

State of California
Environment Protection Agency
AIR RESOURCES BOARD

Notice of Decision

- Project Title:** Amendments to the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms (Cap-and-Trade Regulation)
(SCH# 2010102056)
- Project Location:** Statewide
- Public Meeting Date:** September 18, 2014; Agenda Item # 14-7-5
- Project Description:** Amendments to the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms Regulation (Cap-and-Trade Regulation or Regulation) to: provide improved clarity for covered entities regarding disclosure requirements, allocation, and offset supply; change allowance allocation for the Metropolitan Water District and the City of Shasta Lake; change tomato product data definitions (used to determine allocation to tomato producers); remove the exemption for imported carbon dioxide; modify provisions regarding implementation and oversight of the Regulation; and update three existing compliance offset protocols (Livestock Projects, Ozone Depleting Substances Projects, and U.S. Forest Projects).

This notice is to advise that the California Air Resources Board (ARB or Board), as the lead agency, adopted the above regulatory action on November 14, 2014.

The environmental analysis (EA) prepared as part of the Staff Report for the proposed amendments under ARB's CEQA certified regulatory program (Public Resources Code, §21080.5; Cal. Code Regs., tit. 14, §15251, subd, (d)) provides the basis for ARB's determination that it could rely on the environmental analysis prepared for the Cap-and-Trade Regulation in 2010 entitled *Functional Equivalent Document prepared for the California Cap on GHG Emissions and Market-Based Compliance Mechanisms (2010 FED)*. ARB determined that no subsequent or supplemental environmental review was required for these amendments because they do not substantially change the Cap-and-Trade Regulation in a way that would require major revisions to the 2010 FED because of the involvement of new significant environmental effects or a substantial increase in severity of previously identified significant effects. Additionally, there are no changes in circumstances or new information that would otherwise warrant any subsequent or supplemental environmental analysis.

The EA for the amendments included in the *Staff Report: Initial Statement of Reasons for the proposed Amendments to the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms*, and all other related documents, are available for public inspection on the ARB rulemaking webpage at:
<http://www.arb.ca.gov/regact/2014/capandtrade14/capandtrade14.htm>.

These documents may also be examined at:

California Air Resources Board
Attn: Board Administration and Regulatory Coordination Unit
1001 I Street
Sacramento, CA 95814

Certified: _____



ARB CEQA Unit

Date: _____

November 14, 2014

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Resources Agency of California