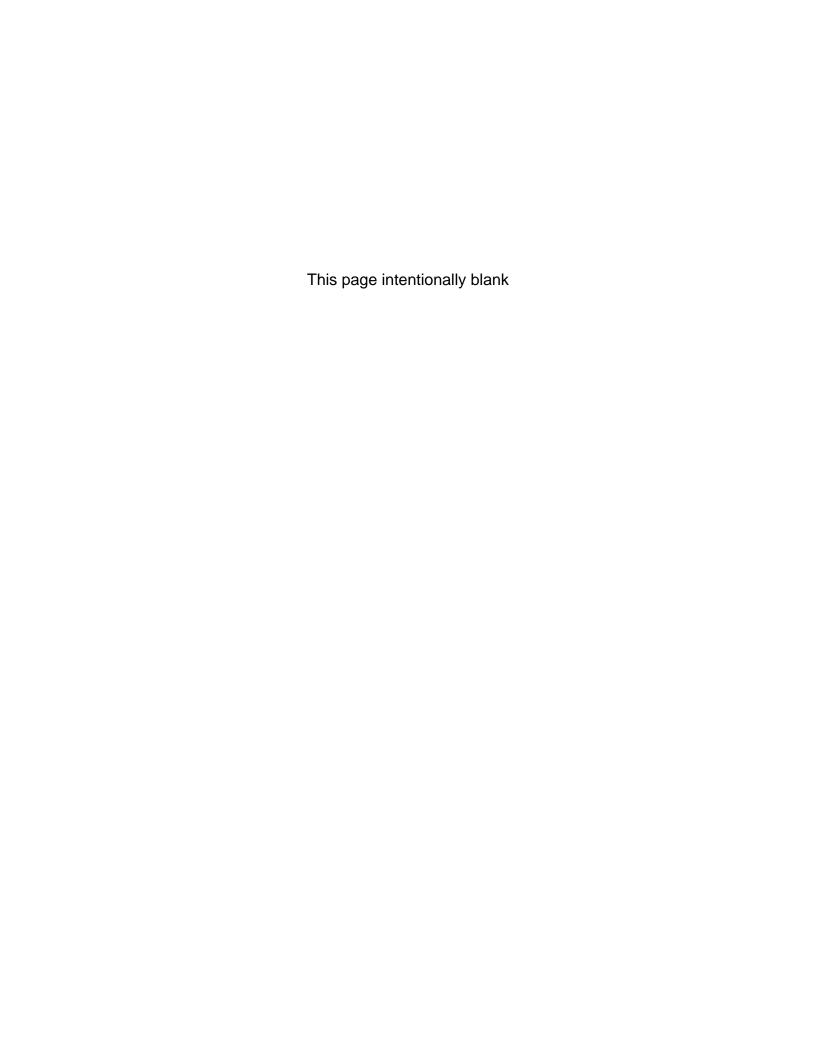
California Environmental Protection Agency



Compliance Instrument Tracking System Service (CITSS)

User Reference CITSS Version 5.0



CITSS 5.0 User Reference

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List of Acronyms

AAR Alternate Account Representative

ARB Air Resources Board CAD Canadian Dollars

CITSS Compliance Instrument Tracking System Service

ECHA Exchange Clearing Holding Account ECSP Exchange Clearing Service Provider

EDU Electrical Distribution Utility

ET Eastern Time

ICE Intercontinental Exchange
JPA Joint Powers Agency
OTC Over-the-Counter

PAR Primary Account Representative

POU Publicly-Owned Utility USD United States Dollars

CITSS 5.0 USER REFERENCE

1.0 Introduction

The Compliance Instrument Tracking System Service (CITSS) is a market tracking system that provides accounts for market participants to hold, transfer, and retire compliance instruments. CITSS records ownership of compliance instruments and account information; enables and records compliance instrument transfers; facilitates compliance verification and surrender of instruments; and supports market oversight through the collection of relevant information.

Development and implementation of CITSS has been phased, introducing new functionality in a series of application releases. CITSS releases and the primary functionality included in each release are summarized below.

Version	Date of Release	Major Functionality Introduced
CITSS 1.0	July 2012	User Registration and Entity Account Application.
CITSS 2.0	October 2012	Compliance Instrument Transfers.
CITSS 3.0	August 2013	Consolidated Account Restructuring and Holding Limits.
CITSS 3.1	January 2014	Jurisdiction Linking between California and Québec.
CITSS 4.0	August 2014	Annual Compliance Processing and Regulation Amendments.
CITSS 5.0	January 2015	Compliance Instrument Transfers Updates.

CITSS 5.0 incorporates numerous updates to existing functionality reflecting recent amendments to the Cap-and-Trade Regulation. This User Reference describes the updated transfer functionality included in CITSS 5.0 released in January 2015. This new functionality implements new regulatory requirements for providing information related to compliance instrument transfers. The regulatory requirements took effect January 1, 2015.

Existing user guides and user references provide complete guidance on the use of CITSS, with the noted exception of the transfer instructions in Volume III of the CITSS User Guide, which are in part superseded by this CITSS 5.0 User Reference to reflect updates to compliance instrument transfer functionality. CITSS User Guides and CITSS User References 3.0, 4.0 and 5.0 are available on the California Air Resources Board (ARB) CITSS webpage at http://www.arb.ca.gov/citss. All CITSS user instructional materials will be updated in 2015.

