

2018 Annual Allowance Price Containment Reserve Notice

California Cap-and-Trade Program

Greenhouse Gas Allowance Price Containment Reserve Sales

Issued on December 1, 2017

Reserve Sale Summary

As part of the Cap-and-Trade Program, the California Air Resources Board (CARB) will offer sales of greenhouse gas (GHG) allowances from the Allowance Price Containment Reserve (APCR) in any quarter that the Current Auction held in the preceding quarter resulted in a settlement price greater than or equal to 60% of the lowest Reserve tier price.¹ Prior to the November 1 compliance obligation instrument surrender deadline, a sale of allowances from the APCR (Reserve sale) will be held without regard to the settlement price in the Current Auction held in the preceding quarter. In a Reserve sale, CARB will offer allowances for sale in three fixed-price, equal-sized tiers.

Reserve sales are scheduled pursuant to the schedule in Appendix C and offered pursuant to Section 95913(d)(1) of the Cap-and-Trade Regulation. Refer to the [2018 Reserve Sale Summary of Potential Dates](#) available on the [CARB Reserve Sale Information](#) webpage for a schedule of activities associated with the 2018 Reserve sales.

Table 1: 2018 APCR Tier Prices and Allowances Currently in APCR

APCR Tier	Tier Prices	Number of APCR Allowances ²
Tier 1	\$54.26 per allowance	40,611,000
Tier 2	\$61.06 per allowance	40,611,000
Tier 3	\$67.83 per allowance	40,611,000

Information on the specific quantity of APCR allowances available for sale in each tier will be made available in a Reserve Sale Notice for any offered Reserve sale, which is

¹ Amendments to Section 95913(d)(1) of the Cap-and-Trade Regulation, which took effect on October 1, 2017, include new requirements from previous years. See [here](#) for a description of those requirements.

² This table provides the number of allowances currently in the APCR. Pursuant to [Assembly Bill 398](#) (AB 398, Chapter 135, Statutes of 2017), CARB will set aside two-thirds of the allowances available in the APCR as of December 31, 2017, to establish price containment points that will become effective on January 1, 2021. See Health & Safety Code section 38562(c)(2)(B). Pursuant to [Board Resolution 17-21](#), in adopting amendments to the Cap-and-Trade Regulation that took effect on October 1, 2017, the Board directed CARB's Executive Officer to initiate a new rulemaking process to implement the AB 398 requirements. On [October 12, 2017](#), CARB initiated this new rulemaking process.

posted at least 30 days prior to an offered Reserve sale on the CARB Reserve Sale Information webpage.

Contact Information

For further information about the Annual Allowance Price Containment Reserve Notice or participation in the 2018 Reserve sales, please contact Tobias Muench at Tobias.Muench@arb.ca.gov or (916) 322-3908.