

# New Perspectives on RGGI and the Massachusetts Global Warming Solutions Act

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Increasing RGGI reductions to 5 percent per year | What the Massachusetts SJC ruling means for future emissions reductions

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# Webinar Logistics

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- The webinar is being recorded and will be circulated to all attendees, along with the slides
- All attendees have been muted on entry and will remain muted throughout the webinar
- Please send any questions on the content of the webinar to [webinar@synapse-energy.com](mailto:webinar@synapse-energy.com)
- During the Q&A session, the panelists will answer written questions that have been sent to [webinar@synapse-energy.com](mailto:webinar@synapse-energy.com)
- Please use the chat feature only to notify the host if you are having a technical issue with the WebEx software or audio

# Who we are

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## Synapse Energy Economics

- Research and consulting firm specializing in energy, economic, and environmental topics
- Services include economic and technical analyses, regulatory support, research and report writing, policy analysis and development, representation in stakeholder committees, facilitation, trainings, and expert witness services for public interest and government clients

## Mass Energy Consumers Alliance

- Non-profit organization that has been succeeding in making energy more affordable and environmentally sustainable since 1982
- Serves as a trusted voice for both consumers and the environment on local, state, regional and national energy issues

# Agenda

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## **The RGGI Opportunity: 40% Economy-Wide CO<sub>2</sub> Reductions by 2030**

- What is the RGGI Opportunity?
- Achieving 5 percent emissions reductions per year

## **MA SJC decision on the MA Global Warnings Solutions Act**

- Decisions issues
- Implications of the decision

## **Q&A**

# The RGGI Opportunity 2.0

# What is the RGGI Opportunity?

- In the past seven years, states in the Regional Greenhouse Gas Initiative (RGGI) have cut electric-sector CO<sub>2</sub> emissions by 45 percent and economy-wide emissions by 20 percent compared to their 1990 levels.
- RGGI’s electric-sector carbon cap is complemented by individual state renewable portfolio standards (RPS) and energy efficiency resource standards (EERS).
- The nine RGGI states have also established longer-term economy-wide climate goals, clustering around a 40 percent reduction from 1990 levels by 2030 and an 80 percent reduction by 2050.

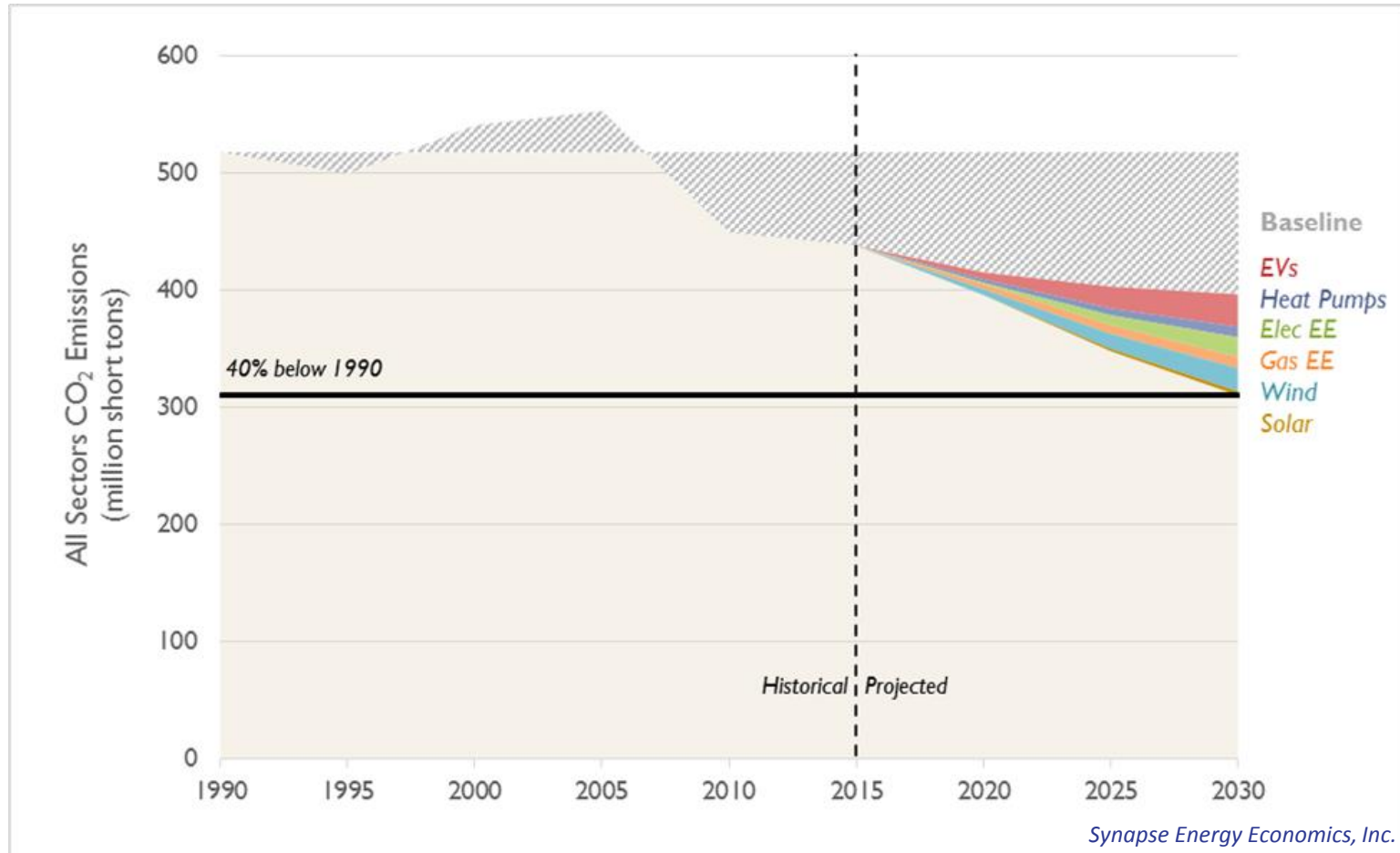
State	2030 Target	2050 Target
Connecticut	35-45% below 1990	80% below 2001
Delaware	36% below 1990*	No target
Maine	35-45% below 1990	75-80% below 2003
Maryland	35% below 1990**	Up to 90% below 2006
Massachusetts	35-45% below 1990	80% below 1990
New Hampshire	35-45% below 1990	80% below 1990
New York	40% below 1990	80% below 1990
Rhode Island	35-45% below 1990	80% below 1990
Vermont	35-45% below 1990	75% below 1990

