



JANET T. MILLS  
GOVERNOR

STATE OF MAINE  
DEPARTMENT OF ENVIRONMENTAL PROTECTION



GERALD D. REID  
COMMISSIONER

**To:** Board of Environmental Protection

**From:** Jeff Crawford, Bureau of Air Quality

**Date:** April 16, 2020

**Re:** Chapter 156: CO<sub>2</sub> Budget Trading Program, and  
Chapter 158: CO<sub>2</sub> Budget Trading Program Auction Provisions

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At the March 5 Board meeting the Department proposed amendments to Chapters 156 and 158 and the Board voted to post the proposals to public hearing. Due to the Covid-19 state of emergency and the consequent uncertainty over when a public hearing might be held the Department is now requesting that the proposed amendments be posted for a thirty-day written comment period. The Department does not anticipate a high level of public interest in the proposed amendments and is required to amend these rules to maintain consistency with the RGGI model rule.

The Department is proposing to amend the existing 06-096 C.M.R. Chapter 156: CO<sub>2</sub> Budget Trading Program, and Chapter 158: CO<sub>2</sub> Budget Trading Program Auction Provisions. These rules establish the operating parameters for the state’s participation in the Regional Greenhouse Gas Initiative, a regional cap-and-trade program that limits and reduces CO<sub>2</sub> emissions from affected fossil fuel-burning power generation facilities.

The purpose of the rulemaking proposal is to update the Department’s rules to align with the latest version of the RGGI model rule. The model rule is reviewed and updated periodically. This update removes two categories of offset projects and establishes the emissions cap and the rate of cap reduction through 2030. This update also makes corrections and edits for clarity and consistency. The proposal is a routine technical rulemaking.

Estimated time of agenda item:

10 minutes

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