

## Anonymous Anonymous

I used to work for a company that was regulated by the California Cap and Trade program and therefore part of the California carbon market. At that time I was one of the representatives registered in the CITSS, carbon "banking system". I admit it has been a couple year since I relocated to a facility in Washington state, so the California system may have changed, but I will tell you at the initial roll-out the market was very cumbersome for regulated entities. Specifically the following 2 items caused problems and are worth investigating as part of your research.

First, there were no brokers. You had to be a representative of a regulated entity to get into the carbon market system. It was a challenge to identify the appropriate representative and a very cumbersome process to register or change those people. You had to have 2 people registered at all times and that alone proved challenging with people moving duties and leaving the company (as is common in large corporate structures). Those people had to provide a decent amount of personal information that many individuals did not want to disclose, also creating a problem for employers trying to get the "right people" registered. The paperwork alone took days to wade through.

Second challenge for large companies was the requirements around corporate relationships. In my case I worked for a Fortune 500 company that have 5 business divisions under one corporate umbrella. Each business division operates completely separate from each other, yet in the California carbon market we had to be connected and account for our credits together. In some cases one location would be negatively affected in what they could purchase to offset their emissions because of what another location held. Something to figure out before Washington jumps into the arena. If a corporation has facilities in California and Washington, would it cause problems? Would they be accounting together? Would the California facilities be negatively impacted by Washington joining the program?