



WCI, Inc. Overview

Oregon Legislature's Joint Committee on Carbon
Reduction

September 25, 2018

Presentation Overview



- WCI, Inc. Background
- Relationship Between WCI, Inc & the Jurisdictions
- WCI Carbon Market Overview
- WCI, Inc. Services
- WCI, Inc. – How We Work
- WCI, Inc. Policies & Corporate Documents
- Additional Information

WCI, Inc. Background



- ***Incorporated in 2011*** as a 501(c)3 non-profit corporation
- Provide ***technical and administrative services*** to U.S. States & Canadian Provinces implementing greenhouse gas (GHG) emissions trading programs
- ***Fully funded by*** the Participating Jurisdictions that use the services it provides: the State of ***California*** (CA) & the Provinces of ***Quebec*** (QC), ***Ontario*** (ON) and ***Nova Scotia*** (NS)

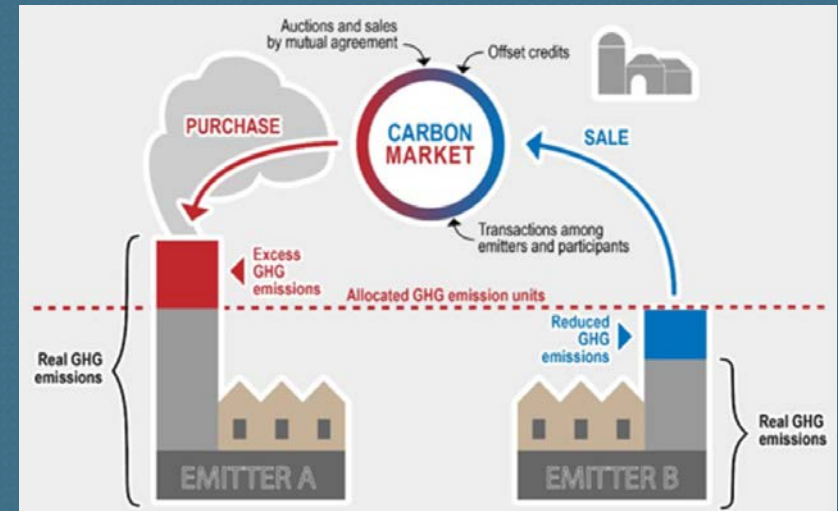
Relationship Between WCI, Inc. & the Jurisdictions



- WCI, Inc. ***provides services*** as requested & specified by the Participating Jurisdictions
- Participating Jurisdictions ***retain all policy control & full authority*** over their programs
- WCI, Inc. is ***governed*** by its Board of Directors

WCI Carbon Market Overview

- ***Largest Carbon Market***
in North America
- ***A Green Economy Growth Tool*** for Participating Jurisdictions
 - ***Reduce GHG*** emissions
 - Stimulate Jurisdiction Economy and ***Create Jobs***
 - Encourage the ***efficient use of energy*** while promoting ***renewable energy & energy efficiency***



General information on the programs of the Participating Jurisdictions:

- Québec ([view](#))
- Ontario ([view](#))
- California ([view](#))

WCI, Inc. Services



- Cap-and-Trade Services
 - Allowance Registry (CITSS)
 - Auction Administration
 - Financial Services
 - Market Monitoring
- Administrative Services

WCI, Inc. Services

– Allowance Registry (CITSS)



- User Registration
Regulated Emitters & Voluntary Participants
- Tracking of compliance instruments
Issuance, Ownership, Transfers & Final Compliance Retirements
- Auction Application
- Market Monitoring
- Integrity, Efficiency, Reliability & Security

CITSS Compliance Instrument Tracking System Service

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 8 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.