2.0 CITSS Public Home Page Security Reminder

An important security reminder has been added to the CITSS public home page (Figure 1). By default, browsers may save session information. This browser cache could be retrieved by others to obtain information, including such information as username, password, and transaction details. For security purposes never save your password using a web browser and always clear the browser's cache upon completion of a CITSS session. Users are required to maintain the security of their CITSS User ID, password, and security questions, and these are not to be shared with others.

3.0 Existing Transfer Processes

While CITSS 5.0 implements new functionality that requires more specific definition of the transfer type and collects additional information about the transfer, the basic steps and process to complete a transfer in CITSS have not changed. This section provides a brief overview of the basic steps required in the existing transfer process

Three-step Transfer Process

Consistent with earlier CITSS transfer functionality, transfers to another entity's General Holding Account require a three-step (propose, approve, accept) process. Compliance instruments will not be transferred in CITSS until the following steps have been completed:

- **Step 1:** A Primary Account Representative (PAR) or Alternate Account Representative (AAR) from the transferring entity proposes the transfer request in CITSS. After selecting "Submit," Step 1 will be completed and the transfer request will be proposed. The account representatives for the transferring entity will be notified via email.
- Step 2: A PAR or AAR from the transferring entity approves the transfer request in CITSS. Except for individual account holders, the approving account representative must be different than the PAR or AAR that proposed the transfer request. The transfer request must be approved by midnight (Eastern Time (ET)) of the second calendar day following the date the transfer was initially proposed. After selecting "Process Transfer," Step 2 will be completed and the transfer request will be approved. The account representatives for the transferring and receiving entity will be notified via email.
- **Step 3:** A PAR or AAR from the receiving entity accepts the transfer request in CITSS. The transfer request must be accepted by midnight (ET) of the third calendar day following proposal of the transfer request. After selecting "Process Transfer," Step 3 will be completed and the transfer request will be accepted. The account representatives for the transferring and receiving entity will be notified via email.



CITSS

ompliance Instrument

English • Français



Welcome to WCI CITSS

The Compliance Instrument Tracking System Service (CITSS) is a management and tracking system for accounts and compliance instruments issued through participating Western Climate Initiative cap-and-trade programs. CITSS is administered by the Western Climate Initiative, Inc. (WCI, Inc.). CITSS tracks compliance instruments (emissions allowances and offsets) from the point of issuance by jurisdictional governments, to ownership, transfer by regulated greenhouse gas emitters and other voluntary or general market participants, and to final compliance retirement.

CITSS is designed to simplify the participation in the cap-and-trade program for all program participants, jurisdiction staff, and any contractors involved in implementing cap-and-trade programs within participating jurisdictions.

Notice: CITSS is for use by authorized users. Use is monitored and may be restricted at any time. Confidential information may not be accessed or used without authorization. Unauthorized or improper use of this system may result in administrative, civil, or criminal penalties. Use of this system, authorized or unauthorized, constitutes consent to monitoring and information retrieval. By accessing this system you are acknowledging and consenting to these terms and conditions. Leave this site immediately if you are not an authorized user or do not agree to the conditions in this notice.

Guidelines for Use:

Use of your browser's BACK command may terminate your secure session and/or result in loss of data

Within CITSS, switching between English and French will cause the application to return to the home screen and any information entered during that session may be lost.

CITSS is compatible with the following web browsers: Internet Explorer 7 and later, Firefox, Safari, Chrome, and Opera

To begin using CITSS, either login with your registered CITSS User ID and password or, if you are not yet registered, you may complete the User Registration form.

For security purposes, please do not save your password using a web browser and clear the browser's cache upon completion of each CITSS session



Western Climate Initiative, Inc. (WCI, Inc.) is a non-profit corporation formed to provide administrative and technical services to support the implementation of state and provincial greenhouse gas emissions trading programs.

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Two-step Transfer Process

Transfers to the Compliance Account or to an Exchange Clearing Service Provider's Exchange Clearing Holding Account require a two-step (propose, approve) process. Compliance instruments will not be transferred in CITSS until the following steps have been completed:

- **Step 1:** A PAR or AAR from the transferring entity proposes the transfer request in CITSS. After selecting "Submit," Step 1 will be completed and the transfer request will be proposed. The account representatives for the transferring entity will be notified via email.
- Step 2: A PAR or AAR from the transferring entity approves the transfer request in CITSS. Except for individual account holders, the approving representative must be different than the PAR or AAR that proposed the transfer request. The transfer request must be approved by midnight (Eastern Time) of the second calendar day following the date the transfer was initially proposed. After selecting "Process Transfer," Step 2 will be completed and the transfer request will be approved. The account representatives for the transferring and receiving entity will be notified via email.

4.0 Updated CITSS General Account Transfers

When a representative selects the "Initiate Transfer" button from the *General Account* page, CITSS presents the new *Select Type of Transfer* page (Figure 2) which provides the following transfer type choices:

Transfer to another entity's General Holding Account:

- O Over-the-Counter (OTC) Agreement with delivery in no more than 3 days
- Over-the-Counter (OTC) Agreement with delivery more than 3 days or involving multiple transfers or combining compliance instruments with other products
- Exchange Agreement not to an Exchange Clearing Service Provider

Other Transfer Type:

- To my Compliance Account¹
- Exchange Agreement to an Exchange Clearing Service Provider's Exchange Clearing Holding Account
- Voluntary Retirement

CITSS provides tooltips to assist users. Tooltips are identified as a magenta question mark "?" at the end of a line. As shown in Figure 2, there is a tooltip for each new transfer type. To view tooltip content in CITSS, hover the mouse cursor over the "?."

