



Québec C&T Program and the WCI Carbon Market

January 22, 2018

High-Level Dialogue on MRV
And Carbon Pricing in the Americas

Cap and Trade = Central component of a Comprehensive approach to address Climate Change



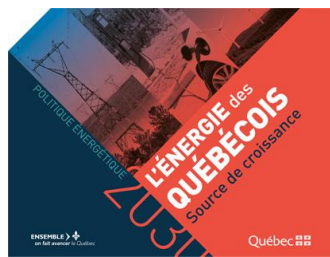
- WCI Cap-and-Trade Program : Flexibility for Governments and Covered Entities
 - Price signal : allows for covered entities to choose how and when to invest and/or innovate
 - Allocation to address competitiveness and economic impacts
- In Québec : All revenues go to the Green Fund and are dedicated to fight climate change
- 2020 Climate Action Plan : 3,7 billion dollars over 8 years



Complementary Policies – some examples

2013-2020 CCAP : over 150 mitigation and adaptation actions

- Development of public and alternative transportation
- Transportation electrification
- Electric vehicle acquisition
- Bioenergy development
- Conversion to low-carbon sources of energies
- Energy efficiency
- Innovation
- Etc.





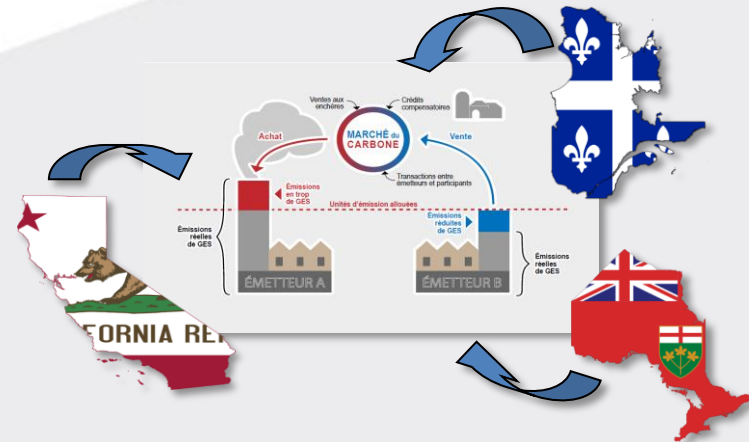
Why combine Carbon Pricing and Complementary Policies ?

- Maximize mitigation « at home » in the short, medium and long term
- Accelerate the penetration of new technologies and build greener infrastructures
- Change behaviour « faster »
- Maintain competitiveness
- Reduce medium/long term price signal required to achieve a given mitigation goal
- Environmental co-benefits and goals



Latest Developments

- Québec 2030 mitigation goal : 37,5% below 1990
- Adoption of Post-2020 Annual Caps (2021-2030)
- Adoption of Post-2020 C&T Regulation
- Signing of New Linking Agreement Between Ontario – California – Québec
- Linkink with Ontario on January 1st 2018
- First joint QC-CA-ON auction on February 21, 2018