*\* Delaware’s 2030 target is a non-binding goal recommended in the state’s Climate Framework of 30 percent below 2008.*

*\*\* Maryland’s 2030 target is framed as 40 percent below 2006.*

- The 2016 RGGI Stakeholder Process is now ongoing—conversations are happening on ways to change and improve RGGI.

# How do we get from here to there?

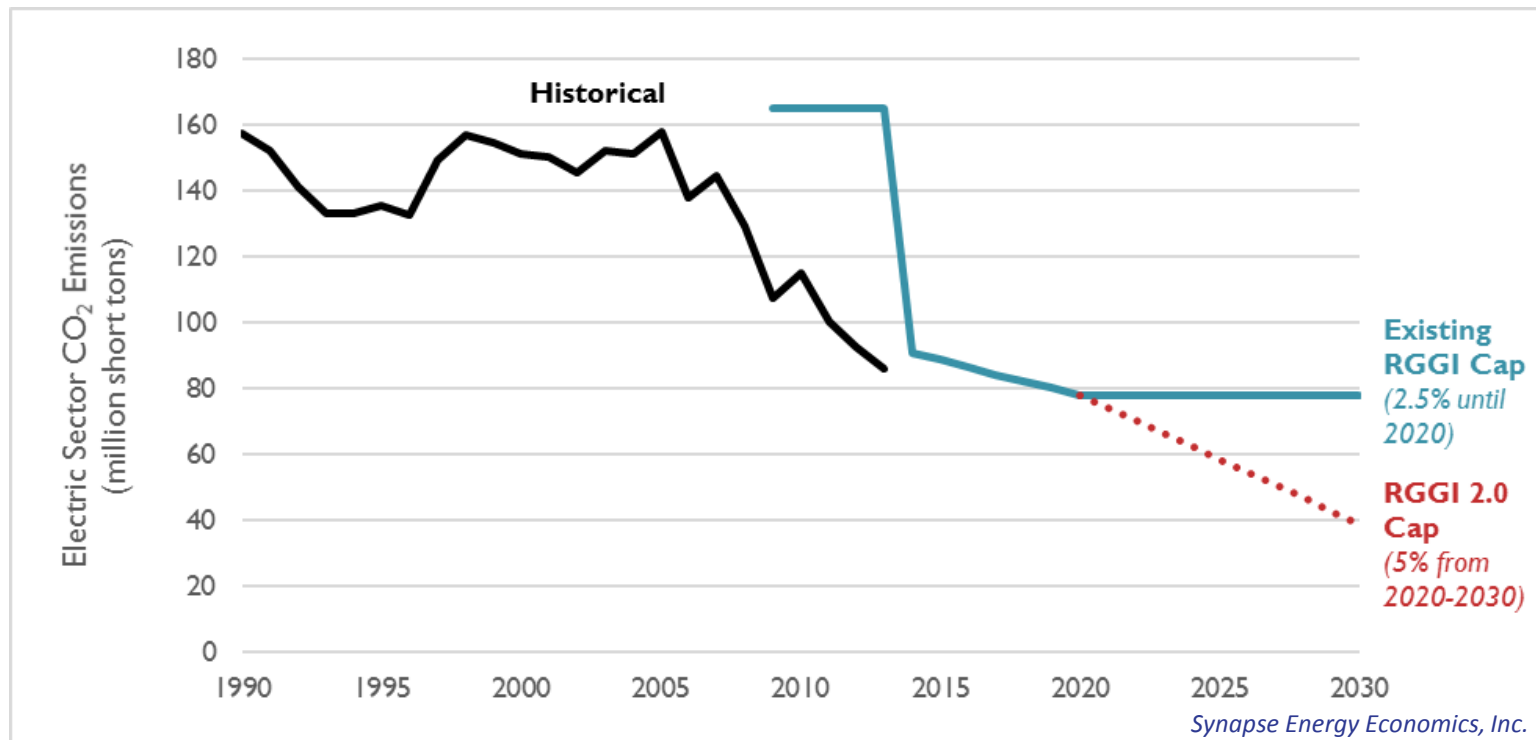


We evaluated cost-effective approaches for states to meet their 2030 climate goals of a 40 percent CO<sub>2</sub> emission reduction in the nine states.

# Role of the electric sector

## The RGGI Opportunity 2.0:

[http://www.synapse-energy.com/sites/default/files/RGGI\\_Opportunity\\_2.0.pdf](http://www.synapse-energy.com/sites/default/files/RGGI_Opportunity_2.0.pdf)



RGGI states' climate laws require a reduction in electric sector CO<sub>2</sub> emissions of 5 percent each year from 2020 through 2030.



# Why is RGGI important?

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## Cap and trade

- Mechanism that limits GHG emissions from the electric sector
- RGGI imposes a fixed, not-to-be exceeded limit on GHG emissions

## Fundraising device for the region as a whole

- Revenue generated from RGGI auctions used to fund energy efficiency and renewable programs
- More than \$436 million raised in RGGI auctions in 2015 alone

## Driver of longer-term changes

- Energy prices impacts can cause long-term change: in 2015, only 7 percent of RGGI's generation came from coal
- RGGI drives down long-term capacity prices, discouraging investment in fossil fuels

# **SJC decision on MA Global Warming Solutions Act**

# Outcome of the ruling

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Read the decision at: <http://blog.massenergy.org/blog/court-requiring-massachusetts-to-enforce-gwsa-emission-reduction-goals>

# Historical and projected emissions

Historical and projected emissions for 2020, by sector (million metric tons CO<sub>2</sub>-equivalent)

	1990	2013	2020 estimate
<b>Buildings</b>	29.4	23.9	20-24
<b>Transportation</b>	30.5	31.2	29-32
<b>Electricity</b>	28.2	16.3	11-14
<b>Other</b>	6.3	5.6	6
<b>Total (MMT)</b>	94.4	76.9	66-76
<b>Reduction (% of 1990 level)</b>	0%	19%	20-30%

*Source: Massachusetts Clean Energy & Climate Plan, Table 3, Page 13*

