



REGISTER NOTICE

1. TITLE OF THE REGULATIONS:

REGULATION NO. 1147 CO₂ Budget Trading Program

2. BRIEF SYNOPSIS OF THE SUBJECT, SUBSTANCE AND ISSUES:

This new regulation will create Delaware's portion of a multi-state Carbon Dioxide (CO₂) Budget Trading Program. The Budget Trading also known as a cap-and-trade program was developed by the Regional Greenhouse Gas Initiative, or RGGI, which is a cooperative effort amongst a number of Northeastern and Mid-Atlantic States which include Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island and Vermont. The purpose of RGGI is to reduce the emissions of CO₂ from the Power Sector's Electric Generating Units (EGUs). CO₂ is a greenhouse gas that contributes to global warming.

Between 2009 and 2015 the emissions of CO₂ from any EGU with a maximum rated heat input capacity of equal to or greater than 25 megawatts that is located in a RGGI state would be capped at current levels. After 2015 the cap would be reduced incrementally to achieve a 10 percent reduction by 2019. Under the cap-and-trade program one allowance will be issued for each ton of CO₂ emissions allowed by the cap. Each subject EGU will be required to have enough allowances to cover its reported emissions each year. The EGUs may buy or sell allowances, but individual EGU emissions shall not exceed the amount of allowances it possesses. The total amount of the allowances will be equal to the emissions cap for the RGGI states.

3. POSSIBLE TERMS OF THE AGENCY ACTION

None

4. STATUTORY BASIS OR LEGAL AUTHORITY TO ACT:

7 Del. C., Chapter 60, Environmental Control

5. OTHER REGULATIONS THAT MAY BE AFFECTED BY THE PROPOSAL:

PM2.5 SIP and REGIONAL HAZE SIP, Regulation(s) 1102, 1130

6. NOTICE OF PUBLIC COMMENT:

Public Hearing scheduled September 22, 2008 6:00 pm DNREC Auditorium, Richardson & Robbins Building, 89 Kings Highway, Dover, DE 19901

7. PREPARED BY:

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August 01, 2008

Name/ Phone #

Date