

NOTICE OF PUBLIC HEARING, ANNOUNCEMENT OF PUBLIC COMMENT PERIOD and
ACCEPTANCE OF SUPPLEMENTAL DRAFT GENERIC ENVIRONMENTAL IMPACT STATEMENT
for the NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION
Revised 6 NYCRR Part 242, CO₂ Budget Trading Program and
NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY
Revised 21 NYCRR Part 507, CO₂ Allowance Auction Program

Notice is hereby given that the New York State Department of Environmental Conservation (Department) and New York State Energy Research and Development Authority (Authority) will hold a joint legislative public hearing on the revised 6 NYCRR Part 242 (Part 242), CO₂ Budget Trading Program, revisions to 6 NYCRR Part 200, General Provisions, revised 21 NYCRR Part 507 (Part 507), CO₂ Allowance Auction Program and Acceptance of the Supplemental Draft Generic Environmental Impact Statement (Supplemental DGEIS).

The Department and the Authority proposed Parts 242 and 507 on October 24, 2007. Public hearings were held during the week of December 10, 2007 and the public comment period closed at 5:00 p.m. on December 24, 2007. Based on an assessment of the public comments, the Department and the Authority are proposing revised Parts 242 and 507 and have also accepted the Supplemental DGEIS, which analyzes the aforesaid revisions.

Revised Part 242 establishes a market based program designed to cap and reduce carbon dioxide (CO₂) emissions from power plants by 10 percent by 2019. Certain revisions to Table 1 of 6 NYCRR 200.9, Referenced Material, are necessary in order to facilitate the administration of these programs and are included as part of this rulemaking package. Revised Part 507 establishes the rules for conducting auctions of CO₂ allowances to be administered by the Authority or its designee, as part of the New York CO₂ Budget Trading Program, and for the administration of the Energy Efficiency and Clean Energy Technology Account.

On December 20, 2005, New York State entered into a historic regional agreement to reduce greenhouse gas (GHG) emissions from power plants, an important step to protect our environment and meet the significant challenge of climate change. Under the agreement, the governors of ten Northeastern and Mid-Atlantic States have committed to propose the Regional Greenhouse Gas Initiative (RGGI). In order to carry out the State's commitment, the Department is proposing to establish the CO₂ Budget Trading Program by promulgating revised Part 242, and to revise Part 200, General Provisions. The Authority is proposing to establish the CO₂ Allowance Auction Program by promulgating revised Part 507.

The hearings will be held for the revised rulemakings and acceptance of the Supplemental DGEIS at the following locations and times:

DATE: MONDAY, JUNE 9, 2008
TIME: 2:00 P.M.
PLACE: New York State Department of Environmental Conservation
625 Broadway
Room 129
Albany, NY 12233

DATE: MONDAY, JUNE 9, 2008
TIME: 1:00 P.M.
PLACE: NYSDEC Region 1
50 Circle Road

Conference Room, Basement Room #002 A/B
Stony Brook, NY 11790

The public hearings are scheduled in places that are reasonably accessible to persons with impaired mobility. At the hearings, the Department will provide interpreter services for deaf persons at no charge. Written requests for such services are required and should be submitted by May 23, 2008, to Laura Stevens, NYSDEC, 625 Broadway, Albany NY 12233-3250; (518) 402-8451; airregs@gw.dec.state.ny.us.

Pursuant to the State Environmental Quality Review Act, the Department, in consultation with the Authority, has determined that the proposed rulemaking is an Unlisted Action (6 NYCRR §617.2(ak)). Although the Department, as lead agency, did not determine that the proposed action would have any significant adverse environmental impacts, it prepared the Supplemental DGEIS to incorporate findings from the Auction Report and the Emissions Leakage Report which were finalized over the past few months. The Supplemental DGEIS also reflects comments that were received during the comment period. The Supplemental DGEIS provides an opportunity to discuss the rationale for the proposed CO₂ Budget Trading Program and presents alternatives to the proposed rules. The Department has determined the Supplemental DGEIS is adequate for public review and is seeking public comment on the document. Pursuant to 6 NYCRR §617.9(a)(4) the Department has made the determination to hold public hearings, the details of which are provided above.

The Department invites all persons, organizations, corporations, and government agencies that may be affected by the proposed revisions to attend the hearing and/or to submit oral or written statements for the record. A cumulative record will be compiled of both oral and written statements received. It is not necessary for persons wishing to make an oral statement to request an appointment in advance. Written statements received prior to, during, or after the hearings and oral statements made at the hearings will be given equal weight.

Requests for information and comments related to revised Parts 242 and Table 1 of 6 NYCRR 200.9 may be obtained from Michael P. Sheehan, P.E., NYSDEC, Division of Air Resources, 625 Broadway, Albany, NY 12233-3251, telephone (518) 402-8396; email 242rggi@gw.dec.state.ny.us.

Requests for information and comments related to revised Part 507 may be obtained from Peter Keane, Senior Counsel, NYSERDA, 17 Columbia Circle, Albany, NY 12203-6399, (518) 862-1090, ext 3366; email 242rggi@gw.dec.state.ny.us.

Written statements may be submitted until by 5:00 p.m. on June 23, 2008.

The revised regulations and supporting information may be obtained from any of the following Department and Authority offices:

REGION 1, NYSDEC - Region 1 Headquarters, SUNY @ Stony Brook, 50 Circle Road, Stony Brook, NY 11790-3409,

Attention: Ajay Shah

REGION 2, 1 Hunters Point Plaza, 47-40 21st Street, Long Island City, NY 11101, Attention: Sam Lieblich

REGION 3, 21 South Putt Corners Road, New Paltz, NY 12561, Attention: Ken Grzyb

REGION 4, 1130 North Westcott Rd., Schenectady, NY 12306, Attention: Don Spencer

REGION 5, 232 Golf Course Road, P.O. Box 220, Warrensburg, NY 12885, Attention: James Coutant

REGION 6, Watertown State Office Bldg., 317 Washington St., Watertown, NY 13601, Attention: Thomas Morgan

REGION 7, 615 Erie Boulevard West, Syracuse, NY 13204-2400, Attention: Reginald Parker

REGION 8, 6274 East Avon-Lima Road, Avon, NY 14414, Attention: Thomas Marriott

REGION 9, 270 Michigan Ave., Buffalo, NY 14203, Attention: Larry Sitzman

The Revised Parts 242 and 507 and the Supplemental DGEIS will be posted on the Department's and the Authority's websites at: <http://www.dec.ny.gov> and <http://www.nyserda.org>