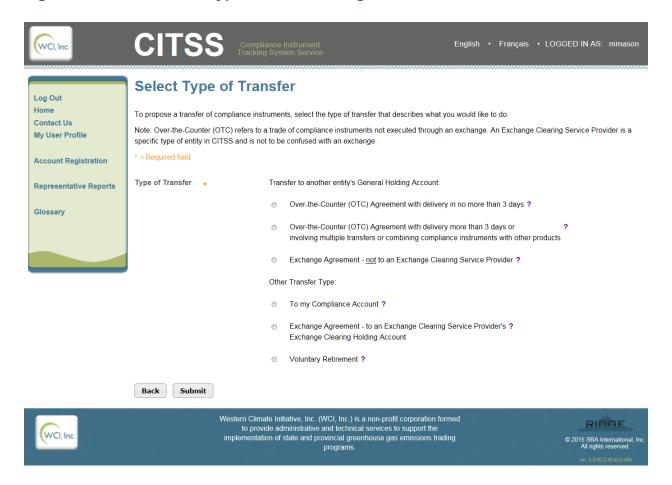
Each of these transfer types is explained in the following sections.

California Environmental Protection Agency

Air Resources Board

¹ General Market Participants do not have a compliance obligation under the Cap-and-Trade Regulation and do not receive a Compliance Account. They will not be presented the "To my Compliance Account" transfer option on the *Select Type of Transfer* page.

Figure 2 - CITSS Select Type of Transfer Page



4.1 Over-the-Counter (OTC) Agreement with delivery in no more than 3 days

This transfer type is selected to transfer compliance instruments from the General Account to another entity's General Holding Account as part of an OTC agreement for which delivery will take place no more than three days from the date the parties enter into the transaction agreement. OTC refers to a trade of compliance instruments not executed through an exchange.

When "Over-the-Counter (OTC) Agreement with delivery in no more than 3 days" is selected on the Select Type of Transfer page, the *Transfer to General Account-OTC with Delivery in No More Than 3 Days* page will display (Figure 3).

The following Receiving Account and Transfer Information fields are presented when selecting this transfer type:

- Account Number
- Entity Reference Code
- Quantity
- Agreement Date
- Expected Termination Date
- Expected Termination Date Not Specified
- Price \$
- If the Price is \$0.00, transfer:
- Currency

Provided below is a detailed description of the data fields for this transfer type. Please refer to the *Transfer to General Account-OTC More Than 3 days or Multiple or Combined* transfer page for tooltips and additional instructions.

Account Number

This is the Account Number of the receiving entity. The receiving entity Account Number can be obtained from a CITSS representative of the receiving entity. This number contains the jurisdiction abbreviation followed by two 4-digit numbers (e.g., CA9999-9999).

Entity Reference Code

This is the Entity Reference Code of the receiving entity. The Entity Reference Code can be obtained from a CITSS account representative of the receiving entity. This is not the Entity ID or the User Reference Code. This number is displayed on the General tab of the *Account Details* page and contains eight (8) numbers (e.g., 99999999).

Figure 3 – Transfer to General Account - OTC with Delivery in No More Than 3 Days



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Transfer to General Account-OTC with Delivery in No More Than 3 Days

You may use this page to propose a transfer of compliance instruments to another entity's General Holding Account for an over-the-counter (OTC) agreement for which delivery will take place no more than three days from the date the parties enter into the transaction agreement. Compliance instruments will not be transferred in CITSS until the following steps have been completed:

Step 1: A PAR or AAR from the transferring entity proposes the transfer request in CITSS. After selecting Submit, Step 1 will be completed and the transfer request will be proposed. The account representatives for the transferring entity will be notified via email.

Step 2: A PAR or AAR from the transferring account approves the transfer request in CITSS. Except for individual account holders, the approving representative must be different than the PAR or AAR who proposes the transfer request. The transfer request must be approved by midnight (Eastern Time) of the second calendar day following proposal of the transfer request. After selecting Process Transfer, Step 2 will be completed and the transfer request will be approved. The account representatives for the transferring and receiving entity will be notified via email.

Step 3: A PAR or AAR from the receiving entity accepts the transfer request in CITSS. The transfer request must be accepted by midnight (Eastern Time) of the third calendar day following proposal of the transfer request. After selecting Process Transfer, Step 3 will be completed and the transfer request will be accepted. The account representatives for the transferring and receiving entity will be notified via email.

Entities may enter a price of zero if the transaction agreement does not contain a price for compliance instruments and the proposed transfer:

- · is between entities with a direct corporate association.
- · is part of a transaction agreement that combines compliance instruments and other products without pricing information.

California jurisdiction entities only:

- requires production of an ARB-issued offset through a project or transition of early action offset credits.
- is from a publically owned electric utility (POU) to an entity or a Joint Powers Agency (JPA) operating a generation facility as a joint venture with the utility.
- is from a local publically owned electric utility (POU) to a federal power authority for emissions associated with imported power
- is from an electrical distribution utility (EDU) to an entity operating a generation facility under an agreement that has no pricing information
- · is from a local publicly-owned utility (POU) to an entity operating a generation facility from which the utility obtains electricity

Refer to the Regulation for specific requirements

Transferring Account Detail				
Account Number	CA991-991			
Account Type	General			
Legal Name	Los Angeles Corp.			
Operating Name	California Account			
Compliance Instrument	2013 Allowance			
Account Balance	900			
Available Account Balance	900			

Receiving Account and Transfer Information

Account Number	*	?
Entity Reference Code	*	?
Quantity	*	?
Agreement Date	*	29 • December • 2014 • ?
Expected Termination Date		· · · · ?
Expected Termination Date Not Specified		· ?
Price \$	*	?
If the price is \$0.00, transfer:		
Select		•
Currency		Select • ?
Comment		A

I certify under penalty of perjury under the laws of the State of California that I am authorized to make this submission on behalf of the entity that owns the compliance instruments held in the account. I certify under penalty of perjury under the laws of the State of California that I have personally examined, and am familiar with, the statements and information submitted in this document and all its affectments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify under penalty of perjury under the laws of the State of California that the statements and information submitted to ARB are true, accurate, and complete. I consent to the jurisdiction of California and its courts for purposes of enforcement of the laws, rules and regulations pertaining to title 17, article 5, sections 95800 et seq., and I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment.

