

# The Regional Greenhouse Gas Initiative

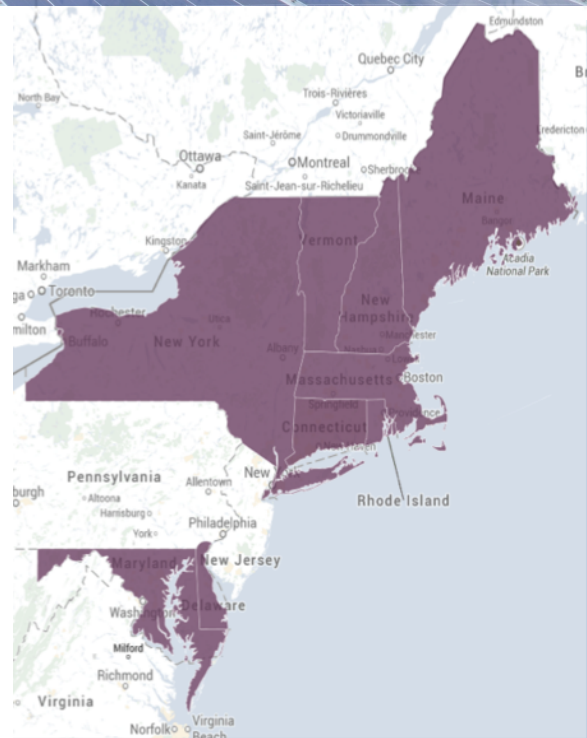
THE BEST REGIONAL CLIMATE AND CLEAN AIR PROGRAM YOU'VE NEVER HEARD OF

## WHAT IS RGGI?

The Regional Greenhouse Gas Initiative, also known as RGGI (pronounced “Reggie”), is one of the best examples of U.S. climate leadership. This program, created by a bipartisan group of governors in 2005, is the nation’s first multi-state policy to cut dangerous carbon pollution from power plants and generate revenue to fund clean energy programs. It works by limiting dangerous carbon pollution from electric power plants. By making power plant owners pay to emit pollution, it generates revenue that states largely reinvest in energy efficiency, clean energy and other programs to benefit the environment and consumers.

The program works, and it works well. It is proving that not only can we cut pollution, but we can also cut it faster than anyone anticipated, and in ways that bring widespread benefits – for our health, our communities and our families. Since 2005, this program has helped cut dangerous pollution from power plants in half while generating at least \$2.6 billion in funding for clean energy programs, delivering major benefits.<sup>1</sup>

In 2017, the nine states that participate in the Regional Greenhouse Gas Initiative (Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New York, Rhode Island and Vermont) have an important opportunity to take another step forward in the fight against climate change. These states are about to finalize a plan to strengthen the program after 2020.



RGGI is a bipartisan climate policy designed to cut pollution and invest in clean energy.

# Investing in Clean Energy

RGGI has given a boost to clean energy, helping to increase solar power generation by more than 75 percent since 2012 and helping to more than double wind power<sup>2</sup> since 2008.

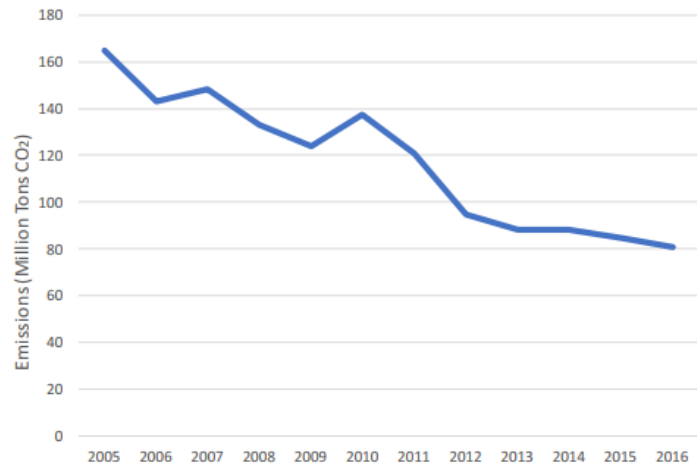
Already, the states in the region have raised more than \$2.7 billion through this program to invest in clean energy, energy efficiency and consumer benefit programs, driving more local clean energy projects and strengthening communities.<sup>3</sup>

## Boosting the Economy

The lifetime benefits of RGGI helped to reduce electricity consumption by 5 percent since 2005 – even as the regional population grew by 7 percent, and the economy grew by 10 percent.<sup>4</sup> It also locked in more than \$7 billion in savings on energy bills for citizens and businesses over time – an incredible return of \$4 in energy bill savings for every dollar spent on clean energy.<sup>5</sup>

