

**RHODE ISLAND GOVERNMENT REGISTER
PUBLIC NOTICE OF PROPOSED RULEMAKING**

DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

Title of Rule: Air Pollution Control Regulation No. 47, 'CO2 Budget Trading Program Allowance Distribution'

Rule Identifier: 250-RICR-120-05-47

Rulemaking Action: Proposed Amendment

Important Dates:

Date of Public Notice: 10/12/2018

Hearing Date: 10/25/2018

End of Public Comment: 11/12/2018

Authority for this Rulemaking:

R.I. Gen. Laws § 42-17.1-2(19)

R.I. Gen. Laws Chapters 23-23

R.I. Gen. Laws Chapters 23-82

R.I. Gen. Laws Chapters 42-35

Summary of Rulemaking Action:

The Regional Greenhouse Gas Initiative (RGGI) is composed of individual CO2 Budget Trading Programs in each RGGI participating state. Each participating state's current CO2 Budget Trading Program is based on the RGGI Updated Model Rule (2013), which was developed to provide guidance to states for implementation of the RGGI program. Every 3-5 years, the RGGI participating states complete a Program Review, which is a comprehensive evaluation of program successes, program impacts, the potential for additional reductions, imports and emissions leakage, and offsets. The 2008 RGGI Model Rule was revised in 2012 as a result of the 2012 Program Review. In December of 2017, after completing the 2016 Program Review, the RGGI Model Rule was amended again. As a result of the 2016 Program Review process described above, the Department of Environmental Management proposes to amend the Rhode Island CO2 Budget Trading Program regulations to incorporate the changes made to the RGGI Model Rule including the size and structure of the cap, budget adjustments, cost containment reserve, emissions containment reserve and offsets.

Additional Information and Comments:

All interested parties are invited to request additional information or submit written or oral comments concerning the proposed amendment until November 12, 2018 by contacting the appropriate party at the address listed below:

Dena Gonsalves

Department of Environmental Management
235 Promenade Street
Providence, RI 02908
dena.gonsalves@dem.ri.gov

Public Hearing:

A public hearing, in accordance with R.I. Gen. Laws § 42-35-2.8, to consider the proposed amendment shall be held on October 25, 2018 at 10:00 am at 235 Promenade Street, Room 340C, Providence, RI 02908 at which time and place all persons interested therein will be heard. The seating capacity of the room will be enforced and therefore the number of persons participating in the hearing may be limited at any given time by the hearing officer, in order to comply with safety and fire codes.

The place of the public hearing is accessible to individuals who are handicapped. If communication assistance (readers/interpreters/captioners) is needed, or any other accommodation to ensure equal participation, please call 401-222-5300 or RI Relay 711 at least three (3) business days prior to the meeting so arrangements can be made to provide such assistance at no cost to the person requesting.

Regulatory Analysis Summary and Supporting Documentation:

The regulated sources under these regulations are electric generating utilities with a nameplate capacity equal to or greater than twenty-five (25) megawatt electrical (MWe). These regulations apply to RI's five (5) power plants, including Ocean State Power, RI State Energy Center, Pawtucket Power Associates, Manchester St. Power Station, and Tiverton Power. The benefits include the decrease in greenhouse gas emissions (Carbon dioxide) and funding for energy efficiency and renewable energy projects.

A fact sheet that more fully describes the proposed revision to the regulations as well as copies of the proposed, revised regulations are available on the Department's website from the Office of Air Resources homepage (<http://www.dem.ri.gov/documents/regulations/index.php#air>).

For full regulatory analysis or supporting documentation see agency contact person above.