Password		*	
Cancel	Submit		

WCI, In	c.
Name and Address of the Owner, where the Owner, which is the Owner, where the Owner, which is the Owner	-

Western Climate Initiative, Inc. (WCI, Inc.) is a non-profit corporation forme to provide administrative and technical services to support the implementation of state and provincial greenhouse gas emissions trading programs

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Quantity

This is the number of compliance instruments that are being proposed for transfer. The Quantity of compliance instruments cannot exceed an entity's Available Account Balance, which is shown in the Transferring Account Detail section of the *Transfer to General Account-OTC with Delivery in No More Than 3 Days* page (Figure 3).

Agreement Date

This is the date of the contract or other binding agreement date for the transfer of compliance instruments (e.g., under a forward contract). An Agreement Date and Expected Termination Date may be significantly different. An Agreement Date must be a current or past date.

Expected Termination Date

This is the date on which all terms of a transaction agreement are/will be completed. For this transfer type, the Expected Termination Date is typically the date that the compliance instruments are transferred. The Expected Termination Date cannot be earlier than the Agreement Date. If this date is not specified in the transaction agreement, select the "Expected Termination Date Not Specified" checkbox.

Note: The Regulation requires that a transfer be entered and completed within three days of the Expected Termination Date. Additionally, a transfer that has been proposed must be approved by an account representative of the transferring entity within two days of the initial submission of the transfer request as the third day is reserved for a representative of the receiving entity to accept the transfer.

Price \$

This is the average price per compliance instrument (not the total price).

Entering the average price is required for a transfer to another CITSS entity. Please refer to the Regulation for specific requirements to enter a price of \$0.00. If the Price is \$0.00, then an entity must select a transaction agreement type.

If the price is \$0.00, transfer:

Select the appropriate transaction agreement type from the dropdown menu only if the Price entered is zero (\$0.00).

Entities may enter a Price of \$0.00 if the transaction agreement does not contain a price for compliance instruments and the proposed transfer:

- is between entities with a direct corporate association.
- is part of a transaction agreement that combines compliance instruments and other products without pricing information.
- requires production of an ARB-issued offset through a project or transition of early action offset credits.
- is from a Publically-Owned Utility (POU) to an entity or a Joint Powers Agency (JPA) operating a generation facility as a joint venture with the utility.



- is from a POU to a federal power authority for emissions associated with imported power.
- is from an Electrical Distribution Utility (EDU) to an entity operating a generation facility under an agreement that has no pricing information.
- is from a POU to an entity operating a generation facility from which the utility obtains electricity.

Currency

Currency is required when a fixed price is entered. Select either United States Dollars (USD) or Canadian Dollars (CAD) from the dropdown menu.

4.2 Over-the-Counter (OTC) Agreement with delivery more than 3 days or involving multiple transfers or combining compliance instruments with other products

This transfer type is selected to transfer compliance instruments from the General Account to another entity's General Holding Account as part of an OTC agreement for which delivery is to take place more than three days from the date of the transaction agreement or that involves multiple transfers of instruments over time or combines instrument requirements with other product sales or purchases.

When "Over-the-Counter (OTC) Agreement with delivery in more than 3 days or involving multiple transfers or combining compliance instruments with other products" is selected on the *Select Type of Transfer* page, the *Transfer to General Account-OTC More Than 3 days or Multiple or Combined* page will display (Figures 4 and 5).

The following Receiving Account and Transfer Information fields are presented when selecting this transfer type:

- Account Number
- Entity Reference Code
- Quantity
- Agreement Date
- Expected Termination Date
- Expected Termination Date Not Specified
- Does the agreement provide for further transfers after this one?
- Does the agreement provide for transfers of other products?

The following Pricing Information fields are presented when selecting this transfer type:

- Fixed Price \$
 - o If the price is \$0.00, transfer:
 - Currency
- Cost Base + Margin
 - Cost Base \$
 - Margin \$
 - Currency
- Other Pricing Method Description
 - Pricing Method Description

Provided below is a detailed description of the data fields for this transfer type. Please refer to the *Transfer to General Account-OTC More Than 3 days or Multiple or Combined* page for tooltips and additional instructions.

Account Number

This is the Account Number of the receiving entity. The receiving entity Account Number can be obtained from a CITSS representative of the receiving entity. This number contains the jurisdiction abbreviation followed by two 4-digit numbers (e.g., CA9999-9999).