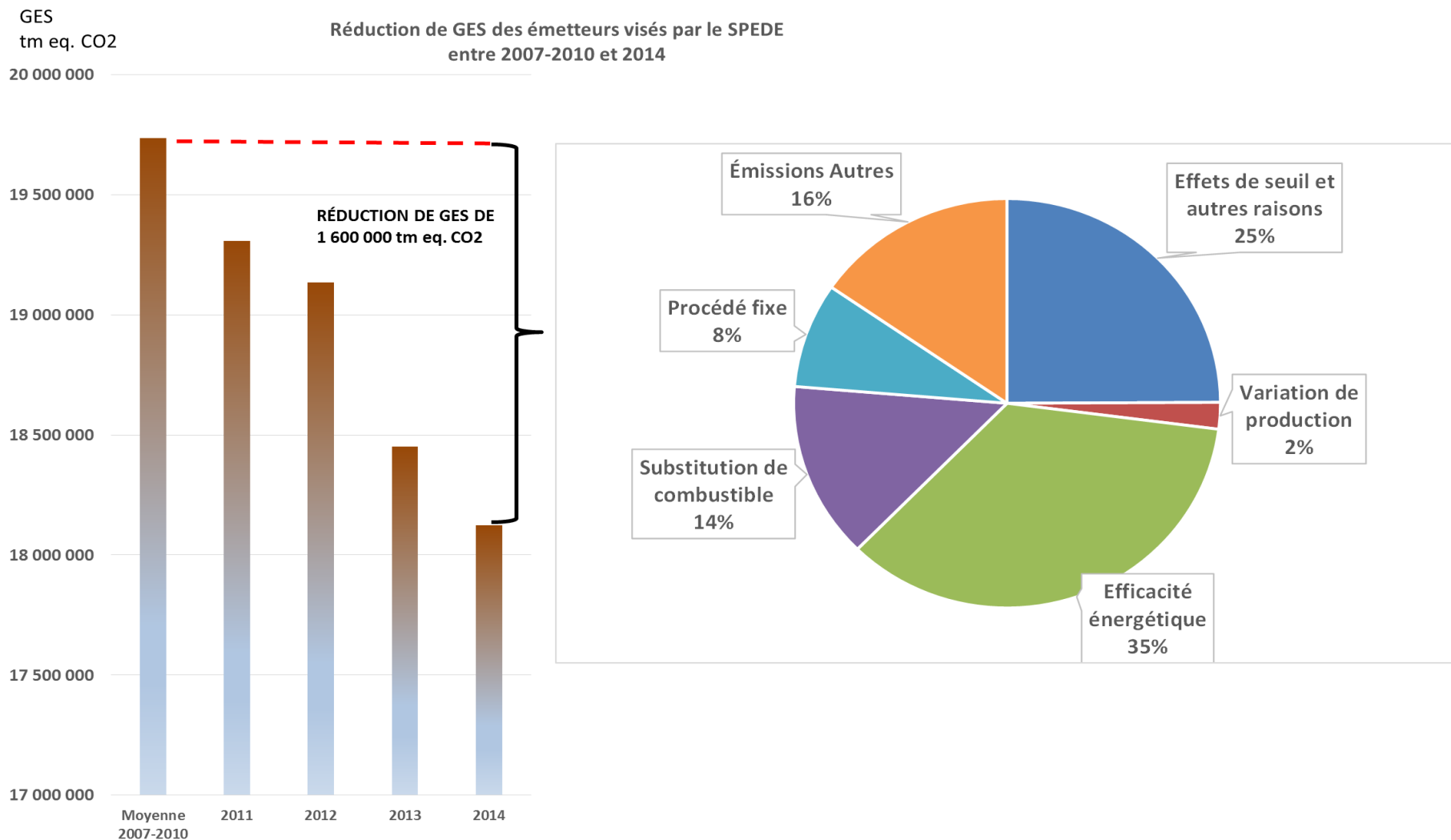
Some Results



Ventes aux enchères Québec seulement	Millésimes courants		Millésimes futurs		Montant versé au Fonds vert
	Unités vendues	Prix de vente	Unités vendues	Prix de vente	
3 décembre 2013	1 025 000	10,75	1 708 000	10,75	29 379 750,00
4 mars 2014	1 035 000	11,39	1 285 000	11,39	26 424 800,00
27 mai 2014	1 049 111	11,39	1 302 000	11,39	26 779 154,29
26 août 2014	694 000	11,39	1 455 000	11,39	24 477 110,00
Sous-total	3 803 111		5 750 000		107 060 814,29

Ventes aux enchères conjointes Québec-Californie	Millésimes courants		Millésimes futurs		Montant versé au Fonds vert ⁽²⁾
	Unités vendues	Prix de vente	Unités vendues	Prix de vente	
25 novembre 2014	1 049 114	13,68	1 527 000	13,41	34 687 822,04
18 février 2015 ⁽³⁾	11 171 647	15,14	1 474 000	15,01	191 239 426,43
21 mai 2015	13 118 323	15,01	1 386 463	14,78	217 312 458,20
18 août 2015	11 171 647	16,39	1 474 000	16,10	207 019 309,08
17 novembre 2015	11 171 647	17,00	1 474 000	16,89	214 622 654,04
17 février 2016	11 149 718	17,64	1 320 037	17,64	219 533 976,21
18 mai 2016	1 085 305	16,40	128 887	16,40	19 999 969,52
16 août 2016	3 520 244	16,45	108 440	16,45	59 541 579,86
15 novembre 2016	8 942 291	17,29	143 835	17,29	156 984 054,36
22 février 2017	1 555 604	17,84	98 660	17,84	29 481 711,11
16 mai 2017	8 676 131	18,82	297 950	18,51	168 413 711,64
15 août 2017	8 676 131	18,74	1 368 500	18,49	187 694 463,82
14 novembre 2017	10 845 165	19,10	1 368 500	18,72	232 877 186,73
Sous-total	102 132 967		12 170 272		1 939 408 323,04
Total	105 936 078		17 920 272		2 046 469 137,33

