Section 1
Sec. 2
Sec. 3

Section 96.355	Banking.
Section 96.356	Account error.
Section 96.357	Closing of general accounts.
Subpart GGGG-CAIR NO_x Ozone Season Allowance Transfers	
Section 96.360	Submission of CAIR NO_x Ozone Season allowance transfers.
Section 96.361	EPA recordation.
Section 96.362	Notification.
Subpart HHHH-Monitoring and Reporting	
Section 96.370	General requirements.
Section 96.371	Initial certification and recertification procedures.
Section 96.372	Out of control periods.
Section 96.373	Notifications.
Section 96.374 (Except as provided in subsection (i)(3) of this section)	Recordkeeping and reporting.
Section 96.375	Petitions.

Sec. 2. Section 22a-174-22a of the Regulations of Connecticut State Agencies is repealed.

Sec. 3. As of May 1, 2010, Section 22a-174-22b of the Regulations of Connecticut State Agencies is repealed.

Statement of Purpose: In order to mitigate interstate transport of the ozone precursor nitrogen oxides (NO_x), and in order to assist the state in achieving attainment of the National Ambient Air Quality Standard for ozone, Connecticut has participated in two distinct market-based NO_x ozone season cap-and-trade programs. From 1999 through 2002, Regulations of Connecticut State Agencies (R.C.S.A.) section 22a-174-22a established such a trading program among states in the Ozone Transport Commission. Beginning in 2003, R.C.S.A. section 22a-174-22b established Connecticut's Post-2002 NO_x Budget Program (also known as the NO_x State Implementation Plan (SIP) Call), which is based on a model ozone season NO_x cap-and-trade program of the U.S. Environmental Protection Agency (EPA). EPA has recently promulgated a new ozone season NO_x emissions cap-and-trade program, the Clean Air Interstate Rule NO_x Ozone Season Trading Program (CAIR Trading Program), that is intended to replace the NO_x Budget Program as of May 1, 2009. This proposal, which repeals R.C.S.A. sections 22a-174-22a and 22a-174-22b and adopts a CAIR NO_x Ozone Season Trading Program under new R.C.S.A. section 22a-174-22c, is Connecticut's approach to implementing the CAIR Trading Program in Connecticut.

The general structure of new R.C.S.A. section 22a-174-22c is very similar to the existing NO_x Budget Program set forth in R.C.S.A. section 22a-174-22b. R.C.S.A. section 22a-174-22c incorporates by reference the majority of the provisions included in EPA's model rule for the CAIR Trading Program. The major differences between both R.C.S.A. section 22a-174-22b and the federal CAIR Trading Program as compared with R.C.S.A. section 22a-174-22c are the methodology for allocating CAIR NO_x Ozone Season allowances and the inclusion of Energy Efficiency/Renewable Energy set-aside provisions.

Specifically, the sections of the proposal accomplish the above as follows:

- Section 1 of the proposal, which addresses R.C.S.A. section 22a-174-22c, reduces the emissions of NO_x from large stationary sources during the period of May 1 through September 30 by means of a market-based, cap-and-trade system, consistent with the federal CAIR Trading Program.
- Sections 2 and 3 of the proposal repeal obsolete NO_x Budget Programs contained in R.C.S.A. sections 22a-174-22a and 22a-174-22b.

CERTIFICATION

Be it known that the foregoing:

Are: ☒ Regulations ☐ Emergency Regulations

☒ Adopted ☐ Amended as hereinabove stated ☒ Repealed

By the aforesaid agency pursuant to:

☒ Section 22a-174 of the General Statutes.

☐ Section_____of the General Statutes, as amended by Public Act No.___of the___Public Acts.

☐ Public Act No._____of the Public Acts.

After publication in the Connecticut Law Journal on September 12th 2006 of the notice of the proposal to:

☒ Adopt ☐ Amend ☒ Repeal such regulations

(If applicable): ☒ And the holding of a public hearing on the 19th day of October 2006

WHEREFORE, the foregoing regulations are hereby:

☒ Adopted ☐ Amended as herein above stated ☒ Repealed

Effective:

☒ When filed with the Secretary of State.

(OR)

☐ The __ day of _____ 200__.

SEP 4 11 12 AM '07
SECRETARY OF THE STATE
ELECTIONS DIVISION

DATE SIGNED *(Head of Board, Agency or Commission)* OFFICIAL TITLE, DULY AUTHORIZE

In Witness Whereof: 8/3/07 Amy Marella Deputy Commissior

SIGNED DATE OFFICIAL TITLE, DULY AUTHORIZE

Approved by the Attorney General as to legal sufficiency in accordance with Sec. 4-169, as amended, C.G.S.:

☒ Approved

☐ Disapproved

☐ Disapproved in part, *(Indicate Section Numbers disapproved only)*

☐ Rejected without prejudice.

By the Legislative Regulation Review Committee in accordance with Sec. 4-170 amended, of the General Statutes.

DATE 8/28/07 SIGNED *(Clerk of the Legislative Regulation Review Committee)* Pamela B. Brooks

Two certified copies received and filed, and one such copy forwarded to the Commission on Official Legal Publications in accordance with Section 4-172, as amended, of the General Statutes.

DATE SIGNED *(Secretary of the State.)* BY

INSTRUCTIONS

1. One copy of all regulations for adoption, amendment or repeal, except emergency regulations, must be presented to the Attorney General for his determination of legal sufficiency. Section 4-169 of the General Statutes

2. Seventeen copies of all regulations for adoption, amendment or repeal, except emergency regulations, must be presented to the standing Legislative Regulation Review Committee for its approval. Section 4-170 of the General Statutes.

3. Each regulation must be in the form intended for publication and must include the appropriate regulation section number and section heading. Section 4-172 of the General Statutes.

4. Indicate by "(NEW)" in heading if new regulation. Amended regulations must contain new language underlined or in capital letters and deleted language in brackets. Section 4-170 of the General Statutes.

Office of Secretary of the State
State of Connecticut
P.O. Box 150470, Hartford, CT 06115-0470

Susan Bysiewicz
Secretary of the State

Lesley D. Mara
Deputy Secretary of the State

September 4, 2007

Hon. Gina McCarthy, Commissioner
Department of Environmental Protection
79 Elm Street
Hartford, CT 06105

Re: Agency Regulation Concerning:

Abatement of Air Pollution: Nitrogen Oxides (NOx) Budget Program; Post-2002 Nitrogen Oxides (NOx) Budget Program; Clean Air Interstate Rule (CAIR) Nitrogen Oxides (NOx) Ozone Season Trading Program

Regulation Review Committee Docket Number: 2007-032a
Secretary of the State File Number: 5800

Dear Commissioner McCarthy:

This is to acknowledge receipt of two certified copies of the above referenced regulation issued by the Department of Environmental Protection.

We request that you please forward the original or a copy of this acknowledgement letter to your agency's Legal Services Department for its files.

Said regulation was received and filed in this office on September 4, 2007. The effective date of this regulation is September 4, 2007.

One of the two copies has been forwarded to the Commission on Official Legal Publications as required by law.

Sincerely,

Barbara Sladek
RLS Assistant Coordinator
860-509-6147

CC: Commission on Official Legal Publications (Letter and Copy of Regulation)