

## **Department of Planning and Budget 2008 Fiscal Impact Statement**

**1. Bill Number:** SB712

House of Origin	<u>  X  </u>	Introduced	<u>    </u>	Substitute	<u>    </u>	Engrossed
Second House	<u>    </u>	In Committee	<u>    </u>	Substitute	<u>    </u>	Enrolled

**2. Patron:** Wagner

**3. Committee:** Agriculture, Conservation and Natural Resources

**4. Title:** Cap and trade system for NOx and SO2; nonattainment areas

**5. Summary:** The bill provides that the Air Pollution Control Board may prohibit electric generating facilities located within specified nonattainment areas in the Commonwealth from meeting their compliance obligations for pollutants that contribute to ongoing nonattainment in that area through the purchase of allowances for NOx and SO2 only if the board finds that: (i) the prohibition will directly and quantifiably reduce ambient concentrations of ozone or PM2.5 in the affected nonattainment area; and (ii) there is no other reasonably available approach to achieve a comparable air quality benefit for the Commonwealth.

**6. Fiscal Impact Estimates:** The bill does not have a fiscal impact.

**7. Budget Amendment Necessary:** No.

**8. Fiscal Implications:** None.

**9. Specific Agency or Political Subdivisions Affected:** Department of Environmental Quality, State Air Pollution Control Board.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.

**Date:** 1/29/2008 dpbkbs

**Document:** G:\08 FIS\DEQ\SB712.DOC

cc: Secretary of Natural Resources