Average electricity prices across the region have decreased by 6.4% since RGGI took effect, while electricity prices in other states have increased by 6.2%.<sup>6</sup> From 2009–2014, RGGI has boosted the regional economy by almost \$3 billion and created more than 30,000 jobs.<sup>7</sup>

## Carbon Pollution from Power Plants Has Fallen Dramatically Since RGGI Was Created in 2005



## Cutting Pollution

Our region has already cut power plant pollution in half since 2005, the equivalent of retiring 22 coal-fired power plants.<sup>8</sup> Under this proposal, we will cut power plant pollution in the region by at least two-thirds by 2030. Those proposed RGGI reforms will result in 130 million fewer tons of CO<sub>2</sub>.<sup>9</sup>

The lifetime benefits of RGGI investments through 2015 would prevent global warming pollution equivalent to taking almost four million cars off the road.<sup>10</sup>



## Benefiting Our Health

Although our skies are less polluted than they were 30 years ago, dirty air is still a major health problem. In 2015, people living in 72 different metropolitan areas across America experienced at least 100 days with unhealthy levels of soot pollution, increasing the risk of premature death, asthma attacks and other adverse health impacts.<sup>11</sup>

The first six years of cutting power plant pollution through RGGI helped to clean up our air and saved 600 lives.<sup>12</sup> It also prevented 9,000 asthma attacks and averted respiratory illnesses that otherwise would have caused 43,000 lost work days. Making it stronger will save us more than \$1 billion in health care costs by further protecting us from pollution.<sup>13</sup>



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<sup>1</sup> Regional Greenhouse Gas Initiative Inc., The Investment of RGGI Proceeds through 2014, September 2016. <sup>2</sup> Solar growth: Gideon Weissman, Frontier Group, and Bret Fanshaw and Rob Sargent, Environment America Research and Policy Center, Lighting the Way 4: The Top States that Helped Drive America's Solar Boom in 2015, July 2016. Wind growth: Department of Energy, Energy Efficiency and Renewable Energy, Installed Wind Capacity, accessed 2 February 2017. <sup>3</sup> Regional Greenhouse Gas Initiative Inc., The Investment of RGGI Proceeds through 2014, September 2016. <sup>4</sup> Decline in electricity consumption: U.S. Department of Energy, Energy Information Administration, "Retail sales of electricity to ultimate customers," Electric Power Annual, 21 November 2016; Population: U.S. Census Bureau, American Community Survey and Population Estimates Program, accessed at www.census.gov on 1 March 2017; Economic Growth: U.S. Bureau of Economic Analysis, Real GDP by State, downloaded from https://www.bea.gov/iTable/index\_regional.cfm on 1 March 2017. <sup>5</sup> The Investment of RGGI Proceeds in 2015. <sup>6</sup> Jordan Stutt et. al., Acadia Center, Outpacing the Nation: RGGI's environmental and economic success, September 2017. <sup>7</sup> Paul Hibbard et al., Analysis Group, The Economic Impacts of the Regional Greenhouse Gas Initiative on Ten Northeast and Mid-Atlantic States: Review of the Use of RGGI Auction Proceeds from the First Three-Year Compliance Period, 15 November 2011.; Paul Hibbard et al., Analysis Group, The Economic Impacts of the Regional Greenhouse Gas Initiative on Nine Northeast and Mid-Atlantic States: Review of RGGI's Second Three-Year Compliance Period, 14 July 2015. <sup>8</sup> Regional Greenhouse Gas Initiative, Inc., CO<sub>2</sub> Allowance Tracking System (RGGI-COATS), 6 February 2017; Environmental Protection Agency, Greenhouse Gas Equivalencies Calculator, accessed 31 January 2017. <sup>9</sup> Outpacing the Nation: RGGI's environmental and economic success. <sup>10</sup> The Investment of RGGI Proceeds in 2015. <sup>11</sup> Elizabeth Ridlington, Frontier Group and Travis Madsen, Environment America Research and Policy Center, Our Health at Risk: Why Are Millions of Americans Still Breathing Unhealthy Air?, Spring 2017. <sup>12</sup> Abt Associates, Analysis of the Public Health Impacts of the Regional Greenhouse Gas Initiative, 2009–2014, January 2017. <sup>13</sup> Outpacing the Nation: RGGI's environmental and economic success.