

Notice of Decision

Resources Agency of California

- Project Title:** Amendments to the Cap-and-Trade Regulation & California's Compliance Plan for the Federal Clean Power Plan (SCH# 2015122006)
- Project Location:** Statewide
- Public Meeting Dates:** July 27, 2017; Agenda Items #17-8-1 and 17-8-2
- Project Description:** The Amendments to the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms Regulation (Amendments) enhance the current Cap-and-Trade Program implementation and oversight; link the Cap-and-Trade Program with the Ontario, Canada program; and provide that the Cap-and-Trade Program extends beyond 2020. California's Compliance Plan for the Federal Clean Power Plan (Compliance Plan) requires that California limit greenhouse gas emissions from many large power plants. The Amendments and the Compliance Plan constitute a single "project" for purposes of CEQA review.

This notice is to advise that the California Air Resources Board (CARB or Board), as the lead agency, adopted the above-described project on July 27, 2017.

CARB prepared a programmatic level environmental analysis (EA) in accordance with the requirements of its certified regulatory program under the California Environmental Quality Act (CEQA) (Cal. Code Regs., tit. 14, §15251, subd. (d).), to analyze and disclose the reasonably foreseeable indirect physical changes in the environment that could result from implementing the project. The EA, included as Appendix B of the Staff Report: Initial Statement of Reasons (ISOR) for the Amendments to the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms, and as Appendix J to California's Compliance Plan for the Federal Clean Power Plan, concluded that implementing the project may result in significant adverse environmental impacts. The EA includes the types of mitigation measures that could typically be required to reduce the significant environmental impacts identified, but the authority to determine project-level impacts and require project-level mitigation lies with the lead agency with authority over those particular projects. The Board made CEQA findings and adopted a statement of overriding considerations for this project.

Staff prepared written responses to comments received during the 45 day comment period and subsequent 15-day comment periods that raised significant environmental issues pertaining to this item. The written responses to the EA comments are included in the document entitled *Response to Comments on the Draft Environmental Analysis for the Cap-and-Trade Regulatory Amendments and California's Compliance Plan for the Federal Clean Power Plan*. Before


taking final action, the Board considered and approved written responses to these comments as required by ARB's certified regulatory program. (Cal. Code Regs., tit. 17. § 60007(a).)

The Final EA, the *Response to Comments on the Draft Environmental Analysis for the Cap-and-Trade Regulatory Amendments and California's Compliance Plan for the Federal Clean Power Plan*, and all other related documents are available for public inspection on the ARB rulemaking webpage at:

<https://www.arb.ca.gov/regact/2016/capandtrade16/capandtrade16.htm> and the ARB program webpage at: <https://www.arb.ca.gov/cc/powerplants/powerplants.htm>

These documents may also be examined at:

California Air Resources Board
Attn: Board Administration and Regulatory Coordination Unit
1001 I Street
Sacramento, CA 95814

Certified: 

ARB CEQA Unit

Date: 7/27/2017