

Memorandum of Understanding

between



The State of California and The Province of British Columbia



The California Air Resources Board and the British Columbia Ministry of Environment:

Acting on the commitment in the *Memorandum of Understanding between The Province of British Columbia and The State of California on Pacific Coast Collaboration to Protect Our Shared Climate and Ocean* of May 2007 to work together to reduce greenhouse gases from the transportation sector through the adoption of greenhouse gas vehicle emissions standards in British Columbia consistent with California's laws and regulations;

Pursuant to the *Memorandum to Establish the Pacific Coast Collaborative* of June 2008 to which both British Columbia and California are signatories, and as provided for in Article 6;

Resolved to see decisive and immediate action taken to address greenhouse gas emissions from the transportation sector through the implementation of vehicle emissions standards - the Pavley standards - that progressively reduce the intensity of GHG emissions from vehicles in our jurisdictions;

Committed to maximize the impact of our joint actions in implementing vehicle emission standards by ensuring consistency in the application of the standards in California and British Columbia;

Agreed that collaboration and resource sharing in the implementation of greenhouse gas vehicle emission standards should be pursued wherever possible to ensure success;

Now therefore commit to move forward in partnership in the development of greenhouse gas vehicle emission standards as follows:

I. Coordinate efforts to ensure complete coverage

- A. The British Columbia Ministry of Environment and California Air Resources Board may share resources to support the consistent application of vehicle emission standards to vehicle models available to citizens in California and British Columbia, including cooperation on vehicle test data and determination of carbon dioxide equivalent values for vehicle models available to the market in either jurisdiction.
- B. The California Air Resources Board agrees in principle to support the Ministry of Environment, British Columbia, in the implementation of its Vehicle Emission Standards Regulation by providing technical and policy guidance to assist British Columbia Ministry of Environment in making determinations for vehicle models or systems delivered for sale in British Columbia.

II. Information Sharing

- A. California Air Resources Board and the British Columbia Ministry of Environment will work to implement information sharing processes to ensure the timely communication of proposed and enacted regulatory amendments by the California Air Resources Board, policy determinations and approvals as part of the implementation of the California Code of Regulations, Title 13 by the Executive Officer; and,
- B. Wherever possible, the rationale for said policy determinations and approvals by the Executive Officer that may impact the application of the California Code of Regulations, Title 13, in BC, be made available to British Columbia Ministry of Environment; and,
- C. The categorization of manufacturers as large volume, intermediate volume, independent low volume and small volume manufacturers under the California Code of Regulations, Title 13, will be periodically determined and made public by California Air Resources Board; and,
- D. The constituent values that determine carbon dioxide equivalent values for emissions from specific vehicle test groups be made available to British Columbia Ministry of Environment in such a manner as can be shared with regulated entities in British Columbia.

III. Referencing

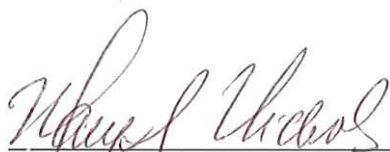
Regulations made under British Columbia's *Greenhouse Gas Reductions (Vehicle Emissions Standards) Act* may specifically reference and make use, in whole or part, of determinations of the California Air Resources Board, including California Air Resources Board Executive Orders under the California Code of Regulations, Title 13, that determine the carbon dioxide equivalent values for emissions from specific vehicle test groups.

IV. Limitations

This Memorandum of Understanding is not intended to be legally binding or to impose legal obligations on either California Air Resources Board or the British Columbia Ministry of Environment and will have no legal effect. Neither California Air Resources Board nor British Columbia Ministry of Environment is responsible for the actions of third parties or associates who may be involved in activities outlined in this Memorandum of Understanding.

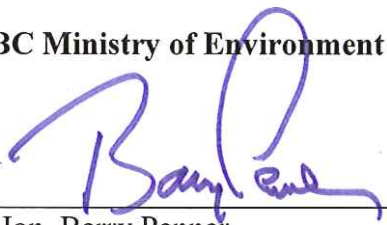
V. Signatures

California Air Resources Board

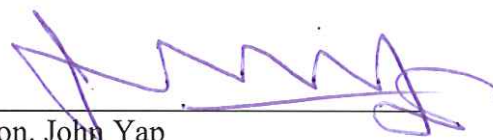


Mary D. Nichols, Chairman
California Air Resources Board

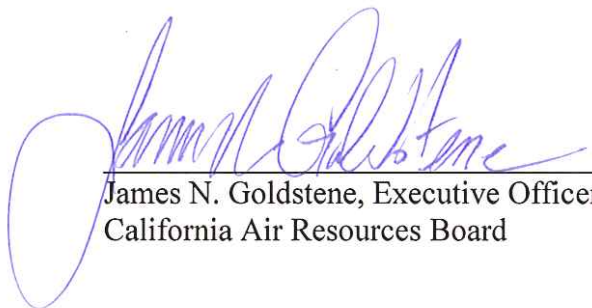
BC Ministry of Environment



Hon. Barry Penner
Minister of Environment



Hon. John Yap
Minister of State for Climate Action



James N. Goldstene, Executive Officer
California Air Resources Board



Doug Konkin, Deputy Minister
Environment