Figure 4 – Transfer to General Acct-OTC More Than 3 Days or Multiple or Combined (Top half of screen)



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Transfer to General Acct-OTC More Than 3 Days or Multiple or Combined

You may use this page to propose a transfer of compliance instruments to another entity's General Holding Account for an over-the-counter (OTC) agreement for which delivery is to take place more than three days from the date of the transaction agreement or that involves multiple transfers of instruments over time or combines instrument requirements with other product sales or purchases. Compliance instruments will not be transferred in CITSS until the following steps have been completed:

Step 1: A PAR or AAR from the transferring entity proposes the transfer request in CITSS. After selecting Submit, Step 1 will be completed and the transfer request will be proposed. The account representatives for the transferring entity will be notified via email.

Step 2: A PAR or AAR from the transferring account approves the transfer request in CITSS. Except for individual account holders, the approving representative must be different than the PAR or AAR who proposes the transfer request. The transfer request must be approved by midnight (Eastern Time) of the second calendar day following proposal of the transfer request. After selecting Process Transfer, Step 2 will be completed and the transfer request will be approved. The account representatives for the transferring and receiving entity will be notified via email.

Step 3: A PAR or AAR from the receiving entity accepts the transfer request in CITSS. The transfer request must be accepted by midnight (Eastern Time) of the third calendar day following proposal of the transfer request. After selecting Process Transfer, Step 3 will be completed and the transfer request will be accepted. The account representatives for the transferring and receiving entity will be notified via email.

Entities may enter a price of zero if the transaction agreement does not contain a price for compliance instruments and the proposed transfer.

- · is between entities with a direct corporate association
- · is part of a transaction agreement that combines compliance instruments and other products without pricing information.

California jurisdiction entities only:

- · requires production of an ARB-issued offset through a project or transition of early action offset credits.
- is from a publically owned electric utility (POU) to an entity or a Joint Powers Agency (JPA) operating a generation facility as a joint venture with the utility
- · is from a local publically owned electric utility (POU) to a federal power authority for emissions associated with imported power.
- · is from an electrical distribution utility (EDU) to an entity operating a generation facility under an agreement that has no pricing information.
- is from a local publicly-owned utility (POU) to an entity operating a generation facility from which the utility obtains electricity

Refer to the Regulation for specific requirements

Transferring Account Detail

Account Number CA991-991
Account Type General
Legal Name Los Angeles Corp.
Operating Name California Account
Compliance Instrument 2013 Allowance
Account Balance 900

Available Account Balance 900

Entity Reference Code

This is the Entity Reference Code of the receiving entity. The Entity Reference Code can be obtained from a CITSS account representative of the receiving entity. This is not the Entity ID or the User Reference Code. This number is displayed on the General tab of the *Account Details* page and contains eight (8) numbers (e.g., 99999999).

Quantity

This is the number of compliance instruments that are being proposed for transfer. The Quantity of compliance instruments cannot exceed an entity's Available Account Balance, which is shown in the Transferring Account Detail section of the *Transfer to General Account-OTC More Than 3 days or Multiple or Combined* page (Figure 4).

Agreement Date

This is the date of the contract or other binding agreement date for the transfer of compliance instruments (e.g., under a forward contract). An Agreement Date and Expected Termination Date may be significantly different. An Agreement Date must be a current or past date.

Expected Termination Date

This is the date on which all terms of a transaction agreement are/will be completed. For this transfer type, the Expected Termination Date is typically the date that the compliance instruments are transferred. The Expected Termination Date cannot be earlier than the Agreement Date. If this date is not specified in the transaction agreement, select the "Expected Termination Date Not Specified" checkbox.

Note: The Regulation requires that a transfer be entered and completed within three days of the Expected Termination Date. Additionally, a transfer that has been proposed must be approved by an account representative of the transferring entity within two days of the initial submission of the transfer request as the third day is reserved for a representative of the receiving entity to accept the transfer.

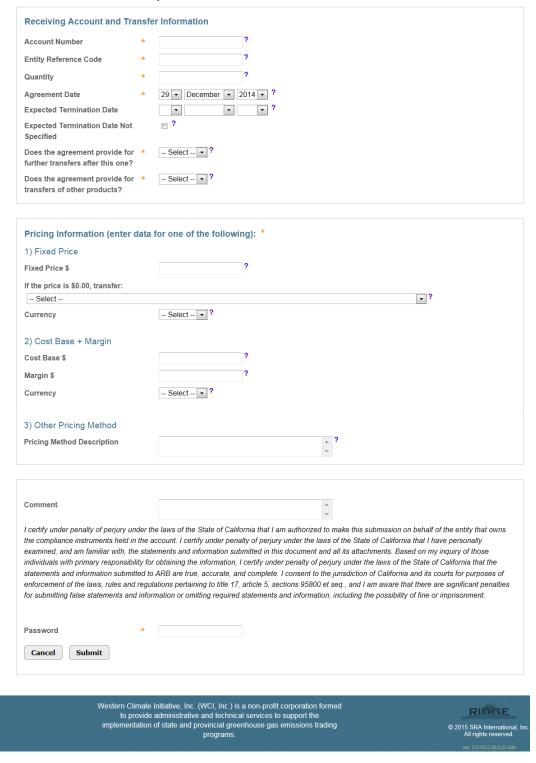
Does agreement provide for further transfers?

If the transaction agreement provides for additional transfers of compliance instruments in CITSS after this one, select "Yes" from the dropdown menu. If this is the last CITSS transfer of compliance instruments provided for in the transaction agreement, select "No" from the dropdown menu.

Does agreement provide for transfers of other products?

If the transaction agreement provides for transfer of any other product besides compliance instruments, select "Yes" from the dropdown menu. If the transaction agreement provides for transfer of only compliance instruments, select "No" from the dropdown menu.