# Want to team up with us?

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## Synapse provides:

- **Economic and technical analysis**
- **Research and report writing**
- **Policy analysis and development**
- **Representation in voting and stakeholder committees**
- **Economic and power system modeling**
- **Expert witness services**
- **Regulatory support**
- **Facilitation and trainings**
- **Development of analytical tools**

# Related Resources

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**The RGGI Opportunity 2.0:** [http://www.synapse-energy.com/sites/default/files/RGGI\\_Opportunity\\_2.0.pdf](http://www.synapse-energy.com/sites/default/files/RGGI_Opportunity_2.0.pdf)

**Consumer Costs of Low-Emissions Futures Factsheets and Reports:** <http://synapse-energy.com/project/consumer-costs-low-emissions-futures>

**Synapse Clean Power Plan Toolkit:** <http://synapse-energy.com/CleanPowerPlan>

**Past Clean Power Plan Webinars:** <http://synapse-energy.com/synapse-projects-and-webinars-related-clean-power-plan>

**Clean Power Plan Modeling Tools for States and Stakeholders:** <http://www.synapse-energy.com/project/clean-power-plan-modeling-tools-states-and-stakeholders>

**Clean Power Plan Handbook for National Association of State Utility Consumer Advocates:** <http://synapse-energy.com/sites/default/files/Clean-Power-Plan-Handbook.pdf>

**Synapse Blog Posts on Clean Power Plan:** <http://synapse-energy.com/tags/clean-power-plan>

**Harvard Environmental Policy Initiative Resource Center:** <http://environment.law.harvard.edu/state-clean-power-plan-resources/>

# Upcoming Webinars

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## **Clean Power Plan – New Policy or New Normal?**

Thursday, June 9, 2016 | 2:00-3:00pm

## **The Changing Role of Planning in the Electric Sector: The Future of Integrated Resource Planning**

Thursday, June 16, 2016 | 2:00-3:00pm

## **New Renewable Generation Capacity – Why Here and Not There?**

Wednesday, June 22, 2016 | 2:00-3:00pm

Register at <http://www.synapse-energy.com/webinars>

Did you miss last week's webinar, *A Fresh Outlook on the Clean Power Plan*? Watch the recording at <http://www.synapse-energy.com/project/fresh-outlook-clean-power-plan>.

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