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The Verified Emission Reduction Association (VERA) is appreciative of the joint WCI June 14, 2023 on potential Cap-and-Trade regulatory amendments. The workshop was a good reminder of the complexity and thoughtful design of California's carbon market. VERA is committed to working with CARB, and other vital stakeholders, as the Cap-and-Trade regulation, and potentially offset protocols, are amended and updated.

VERA is a coalition made up of individual companies with vast experience in achieving real greenhouse gas (GHG) reductions for cost-effective use in California's Cap-and-Trade Program (Program). VERA strongly supports California's efforts to reduce statewide GHG emissions through a market-based program, including the use of high-quality carbon offsets. VERA is pleased that state law has codified the use of offsets in the Program¹. We continue to support CARB's efforts to defend the use of, and to maximize the benefits of offsets to contain costs, show leadership, deploy private capital and provide local environmental and economic co-benefits. Additionally, VERA supports the development of new and innovative technologies that can be deployed at scale to achievable additional GHG reductions that could otherwise not be achieved through command-and-control regulations alone.

Compliance offsets are important and beneficial to the overall goal of the State. VERA members are fully committed to the fundamentals of environmental integrity, ensuring that offsets are real, quantifiable, permanent, verifiable, additional and enforceable GHG reductions, as required under the state law. We believe they are an effective component to help accomplish the Programs' lofty goals including, establishing a program in which other jurisdictions can emulate.

The continued inclusion of offsets as a GHG reduction policy option, both in statute and regulation, recognizes the myriad of benefits to California's environment and economy in all areas of the state, including; tribal, rural and urban communities. VERA supports CARB's consistent recognition that many of the approved offset projects provide direct environmental benefits to California.

The Workshop focused on potential updates to broader program, and only briefly touched on the continued role of offsets, which VERA supports. There was mention that the potential updates to the Forestry Protocol would "trail" this upcoming rulemaking due to state contracting timelines. While this timing is disappointing, VERA supports scientific-based updates to the robust protocols in place today, and our member expertise is available to assist in the update of any protocol.

We welcome discussions related to implementation streamlining and improvement as well. VERA is focused on maximizing the use of compliance-grade offsets in California and the overall policy framework surrounding

¹ http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB398

offset usage. Our membership is made up of individual offset developers, each with distinct technical and practical expertise in securing GHG reductions from the four main CARB-approved protocols.

Conclusion

VERA’s members are committed to helping the State meet its carbon reduction and broader policy goals, including the reduction of Short-lived Climate Pollutants and improving the carbon sequestration potential of natural and working lands, through the continued generation and use of high-quality California Cap-and-Trade offsets.

Offsets have proven a valuable policy tool to achieve additional GHG reductions from a broader cross-section of the economy. They are also a mechanism that is exportable to other jurisdictions, as well as, a way for private capital to be deployed to help meet the state’s ambitious climate and land management goals. These positive aspects should be recognized as the program design extends past 2030.

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