

NJ DEPARTMENT OF ENVIRONMENTAL PROTECTION

AIR QUALITY, ENERGY, AND SUSTAINABILITY

DIVISION OF AIR QUALITY

Notice of Rule Proposal

CO₂ Budget Trading Program Rules N.J.A.C. 7:27C

Public Notice

Take notice that the New Jersey Department of Environmental Protection (Department) is proposing amendments to N.J.A.C. 7:27-22 (Operating Permits) and N.J.A.C. 7:27A-3 (Civil Administrative Penalties and Requests for Adjudicatory Hearings) and new rules at N.J.A.C. 7:27C-1 through 11. A statement of the substance of the proposal follows:

In his Executive Order No. 7 (2018), Governor Phil Murphy directed the Commissioner of the Department and the President of the New Jersey Board of Public Utilities to take all necessary measures to return the State to full participation in the Regional Greenhouse Gas Initiative (RGGI), a regional, cooperative program to cap and reduce carbon dioxide (CO₂) emissions from power plants in the participating states to address the significant challenge of climate change. The proposed new rules and amendments establish the New Jersey CO₂ Budget Trading Program, a cap-and-trade program employing a market-based approach to controlling pollution, which is designed to reduce anthropogenic emissions of CO₂, a greenhouse gas, from large fossil fuel-fired electricity generating units, referred to as CO₂ budget units, in New Jersey. Adoption of the CO₂ Budget Trading Program is New Jersey's commitment to participate in RGGI.

In a simultaneous separate rulemaking, the Department is proposing rules governing how the Department, the Economic Development Authority, and the Board of Public Utilities will distribute the proceeds of the RGGI auctions.

The proposal is scheduled to be published in the New Jersey Register dated December 17, 2018. A copy of the proposal (and the companion Global Warming Solutions Fund rule proposal) is available on the Department's websites at <http://www.nj.gov/dep/rules/notices.html> and <https://www.state.nj.us/dep/ages/rggi.html>, and LexisNexis free public access to the New Jersey Register at www.lexisnexis.com/hottopics/njoal.

A public hearing concerning the proposal is scheduled as follows:

Friday, January 25, 2019 at 9:00 A.M.
New Jersey Department of Environmental Protection
Public Hearing Room
401 East State Street
Trenton, NJ 08625

Written comments may be submitted electronically by February 15, 2019 at <http://www.nj.gov/dep/rules/comments> or in hard copy to:

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