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Legislative Document

No. 1657

H.P. 1142

House of Representatives, November 29, 2017

An Act To Update the Allowance Budget for the Regional Greenhouse Gas Initiative

Submitted by the Department of Environmental Protection pursuant to Joint Rule 203.

Received by the Clerk of the House on November 27, 2017. Referred to the Committee on Environment and Natural Resources pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative TUCKER of Brunswick.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 38 MRSA §580-B, sub-§3**, as amended by PL 2013, c. 369, Pt. D, §4, is
3 further amended to read:

4 **3. Base annual budget.** Until January 1, 2014, the base annual carbon dioxide
5 emissions budget is established at 5,948,902 tons of carbon dioxide. For the year 2014,
6 the base annual carbon dioxide emissions budget is established at 3,277,250 tons of
7 carbon dioxide. Beginning with the year 2015, the annual carbon dioxide emissions
8 budget must decline by 2.5% each year through the year 2020. For the year 2021, the
9 department shall establish the base annual carbon dioxide emissions budget in accordance
10 with the model rule and with rules adopted pursuant to subsection 4. Beginning with the
11 year 2022, the annual carbon dioxide emissions budget must decline by 2.5% of the 2014
12 base annual carbon dioxide emissions budget each year through the year 2030.

13 **Sec. 2. 38 MRSA §580-B, sub-§3-A**, as enacted by PL 2013, c. 369, Pt. D, §5, is
14 amended to read:

15 **3-A. Interim adjustments for banked allowances.** The 2014 base annual carbon
16 dioxide emissions budget of 3,277,250 tons of carbon dioxide and base annual budgets
17 for 2015 to 2020 must be reduced by an amount equivalent to the quantity of banked
18 allowances in excess of the quantity of allowances required for compliance at the end of
19 2013. The base annual carbon dioxide emissions budgets for 2021 to 2025 must be
20 reduced by an amount equivalent to the quantity of banked allowances in excess of the
21 quantity of allowances required for compliance at the end of 2020. The State's interim
22 adjustments for banked allowances must be made in proportion to the State's share of the
23 total annual carbon dioxide emissions budget for all states participating in the regional
24 greenhouse gas initiative.

25 **SUMMARY**

26 This bill establishes for each year from 2021 to 2030 the amount of allowances the
27 State can auction as a participant in the regional greenhouse gas initiative. It also
28 establishes the adjustments for banked allowances that must be made to the base annual
29 carbon dioxide emissions budgets for 2021 to 2025.