

Agenda Item: 21-20 **Petition for Rulemaking Pursuant to North Carolina General Statutes § 150B-20 and 15A NCAC 02I .0500 to Adopt Rules to Limit CO₂ Pollution from the Electric Power Sector**

Explanation:

The Division of Air Quality (DAQ) received a Petition for Rulemaking on behalf of Clean Air Carolina and the North Carolina Coastal Federation, from the Southern Environmental Law Center on January 11, 2021. The Petition requests that the Environmental Management Commission (EMC) adopt rules to limit CO₂ pollution from the electric power sector in North Carolina.

The Petition proposes North Carolina participating in the Regional Greenhouse Gas Initiative (RGGI) as the primary mechanism to reduce CO₂ emissions from this sector. To participate in the RGGI program, North Carolina would have to commit to set up a carbon reduction program and adopt a law or regulation that is substantially similar to the RGGI Model Rule, although tailored to the state's circumstances and preferences. The proposed rules attached to the Petition for Rulemaking are based on the RGGI Model Rule.

Pursuant to North Carolina General Statute § 150B-20 and 15A NCAC 02I .0501, the Southern Environmental Law Center, on behalf of the petitioners Clean Air Carolina and the North Carolina Coastal Federation, requests that the EMC establish rules to limit carbon dioxide pollution from the electric power sector in North Carolina. In the petition, the text of the proposed rules is attached as Exhibit A. An explanation of its effect on existing rules or orders is attached as Exhibit B. A list of affected facilities is attached as Exhibit C. A summary of the ways in which climate change is harming North Carolina is attached as Exhibit D.

After review in accordance with the criteria outlined in 15A NCAC 02I .0501, Form and Contents of Petition, the petition for rulemaking was deemed to satisfy every element of 15A NCAC 02I .0501(b) and was referred to the Air Quality Committee (AQC) for review in accordance with 15A NCAC 02I .0502, Review by a Committee of the Commission. 15A NCAC 02I .0502(a) requires the AQC to review the petition and recommend action to the full EMC. On June 15, 2021, the AQC held a special meeting and recommended that the petition be presented to the full EMC for action.

In accordance with 15A NCAC 02I .0503, the petition will be presented to the EMC after review by the AQC. Notice was sent to interested parties and to the Secretary of State that a special called EMC meeting has been scheduled for Tuesday, July 13, 2021 at 9:00 a.m.

This meeting will occur in the Ground Floor Hearing Room of the Archdale Building at 512 N. Salisbury St, Raleigh, NC. Commissioners, staff, and scheduled speakers are encouraged to attend in-person. Limited seating will be available to the public. Masks and social distancing will be required for everyone entering the meeting room. Meeting audio and presentations will be broadcast via the state web conferencing link posted on the Environmental Management Commission website at: <https://deq.nc.gov/about/divisions/water-resources/water-resources-commissions/environmental-management-commission/emc-general-information>

Recommendation:

The petitioners recommend the EMC grant the petition and request the DAQ to initiate rulemaking proceedings in accordance with North Carolina General Statutes 150B-20.