Resolution on Trading of Green House Gases Credit

WHEREAS, The National Association of Regulatory Utility Commissioners (NARUC) has supported the concept of maximum flexibility for greenhouse gas mitigation strategies under any international agreement; and

WHEREAS, The Kyoto Protocol and the Buenos Aires Action Plan contain flexibility mechanisms including Joint Implementation, the Clean Development Mechanism and International Trading of green house gases credit; and

WHEREAS, Joint Implementation and the Clean Development Mechanism were a focal point of considerable international debate at recently convened meetings of the Subsidiary Bodies to the United Nations Framework Convention on Climate Change in Bonn, Germany; and

WHEREAS, The third mechanism, the International Trading of green house gas assigned amounts, promises the largest economic potential for substantial cost reductions for any greenhouse mitigation strategy; and

WHEREAS, It is in the best economic interest of the stakeholders represented by the NARUC membership that this mechanism have an expansive definition and the broadest possible application without unnecessary restrictions and limitations; now, therefore, be it

RESOLVED, That the Board of Directors of the National Association of Regulatory Commissioners (NARUC), convened in its 1999 Summer Meeting in San Francisco, California, urges the parties to the United Nations Framework Convention on Climate Change at the Fifth Conference of the Parties to make clear that their forthcoming decision on carbon credit trading will invite maximum participation and provide for the fullest economic benefit to all parties.

Sponsored by the Committees on International Relations and Energy Resources and the Environment

Adopted by the NARUC Board of Directors July 23, 1999