Participating Jurisdictions Overview (Apr-11, 2022)

WCI, Inc. Participating Jurisdiction programs represent the largest carbon market in the Americas and one of the largest in the world.

With just about 3,100 miles / 5,000 kilometers and a national boundary separating them, California and Quebec operate the only cap-and-trade programs managed by sub-national governments in different programs.

Their ambitious goals to reduce greenhouse gas (GHG) emissions in a cost-effective manner have resulted in a stable yet flexible carbon market and a successful example of what the future of climate change collaboration can look like.

Nova Scotia joined WCI, Inc. in 2018. It began operating its own provincial cap-and-trade program in 2019 which is not linked to the California-Quebec market, and held its first stand-alone auction in 2020.

Washington State joined WCI, Inc. at the end of 2021 to support the implementation of its cap and invest program, which will begin in 2023.

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Program initiated</th>
<th>Linkage:</th>
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</thead>
<tbody>
<tr>
<td>California</td>
<td>2012</td>
<td>California (2014)</td>
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<tr>
<td>Québec</td>
<td>2013</td>
<td>California (2014)</td>
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<tr>
<td>Nova Scotia</td>
<td>2019</td>
<td>Not Applicable</td>
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<tr>
<td>Washington</td>
<td>2023</td>
<td>Not Applicable</td>
</tr>
</tbody>
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1. Primary Language
   - California: English
   - Québec: French
   - Nova Scotia: English
   - Washington: English

2. Time Zone
   - California: Pacific
   - Québec: Eastern
   - Nova Scotia: Atlantic
   - Washington: Pacific

3. Area Size
   - California: 163,695 square miles / 423,968 km²
   - Québec: 595,411 square miles / 1,542,056 km²
   - Nova Scotia: 21,346 square miles / 55,284 km²
   - Washington: 71,298 square miles / 184,661 km²

4. Gross Domestic Product (GDP) in 2020
   - California: USD 3,092 billion / CAD 4,418 billion
   - Québec: USD 335 billion / CAD 449 billion
   - Nova Scotia: USD 35 billion / CAD 47 billion
   - Washington: USD 619 billion / CAD 830 billion

5. Population in 2021
   - California: 39.6 million
   - Québec: 8.6 million
   - Nova Scotia: 1.0 million
   - Washington: 7.8 million

6. Overall GHG emissions by sector (MtCO₂e in 2018)
   - California: 425.3 MtCO₂e, see inventory & trends
   - Québec: 80.6 MtCO₂e, see inventory & trends
   - Nova Scotia: 16.9 MtCO₂e, see inventory & trends
   - Washington: 99.6 MtCO₂e, see inventory & trends

7. GHG Reduction Targets
   - California: By 2020: Return to 1990 level
   - Québec: By 2020: 20% below 1990 level
   - Nova Scotia: By 2020: 10% below 1990 level
   - Washington: By 2020: Return to 1990 level

8. GHG Cap (2021) & Overall Emissions Coverage
   - California: 320.8 MtCO₂e Covered - 80% (2018) - 20% Not Covered
   - Québec: 60.3 MtCO₂e Covered - 75% (2018) - 25% Not Covered
   - Nova Scotia: 12.3 MtCO₂e Covered - 82% (2018) - 18% Not Covered
   - Washington: Not Applicable Yet

9. Covered Sectors
   - California:
     - Food production & processing
     - Large industrial facilities
     - Petroleum product suppliers that first place or produce
     - Fuel suppliers
   - Québec:
     - Electricity generation & import
     - Large industrial facilities
     - Fuels distribution & importation
   - Nova Scotia:
     - CO₂, CH₄, N₂O, SF₆, HFCs, PFCs, NF₃, other F-GHGs
     - CO₂, CH₄, N₂O, SF₆, HFCs, PFCs, NF₃
     - CO₂, CH₄, N₂O, SF₆, HFCs, PFCs, NF₃
   - Washington:
     - Electricity generation & import
     - Large industrial facilities
     - Fuels distribution & importation

10. GHG Covered
    - California: CO₂, CH₄, N₂O, SF₆, HFCs, PFCs, NF₃, other F-GHGs
    - Québec: CO₂, CH₄, N₂O, SF₆, HFCs, PFCs, NF₃
    - Nova Scotia: CO₂, CH₄, N₂O, SF₆, HFCs, PFCs, NF₃
    - Washington: Not Applicable Yet

11. Inclusion Thresholds (Covered Entities)
    - California: Facilities ≥ 25 ktCO₂e/year
    - Québec: Facilities ≥ 25 ktCO₂e/year
    - Nova Scotia: Facilities ≥ 25 ktCO₂e/year
    - Washington: Not Applicable Yet

12. Market Registrants
    - California: 770 registered entities (Dec-2021), see full list
    - Québec: 170 registered entities (Dec-2021), see full list
    - Nova Scotia: 26 registered entities (Dec-2021), see full list
    - Washington: Not Applicable Yet

13. Compliance Period
    - California: 4th Compliance Period (2021-2023)
    - Québec: 4th Compliance Period (2021-2023)
    - Washington: 1st Compliance Period (2023-2026)

14. Auctioning Frequency
    - California: Quarterly Auctions & Reserve Sales as needed
    - Québec: Quarterly Auctions & Reserve Sales as needed
    - Nova Scotia: 2-4 Auctions per year & Reserve Sales as needed
    - Washington: Not Applicable Yet

15. Offsets Credits
    - California: National & from linked jurisdictions (i.e., Québec)
    - Nova Scotia: No commitment to develop offset program
    - Washington: No commitment to develop offset program

    - California: USD 28.26, see historical allowance price
    - Québec: USD 4.4 billion / CAD 5.7 billion since 2013, see summary
    - Washington: USD 58 million / CAD 74 million since 2020, see summary

18. Read More
    - California Cap & Trade Program Regulations
    - Québec Carbon Market
    - Nova Scotia Cap & Trade Program Regulations
    - Washington State Reducing GHG Emissions

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1. Including land use, land-use change & forestry (LULUCF) GHG emissions.
2. Including cement, glass, hydroelectric, iron & steel, lead & nickel, and nitric acid production, lime manufacturing, petroleum & natural gas systems, petroleum refining, pulp & paper manufacturing (including cogeneration facilities co-owned [operated at any of these facilities].
3. Including suppliers of natural gas, suppliers of reformed gasoline blends for oxygenate blending, jet fuel, and diesel fuel, suppliers of liquid petroleum gas & suppliers of liquefied natural gas.
4. Auction proceeds deposited into the California Greenhouse Gas Reduction Fund (GGRF), excluding proceeds from the sale of California state-owned allowances and California allowances consigned by electrical distribution utilities and natural gas suppliers (consigning entities).
5. A full list of jurisdictions and entities covered by the program.