



# State Legislative Update

Presented by  
Gus Khouri, President  
Khouri Consulting LLC  
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# What is Cap and Trade?

Legislation: AB 32 (2006) + SB 862 (2014)

Government sets the cap, Companies purchase pollution permits = 80% of all greenhouse gas emissions

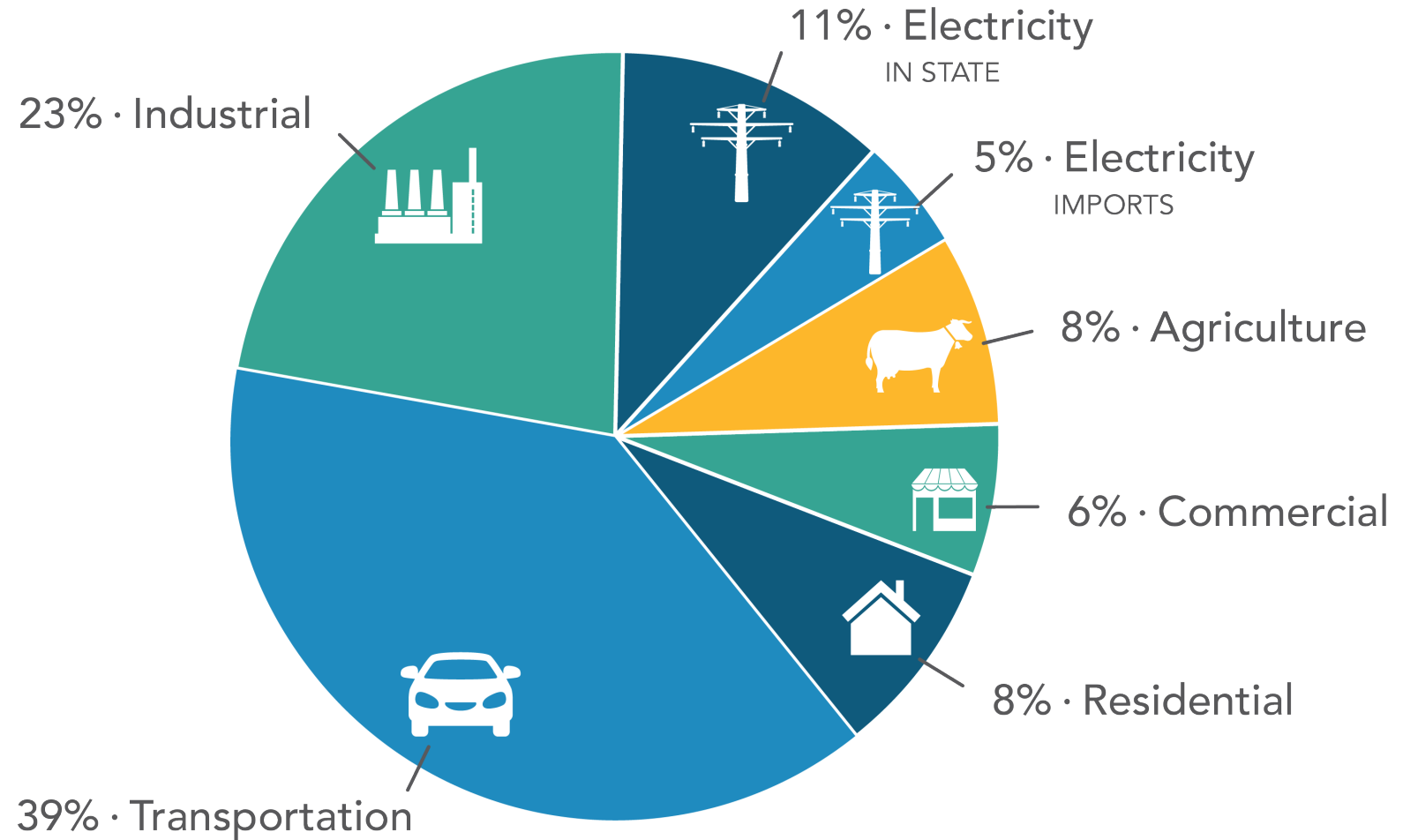
Price is Right? Designed to Decline

\$4.4 billion generated annually

40% below 1990 levels by 2030 (258 metric tonnes)

