

State of Rhode Island  
Department of Administration  
Office of Energy Resources

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

**RESPONSE TO COMMENTS**

**Introduction**

On March 18, 2019 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 “2019-A Allocation Plan - Distribution of Regional Greenhouse Gas Initiative Auction Proceeds” (the Plan). The notice stated that a public hearing would be held on April 18, 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](http://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 April 18, 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 April 29, 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 CO<sub>2</sub> Budget Trading Programs in each of the nine participating states. The Rhode Island Department of Environmental Management promulgated regulations establishing a CO<sub>2</sub> Budget Trading Program that limits emissions of CO<sub>2</sub> from electric power plants, issues CO<sub>2</sub> allowances and establishes participation in regional CO<sub>2</sub> 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 CO<sub>2</sub> Budget Trading Program.

Pursuant to Rhode Island General Laws §23-82, RGGI, Inc. (or another independent contractor) is authorized to receive, hold and sell CO<sub>2</sub> 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**

Carol Ventura, Interim Executive Director, Rhode Island Housing, dated April 26, 2019.

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 April 18, 2019. Public comments were received from Erika Niedowski, Acadia Center and Kai Salem, Green Energy Consumers Alliance.

### **Response to Comments**

The following are paraphrased from written comments submitted by Erika Niedowski, Acadia Center, dated April 18, 2019:

*Comment: ...As an active member of the Renewable Energy Siting Stakeholder Committee for the past 18 months, Acadia Center strongly supports efforts to incentivize solar projects in preferred locations, including previously disturbed sites like brownfields and parking lots. Without the preferred option in 2019 of incentivizing solar carports in the Renewable Energy Growth (REG) program, it is reasonable to use RGGI funding to pursue the same ends in the REF this year ...*

*At the same time, Acadia Center urges OER to continue to work to identify additional funding sources for incentivizing solar in preferred locations, and to not overly rely on RGGI funds for this purpose in the coming years. Acadia Center continues to support incentivizing carports within the REG Program and recommends that another effort be made for the 2020 program.*

*Acadia Center supports the proposed \$150,000 allocation for a pilot program designed to help provide energy savings to low- and moderate-income customers and expand the access of energy efficiency, high efficiency heat pumps and solar to underserved sectors.*

*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 April 18, 2019. No written comments were received.

*Comment: Green Energy Consumers Alliance would like to see RGGI funds allocated to the thermal and transportation sectors.*

*Expressed disappointment in seeing funds allocated to solar programs that already have funding.*

*Offered support for the proposed LMI pilot.*

*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-A Allocation Plan – Distribution of RGGI Proceeds. The Plan is appended to this Decision.

5/6/19

Date: \_\_\_\_\_



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Nicholas S. Ucci  
Deputy Commissioners  
Office of Energy Resources

Copy of the Decision sent to the following:

Erika Niedowski, Acadia Center  
Kai Salem, Green Energy Consumers Alliance  
Carol Ventura, Rhode Island Housing