Figure 5 – Transfer to General Acct-OTC More Than 3 Days or Multiple or Combined (Bottom half of screen)



Fixed Price \$

This is the average price per compliance instrument (not the total price).

Entering the average price is required for a transfer to another CITSS entity. Please refer to the Regulation for specific requirements to enter a Fixed Price of \$0.00.

If the transaction agreement specifies a fixed price for the compliance instruments, then Fixed Price and Currency are required, and Cost Base, Margin, and Pricing Method Description may not be entered. If the Fixed Price is \$0.00, then an entity must select a transaction agreement type from the dropdown menu.

If the price is \$0.00, transfer:

Select the appropriate transaction agreement type from the dropdown menu only if the Fixed Price entered is zero (\$0.00).

Entities may enter a Fixed Price of \$0.00 if the transaction agreement does not contain a price for compliance instruments and the proposed transfer:

- is between entities with a direct corporate association.
- is part of a transaction agreement that combines compliance instruments and other products without pricing information.
- requires production of an ARB-issued offset through a project or transition of early action offset credits.
- is from a POU to an entity or a JPA operating a generation facility as a joint venture with the utility.
- is from a POU to a federal power authority for emissions associated with imported power.
- is from an EDU to an entity operating a generation facility under an agreement that has no pricing information.
- is from a POU to an entity operating a generation facility from which the utility obtains electricity.

Cost Base \$

If the transaction agreement sets the price as a cost base plus margin, enter cost base in dollar and cents format (\$0.00).

Margin \$

If the transaction agreement sets the price as a cost base plus margin, enter the margin in dollar and cents format (\$0.00).

Other Pricing Method Description

If the transaction agreement does not specify the price using a fixed price or a cost base plus margin, provide a brief description of the pricing method.

Currency

Currency is required when a fixed price is entered. Select either USD or CAD from the dropdown menu.

4.3 Exchange Agreement - not to an Exchange Clearing Service Provider

This transfer type is selected to transfer compliance instruments from the General Account to another entity's General Holding Account as part of an agreement for the sale of compliance instruments arranged through an exchange or Board of Trade (e.g., a trade on the Intercontinental Exchange (ICE)). This transfer type would <u>not</u> be selected for transfers to an Exchange Clearing Service Provider (ECSP).

When "Exchange Agreement - <u>not</u> to an Exchange Clearing Service Provider" is selected on the Select Type of Transfer page, the *Exchange Agreement Transfer to General Account – not to an ECSP* page will display (Figure 6).

The following Receiving Account and Transfer Information fields are presented when selecting this transfer type:

- Account Number
- Entity Reference Code
- Quantity
- Exchange and Contract Description Code
- Exchange and Contract Description Code is not available above
- Other Exchange
- Other Contract Description Code
- Date of Close of Trading for the Contract
- Price at Close of Trading for the Contract
- Currency

Provided below is a detailed description of the data fields for this transfer type. Please refer to the *Exchange Agreement Transfer to General Account – not to an ECSP* page for tooltips and additional instructions.

Account Number

This is the Account Number of the receiving entity. The receiving entity Account Number can be obtained from a CITSS representative of the receiving entity. This number contains the jurisdiction abbreviation followed by two 4-digit numbers (e.g., CA9999-9999).

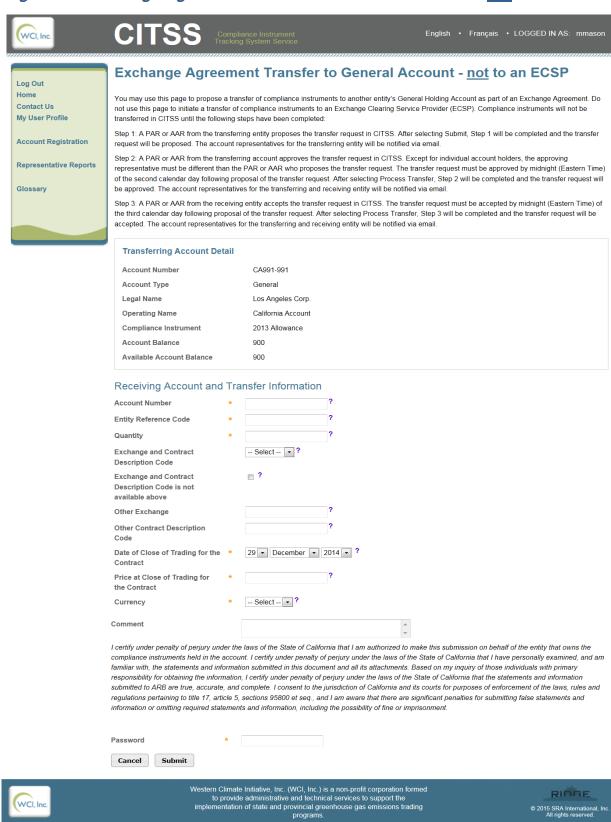
Entity Reference Code

This is the Entity Reference Code for the receiving entity. The Entity Reference Code can be obtained from a CITSS account representative of the receiving entity. This is not the Entity ID or the User Reference Code. This number is displayed on the General tab of the *Account Details* page and contains eight (8) numbers (e.g., 99999999).

Quantity

This is the number of compliance instruments that are being proposed for transfer. The quantity of compliance instruments cannot exceed an entity's Available Account Balance, which is shown in the Transferring Account Detail section of the *Exchange Agreement Transfer to General Account – not to an ECSP* page (Figure 6).

