Notice of Decision

Project Title: Amendments to the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms Regulation (SCH# 2018022044)

Project Location: Statewide

Public Meeting Date: December 13, 2018; Agenda Item #18-10-7

Project Description: Amendments to the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms Regulation (Cap-and-Trade Regulation) are intended to conform with the requirements in AB 398, respond to Board direction in Resolution 17-21, and enhance program implementation and oversight. The proposed amendments include changes to provisions relating to free allocation for minimizing leakage and transition assistance, offsets usage limits and criteria related to direct environmental benefits in the State, and cost containment.

This notice is to advise that the California Air Resources Board (CARB or Board), as the lead agency, adopted the above regulatory action on December 13, 2018.

CARB prepared an environmental analysis (EA) in accordance with the requirements of its certified regulatory program under CEQA. (Cal. Code Regs., tit. 14, §15251, subd, (d).) The EA, included as an appendix to the Staff Report prepared for the proposed project, concluded implementation of the regulatory action may result in significant adverse environmental impacts. Mitigation measures were made a condition of approval. The Board made CEQA findings and adopted a statement of overriding considerations for this regulatory action.

Staff prepared written responses to comments received that raised significant environmental issues pertaining to this item. The written responses to these environmental comments are included in the Response to Comments on the Draft Environmental Analysis for the Proposed Amendments to the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms Regulations. Before taking final action, the Board considered and approved written responses to these comments as required by CARB’s certified regulations. (Cal. Code Regs., tit. 17. § 60007(a).)

The EA (included as an appendix to the Staff Report), and all other related documents, including the Response to Comments on the Draft Environmental Analysis for the Proposed Amendments to the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms Regulations are available for public inspection on the CARB
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rulemaking webpage at:

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: CARB CEQA Unit

Date: 12/14/2018

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Resources Agency of California

Governor's Office of Planning & Research

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