# Sources of Greenhouse Gas Emissions

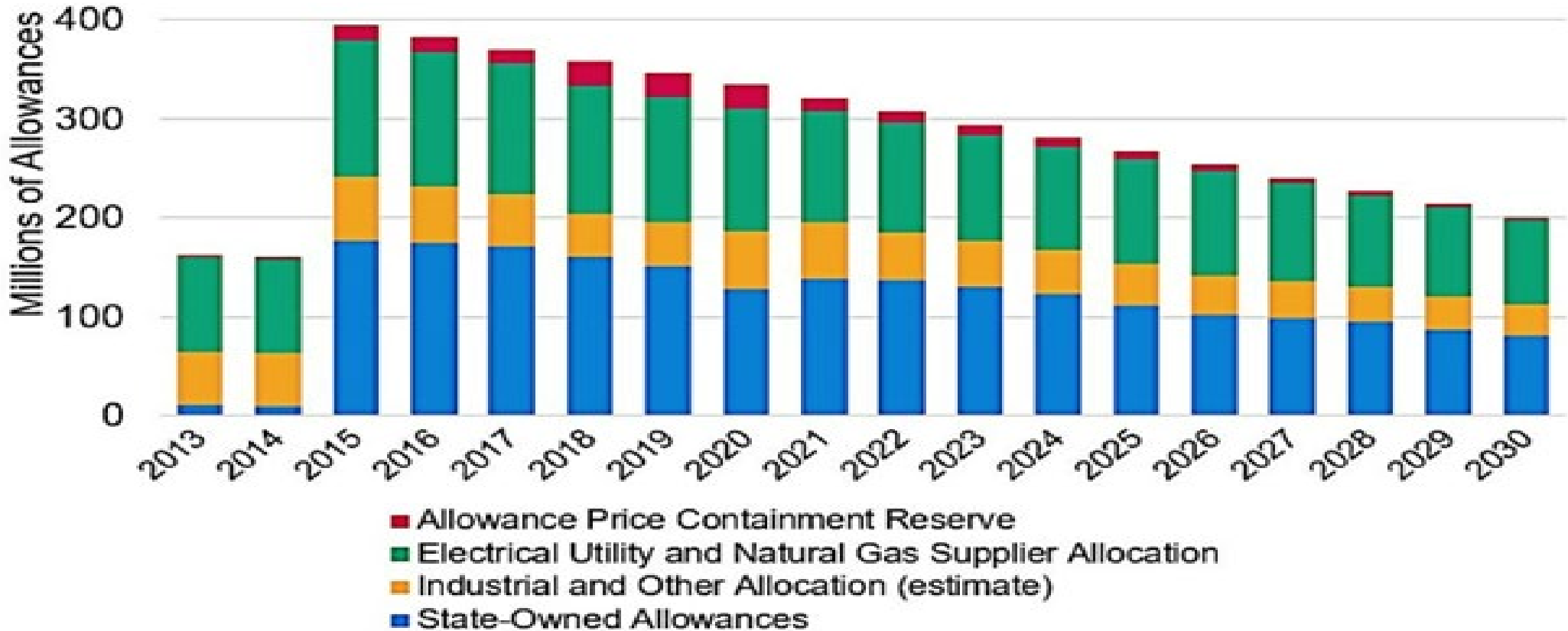
- Transportation = 39% of all greenhouse gases
- California Air Resources Board has dealt with stationary sources
- Mobile sources are the current target