Figure 6 - Exchange Agreement Transfer to General Account - not to an ECSP



Exchange and Contract Description Code

Select the exchange where the transaction is conducted and the contract description code assigned by the exchange to the contract. If the correct "Exchange and Contract Description Code" is not available in the dropdown menu, select the "Exchange and Contract Description Code is not available" checkbox.

Other Exchange

Enter the exchange where the transaction is conducted only if the "Exchange and Contract Description Code is not available above" checkbox has been selected.

Other Contract Description Code

Enter the contract description code assigned by the exchange to the contract only if the "Exchange and Contract Description Code is not available above" checkbox has been selected.

Date of Close of Trading for the Contract

Enter the date when the exchange established the terms, including price, of compliance instruments.

Price at Close of Trading for the Contract

Enter the price established by the exchange for like compliance instruments with the same contract description code at the close of trading of the date the contract established terms of the transfer.

Currency

Currency is required when a price is entered. Select either USD or CAD from the dropdown menu.

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5.0 Other Transfer Types

5.1 To Compliance Account

This transfer type has not changed since CITSS 4.0, but has been included in this User Reference to illustrate the difference between each transfer type and the fields presented when selecting each transfer type. This transfer type is selected to transfer compliance instruments from an entity's General Holding Account to its Compliance Account. This transfer type is only available to entities that have a compliance obligation under the Cap-and-Trade Regulation and thus have a Compliance Account in CITSS. A transfer of compliance instruments to an entity's Compliance Account is permanent and cannot be reversed.

When "To my Compliance Account" is selected on the Select Type of Transfer page, the *Propose Transfer from: General Account* page will display (Figure 7).

Provided below is a detailed description of the data fields for this transfer type. Please refer to the *Propose Transfer from: General Account* page for tooltips and additional instructions.

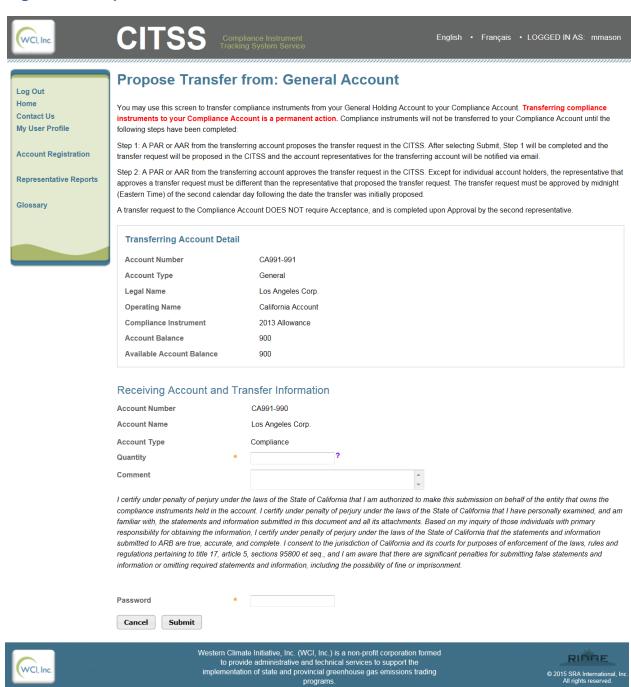
The following Receiving Account and Transfer Information field is required when selecting this transfer type:

Quantity

Quantity

This is the number of compliance instruments that are being proposed for transfer. The Quantity of compliance instruments cannot exceed an entity's Available Account Balance, which is shown in the Transferring Account Detail section of the *Propose Transfer from: General Account* page.

Figure 7 - Propose Transfer from: General Account



5.2 Exchange Agreement to an Exchange Clearing Service Provider's Exchange Clearing Holding Account

This transfer type is selected to transfer compliance instruments from the General Account to an entity that is registered in CITSS to provide exchange clearing services. This type of entity is called an Exchange Clearing Service Provider (ECSP) and the destination account is called an Exchange Clearing Holding Account (ECHA). The ECSP takes temporary possession of compliance instruments in its Exchange Clearing Holding Account for the purpose of clearing transactions between two entities registered in CITSS. The ECSP must be registered in CITSS and must be a derivatives clearing organization as defined in the Commodities Exchange Act.

When "Exchange Agreement - to an Exchange Clearing Service Provider's Exchange Clearing Holding Account" is selected on the Select Type of Transfer page, the Exchange Agreement Transfer to an ECSP page will display (Figure 8).

The following Receiving Account and Transfer Information fields are presented when selecting this transfer type:

- Account Number
- Entity Reference Code
- Quantity
- Exchange and Contract Description Code
- Exchange and Contract Description Code is not available above
- Other Exchange
- Other Contract Description Code
- Date of Close of Trading for the Contract
- Price at Close of Trading for the Contract
- Currency

Provided below is a detailed description of the data fields for this transfer type. Please refer to the *Exchange Agreement Transfer to an ECSP* page for tooltips and additional instructions.

