Wake Up! A Convenient Forum on Climate Change and RGGI
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• Environmental Policy, Research, and Advocacy
  ➢ Boston, MA / Providence, RI / Rockport, ME / Portland, ME / Hartford, CT / Ottawa, ON, Canada / New York City, NY

• Program Areas
  ➢ Energy Policy
  ➢ Climate Change
  ➢ Transportation
Overview

- RGGI’s Performance To-Date
- Path Ahead
- Aligning RGGI with Long-Term Goals
Actual 2015 emissions of 83.2m tons fell 6% below the current cap, and 16% below projections.
RGGI Performance - Prices

Figure 1: Volume-Weighted Electricity Prices, 2008 to 2015 (Cents/kWh)

From 2008 levels, electricity prices are down 3.4% in RGGI states, and up 7.2% in other states.

RGGEI Performance - Economics

<table>
<thead>
<tr>
<th></th>
<th>2009-2011</th>
<th>2012-2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Economic Growth</td>
<td>$92 million</td>
<td>$122 million</td>
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<tr>
<td>Job-Years of Employment</td>
<td>900</td>
<td>1,100</td>
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</tbody>
</table>


Source: RGGI, Inc.: The Investment of RGGI Proceeds Through 2014
Cumulative Maine RGGI Investments by Category and Program Type

Source: RGGI, Inc.: The Investment of RGGI Proceeds Through 2014
2016 RGGI Program Review

- Proposals from states, stakeholder input, emissions modeling
- Previous Program Review resulted in 45% reduction of the RGGI cap
- Key items for discussion at the current Program Review:
  - Future cap levels
  - Flexibility mechanisms
  - Excess allowances
Going Beyond CPP Targets

- All 9 RGGI states have long-term, economy-wide GHG reduction targets
- Meeting these targets depends on significant reductions from the electric sector

<table>
<thead>
<tr>
<th>RGGI State</th>
<th>2030 Economy-Wide GHG Target</th>
<th>2050 Economy-Wide GHG Target</th>
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</thead>
<tbody>
<tr>
<td>Connecticut</td>
<td>35-45% below 1990</td>
<td>80% below 2001</td>
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<tr>
<td>Delaware</td>
<td>30% below 2008</td>
<td>-</td>
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<tr>
<td>Maine</td>
<td>35-45% below 1990</td>
<td>75-85% below 2003</td>
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<tr>
<td>Maryland</td>
<td>40% below 2006</td>
<td>90% below 2006</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>35-45% below 1990</td>
<td>80% below 1990</td>
</tr>
<tr>
<td>New Hampshire</td>
<td>35-45% below 1990</td>
<td>80% below 1990</td>
</tr>
<tr>
<td>New York</td>
<td>40% below 1990</td>
<td>80% below 1990</td>
</tr>
<tr>
<td>Rhode Island</td>
<td>35-45% below 1990</td>
<td>75-80% below 2002</td>
</tr>
<tr>
<td>Vermont</td>
<td>35-45% below 1990</td>
<td>75% below 1990</td>
</tr>
</tbody>
</table>

- RGGI states have modest CPP targets
Paths Forward

Million Short Tons CO2

Historic Emissions
Clean Power Plan
Current RGGI Cap
2.5%
3.5%
5%

Sources: RGGI, Inc., and EPA

Lowest cost pathway to achieving 2030 goals
Additional Program Details

• Cost Containment Reserve (CCR)
  • Additional allowances printed when price thresholds reached
  • Effectively inflates cap

• Banked allowances
  • Accounting for over-supply

• Emissions Containment Reserve
  • Soak up surplus allowances
  • Account for recent clean energy commitments
Back to the Future?
www.acadiacenter.org

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