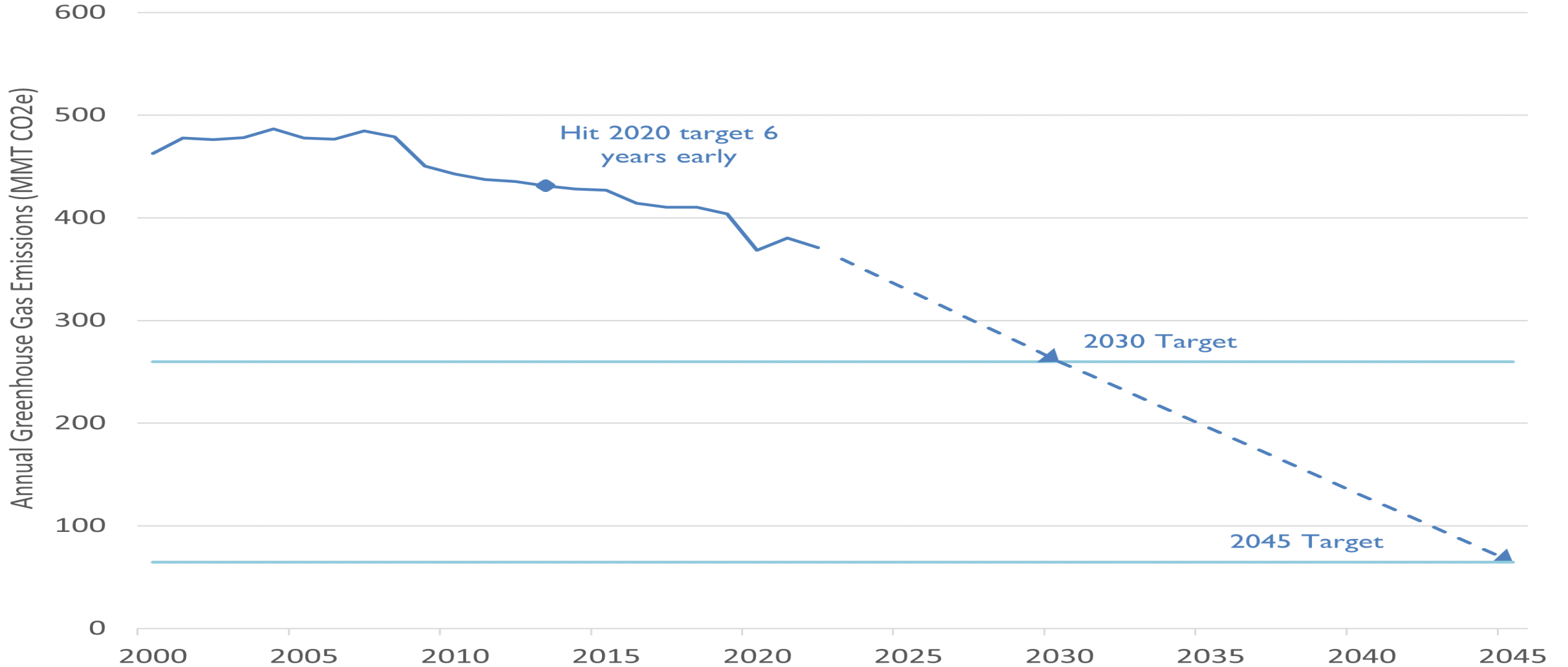
371.1 MMT CO<sub>2</sub>e  
2022 TOTAL CA EMISSIONS