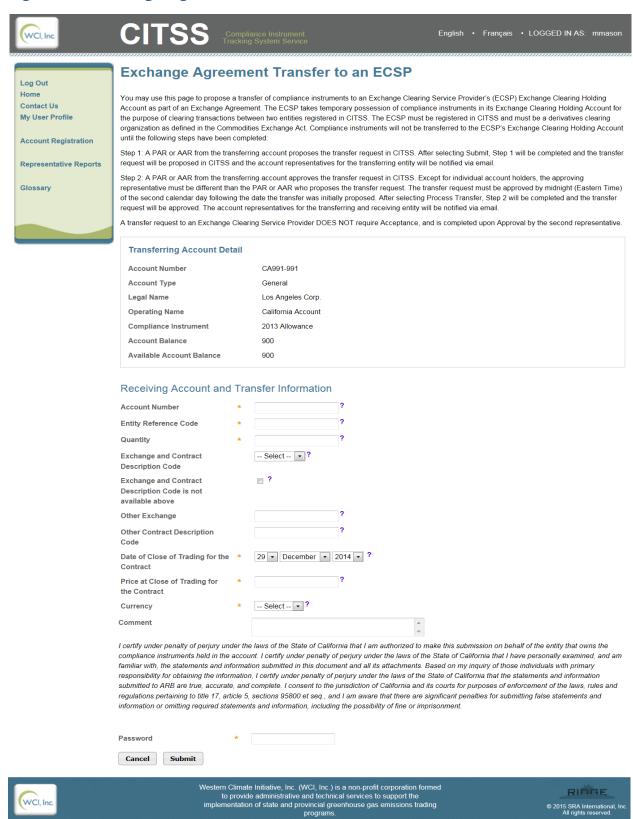
Account Number

This is the Account Number of the receiving entity. The receiving entity Account Number can be obtained from a CITSS representative of the receiving entity. This number contains the jurisdiction abbreviation followed by two 4-digit numbers (e.g., CA9999-9999).

Entity Reference Code

This is the Entity Reference Code of the receiving entity. The Entity Reference Code can be obtained from a CITSS account representative of the receiving entity. This is not the Entity ID or the User Reference Code. This number is displayed on the General tab of the *Account Details* page and contains eight (8) numbers (e.g., 99999999).

Figure 8 - Exchange Agreement Transfer to an ECSP



Quantity

This is the number of compliance instruments that are being proposed for transfer. The Quantity of compliance instruments cannot exceed an entity's Available Account Balance, which is shown in the Transferring Account Detail section of the *Exchange Agreement Transfer to an ECSP* page.

Exchange and Contract Description Code

Select the exchange where the transaction is conducted and the contract description code assigned by the exchange to the contract. If the correct "Exchange and Contract Description Code" is not available in the dropdown menu, select the "Exchange and Contract Description Code is not available" checkbox.

Other Exchange

Enter the exchange where the transaction is conducted only if the "Exchange and Contract Description Code is not available above" checkbox has been selected.

Date of Close of Trading for the Contract

Enter the date when the exchange established the terms, including price, of compliance instruments.

Price at Close of Trading for the Contract

Enter the price established by the exchange for like compliance instruments with the same contract description code, at the close of trading of the date the contract established terms of the transfer.

Currency

Currency is required when a price is entered. Select either USD or CAD from the dropdown menu.

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5.3 Voluntary Retirement

When "Voluntary Retirement" is selected on the *Select Type of Transfer* page, the *Voluntary Retirement* page will display (Figure 9).

Voluntary Retirement will propose a transfer of compliance instruments to the Jurisdiction Retirement Account. The process to propose a Voluntary Retirement transfer has not changed since CITSS 4.0, but the process to complete the transfer has changed. Voluntary retirement of compliance instruments to the Jurisdiction Retirement Account now requires a three-step process as described in Section 3.0. The Jurisdiction acts as the receiving party and must accept the transfer to the Retirement Account to complete the transfer. Once the transfer request is accepted by the Jurisdiction, the account representatives will be notified via email. Voluntary retirement of compliance instruments is a permanent action and does NOT fulfill any compliance obligations your entity may have for greenhouse gas emissions.

The following Receiving Account and Transfer Information field is presented when selecting this transfer type:

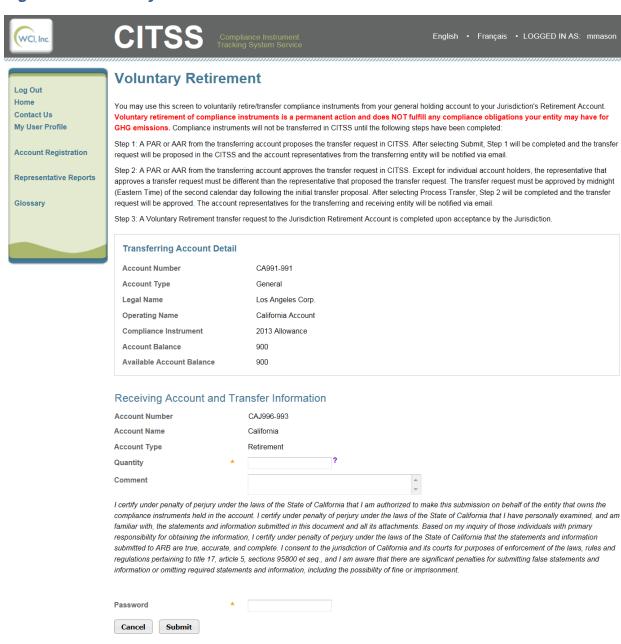
Quantity

Provided below is a detailed description of the data fields for this transfer type. Please refer to the *Voluntary Retirement* transfer page for tooltips and additional instructions.

Quantity

This is the number of compliance instruments that are being proposed for transfer. The Quantity of compliance instruments cannot exceed an entity's Available Account Balance, which is shown in the Transferring Account Detail section of the *Voluntary Retirement* page.

Figure 9 - Voluntary Retirement



Western Climate Initiative, Inc. (WCI, Inc.) is a non-profit corporation formed to provide administrative and technical services to support the implementation of state and provincial greenhouse gas emissions trading programs.

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