 of Division 26 of the Health and Safety Code, requires the ARB to develop and adopt a methodology for use by districts to calculate the value of credits issued for surplus (i.e., not otherwise required) emissions reductions from stationary, mobile, and area sources when the credits are used “interchangeably.” In addition, section 40920.6 of the Health and Safety Code requires districts to allow the retirement of marketable emissions reduction credits that meet applicable requirements of state and federal law to be used in lieu of any requirement for Best Available Retrofit Control Technology (BARCT) if the credit also complies with all district rules and regulations affecting those credits.

Several districts have either adopted or initiated development of emissions trading regulations. The State trading regulation contains a number of safeguards and tracking procedures that district trading programs must contain to be consistent with state and federal air quality plans. Any unnecessary delays in the effective date of the State regulation could lead to the use of emission credits that may not fully protect public health, could result in localized impacts, or could increase emissions sufficient to jeopardize timely attainment of air quality standards.

An early effective date will not have an adverse impact on the ability of the districts to comply with the regulations. To the contrary, an early effective date will facilitate district and State program activities so that they can comply with the goals of the applicable provisions in the Health and Safety Code and assure regulated facilities that the use of credits fully complies with State law. Districts have been consulted in the development of these regulations and they have been active participants in the rulemaking process. The ARB will notify the districts when the effective date of the regulations is known.

Date: _____

Kathleen Walsh
General Counsel

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