# Designed to Decline: Greenhouse Gas Credits, 2015-2030

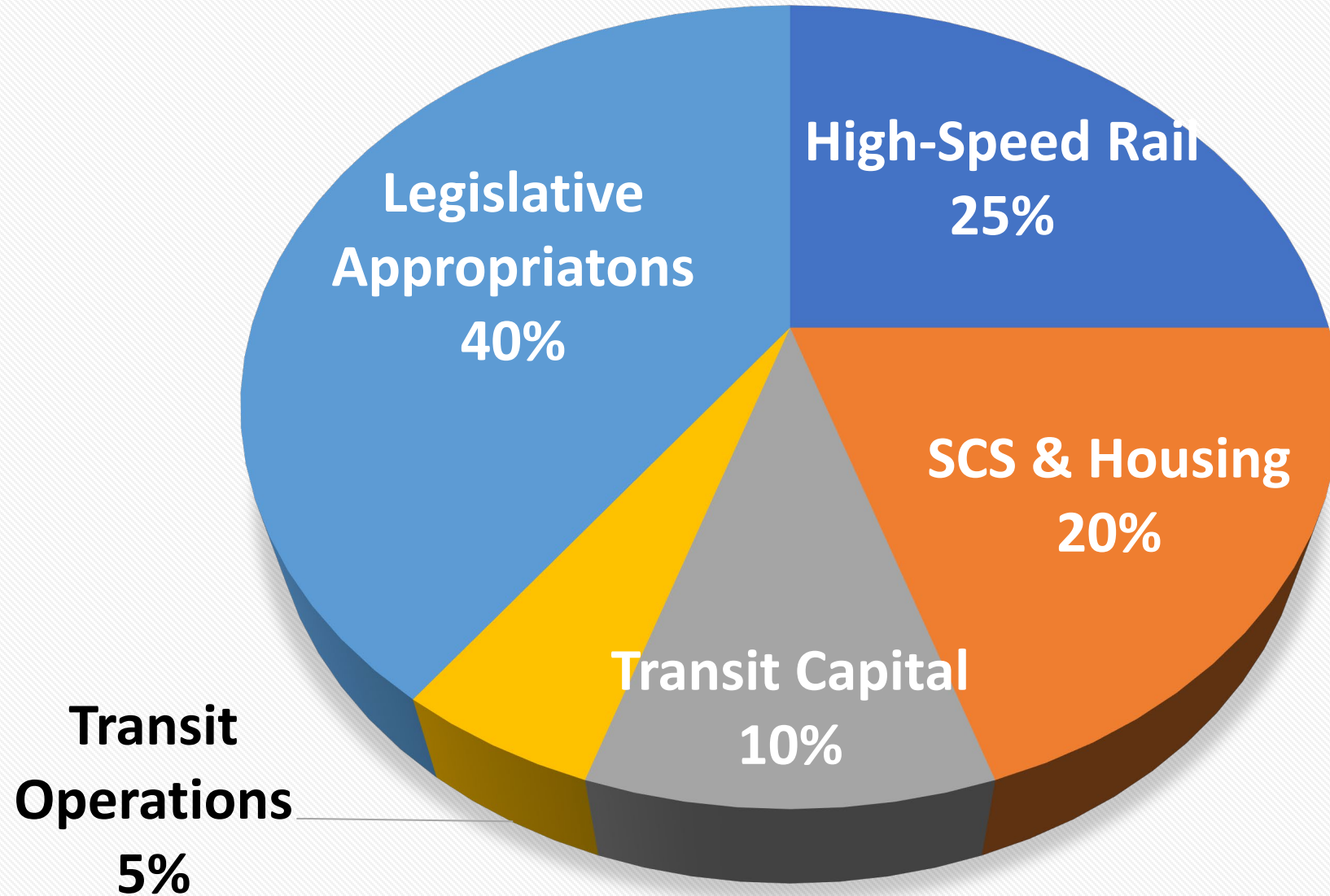
California ETS Allowances Distribution



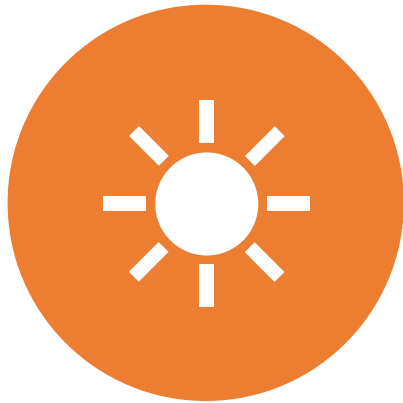
# Greenhouse Gas Emission Reduction



# Revenue Breakdown



# What's Next?



2030 SUNSET



HIGH-SPEED RAIL OR  
BUST?



THE COAST IS CLEAR?

Questions?