Some Results : 1st Compliance Period

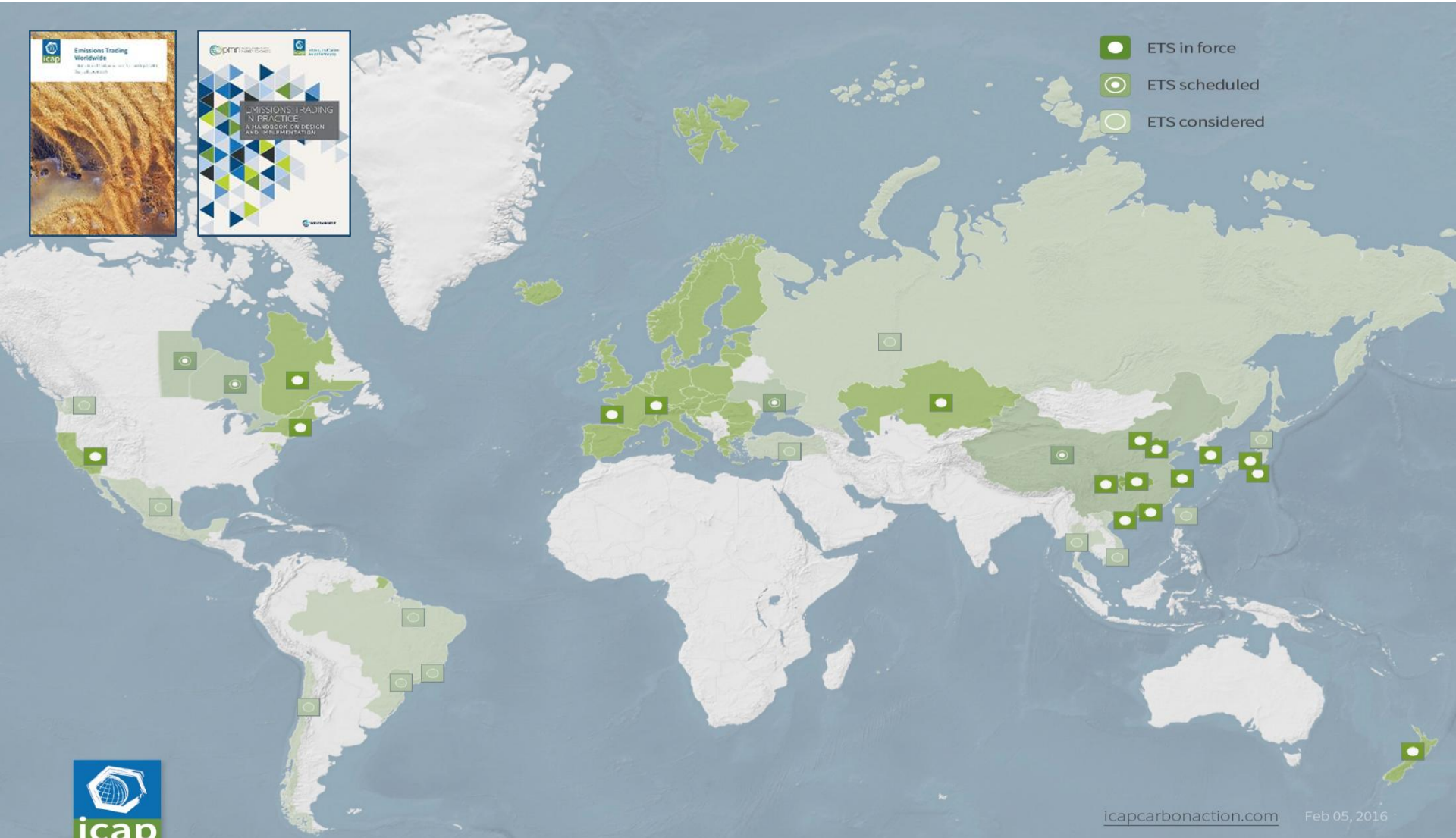
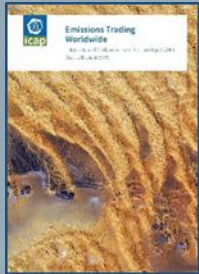




Some Results

- 2012 to 2014 :
 - Based on reported and verified emissions from Industrial Covered Entities, approximately 800 000 tons reduced between 2012 and 2014
 - Reduction of about 4% in 2 years
- 2012 to 2016:
 - Industrial sector is still reducing
 - Emissions from industrial covered entities went from 19,1 Mt in 2012 to 17,8 Mt in 2016, a reduction of 6,8 % in 4 years.

Next Steps : Towards a Global Market





Thanks!

More info :

www.westernclimateinitiative.org

www.wci-inc.org

www.mddefp.gouv.qc.ca/changements/carbone/index.asp