

State of Rhode Island
Department of Administration
Office of Energy Resources

In re: Proposed 2018-B Allocation Plan – Distribution of Regional Greenhouse Gas Initiative Proceeds

RESPONSE TO COMMENTS

Introduction

On July 17, 2018 a notice was posted on the websites of the Rhode Island Department of Administration, Office of Energy Resources (OER) and the Rhode Island Office of Secretary of State announcing a public comment period to accept comments on the adoption of the proposed “2018-B Allocation Plan - Distribution of Regional Greenhouse Gas Initiative Auction Proceeds” (the Plan). The notice stated that a public hearing would be held on August 16, 2018 at 9:00 A.M. in Conference Room C, Second Floor, One Capitol Hill, Providence, Rhode Island. Copies of the proposed Plan were made available at OER’s offices; on OER’s website at www.energy.ri.gov; by calling (401) 574-9124 weekdays from 8:30 A.M. to 4:00 P.M.; or by writing to Rhode Island Department of Administration, Office of Energy Resources, One Capitol Hill, Providence, Rhode Island.

The public hearing was held on August 16, 2018 at 9:00 A.M. at the location set forth in the public notice. One member of the public attended the public hearing. At the conclusion of the public hearing, the public comment period was kept open for an additional ten (10) days to allow for the submission of written comments. The public comment period closed on August 26, 2018.

The Regional Greenhouse Gas Initiative (RGGI) is a cooperative effort by Northeastern and Mid-Atlantic States to reduce carbon dioxide emissions through implementation of a multi-state cap-and-trade program with a market-based emissions trading system. RGGI is composed of individual CO₂ Budget Trading Programs in each of the nine participating states. The Rhode Island Department of Environmental Management promulgated regulations establishing a CO₂ Budget Trading Program that limits emissions of CO₂ from electric power plants, issues CO₂ allowances and establishes participation in regional CO₂ allowance auctions. The states participating in RGGI formed a non-profit corporation (RGGI, Inc.) to provide administrative and technical services to support the development and implementation of each participating state’s CO₂ Budget Trading Program.

Pursuant to Rhode Island General Laws §23-82, RGGI, Inc. (or another independent contractor) is authorized to receive, hold and sell CO₂ allowances for the long-term benefit of consumers. The statute also authorizes RGGI, Inc. to conduct the auctions or sales; collect the auction proceeds; and transfer such proceeds to OER. OER then disburses the proceeds of the auction or sale for purposes consistent with the goals of the RGGI program as set forth in the statute.

Letters of Support

OER received letters of support from:

Michael R. Kirkwood, General Manager & CEO, Pascoag Utility District, dated July 24, 2018.
No comments were provided suggesting any changes be made to the proposed plan.

Jeffrey M. Wright, President, Block Island Power Company, dated August 14, 2018.
No comments were provided suggesting any changes be made to the proposed plan.

Janet Coit, Director, RIDEM, dated August 15, 2018.
No comments were provided suggesting any changes be made to the proposed plan.

Public Hearing

A public hearing on the proposed Plan was held on August 16, 2018. Public comments were received from Kai Salem, People's Power & Light.

Response to Comments

The following are paraphrased comments from Kat Burnham, People's Power & Light, dated August 16, 2018:


Comment: People's Power & Light recommends that some RGGI funding in this allocation be used to support electric vehicle adoption.

Response: OER finds that the Plan, as proposed, appropriately balances the need to advance important clean energy initiatives, while leveraging RGGI funds with available public and/or ratepayer dollars and adhering to statutory requirements.

Decision

It is the decision of the Office of Energy Resources to approve the 2018-B Allocation Plan – Distribution of RGGI Proceeds. The Plan is appended to this Decision.

8/30/18
Date:


Nicholas Ucci, Deputy Commissioner
Office of Energy Resources

Copy of the Decision sent to the following:

Michael R. Kirkwood, Pascoag Utility District
Jeffrey M. Wright, Block Island Power Company
Janet Coit, RIDEM
Kat Burnham, People's Power & Light