© 2016 SRA International, Inc., A CSRA Company
All rights reserved.
ver. 7.3-0810-022

WCI, Inc. Services

– Auction Administration



- Bidding Window
- Bidding in the Auction
Entry, Edit, Delete & Confirm a Bid
- Bidding Limitations
Minimum Price, Bid Guarantee,
Purchase Limit, Holding Limit
- Exchange Rate
- Settlement Price
- Auction Results
- Complete Payment
- Integrity, Efficiency,
Reliability & Security

The screenshot displays the WCI GHG Allowance Auction & Reserve Sale Platform interface. At the top, a navigation bar includes links for Home, Resources, Archive, Application, and Auction, with a status indicator 'AUCTION IS OPEN'. The main header welcomes users to the platform. A central announcement states: 'The next Quarterly Auction will be held on September 23, 2016', accompanied by a digital countdown timer showing 00:00:00. Below this, the 'Auction Reserve Price' is listed as \$22.34 CAD. A section titled 'Auctions Welcome' provides '2016 Annual Auction Reserve Prices' as 12.73 USD and 12.82 CAD. A descriptive paragraph explains the platform's role in the Ontario Cap-and-Trade Program. On the right, a 'REPORTS' sidebar offers document types (Auction, Template) and a list of reports including Organization Results, Bids Audit, and Financial Statement. Below this, 'AUCTION HIGHLIGHTS' includes links for 'NOTICES' and 'RELEASES'. At the bottom, a table lists recent transactions with columns for Bid Number, User, Time (ET), Client Bid ID, Transaction ID, Currency, Bid Price, Bid Lots, Vintage, and Total Allowances. Two transactions are shown, both from 'Angie CanadaX'.

Bid Number	User	Time (ET)	Client Bid ID	Transaction ID	Currency	Bid Price	Bid Lots	Vintage	Total Allowances	
1	Angie CanadaX	01:21:56 PM	3AE74	66294	CAD USD	13.57 15.84	3	Current	3000	Edit
2	Angie CanadaX	10:58:23 AM	2AE74	66369	CAD USD	13.56 15.83	1	Current	1000	Edit

WCI, Inc. Services

– Financial Services



- Main Tasks
 - **Before** Auction
 - *Applicant Account* Verification & Opening
 - **Before** & **After** Auction
 - Review and Manage *Bid Guarantees*
Cash, Letters of Credit, Letter of Guarantee & Bonds (CA)
 - **After** Auction
 - Auction *Financial Settlement*
 - *Currency Exchange* (CAD & USD)
 - *Payment of Proceeds* (Consignors & Jurisdictions)

– Market Monitoring



- An ***independent contractor*** working closely with Jurisdictions to ***review, monitor & report on:***
 - ***Auction performance, bids & results*** (in real time) to confirm the auction process and procedures complied with the requirements of Participating Jurisdictions
 - Relevant activities – including holdings & transactions – ***in CITSS, the secondary, derivative & associated markets***
 - ***Participant corporate structure*** (ownership & affiliates)
 - ***Deviations from the requirements or inappropriate market activity*** – fraud, manipulation, collusion or anti-competitive behavior subject to the laws & regulations in force under each Participating Jurisdiction's program

WCI, Inc. – How We Work



- **Board of Directors**
 - Agendas & Minutes
- **Board Committees**
 - Executive, Finance & Audit
- **Technical Services**
 - 3rd Party Service Providers
 - WCI, Inc. Project Managers and Business Analyst
- **Administrative Services**
 - Supported by WCI, Inc. staff in California & Quebec
 - Professional Support (legal counsel, accountants, auditor, IT & translation)
- **Working Groups** (include jurisdiction participation)
 - Auction & Monitoring Working Group
 - Tracking System Working Group
 - Management Working Group
 - Procurement

WCI, Inc. Policies & Corporate Documents



- **Incorporation Documents**

- Articles of Incorporation
- Corporate By-laws

- **Policies of the Corporation**

- Accounting Policies and Procedures
- Audit Committee Charter
- Ethical Guidelines and Conflict of Interest Policy
- Employee Handbooks (CA & QC)
- Funds Management Policy
- Open Meeting Policy
- Procurement Policy
- Records Availability Policy
- Retention of Business Records Policy
- Whistleblower Protection Policy

- **Contract & RFPs**

- Open Contracts / Closed Contracts
- Open and Forthcoming RFPs / Closed RFPs

- **Board Meeting Agendas & Minutes**

- **Executive Committee Meeting Minutes**

- **Jurisdiction Agreements**

- **Budget, Tax Filings & Audit Documents**

All WCI, Inc. Official Documents <http://wci-inc.org/documents.php>

Additional Information



www.wci-inc.org

Greg Tamblyn

Executive Director

980 9th Street, Suite 1600

Sacramento, CA 95819

gtamblyn@wci-inc.org

(916) 449-9966