

State of Rhode Island
Rhode Island Office of Energy Resources

In re: Proposed 2019-B Allocation Plan – Distribution of RGGI Proceeds

RESPONSE TO COMMENTS

Introduction

On September 3, 2019, a notice was posted on the websites of the Rhode Island 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 “2019-B Allocation Plan - Distribution of Regional Greenhouse Gas Initiative Auction Proceeds” (the Plan). The notice stated that a public hearing would be held on October 3, 2019 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 Office of Energy Resources, One Capitol Hill, Providence, Rhode Island.

The public hearing was held on October 3, 2019 at 9:00 A.M. at the location set forth in the public notice. No members of the public attended the public hearing. At the end 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 October 14, 2019.

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.

Public Hearing

A public hearing on the proposed Plan was held on October 3, 2019. Public comments were received from Hank Webster (Acadia Center) and Kai Salem (Green Energy Consumers Alliance).

Response to Comments

The following is from written comments submitted by Hank Webster, Acadia Center, dated October 13, 2019:

Comment: ...Acadia Center urges OER to continue to work to identify additional funding sources for these important priorities and to develop programs that ensure RGGI investments are distributed equitably throughout Rhode Island's communities – particularly those most impacted by the effects of air and climate pollution.

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.

The following are paraphrased from the public comments of Kai Salem, Green Energy Consumers Alliance on October 3, 2019. No written comments were received.

Comment: Strongly supports the RGGI program. The EE programs supported with RGGI funds have made them one of the strongest in the country.

Green Energy Consumers Alliance urges OER to demonstrate a cost-effectiveness justification for all the projects allocated RGGI funds in the Plan.

A sustainable funding source for Pascoag Utility District and Block Island Power needs to be identified.

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 2019-B Allocation Plan – Distribution of RGGI Proceeds. The Plan is appended to this Decision.

10/17/19
Date:



Nicholas S. Ucci
Deputy Commissioner of Energy

Copy of the Decision sent to the following:
Hank Webster (Acadia Center) & Kai Salem (GECA).