

April 28, 2023

Andrew McKeon, Executive Director
RGGI, Inc.
90 Church Street, 4th Floor
New York, NY 10007
info@rggi.org

RE: RGGI Program Review Comment

Mr. McKeon and Members of the RGGI Board of Directors:

We, the undersigned, submit the following comments regarding updates to Regional Greenhouse Gas Initiative's Third Program Review Process. We represent frontline grassroots environmental justice, climate justice, and ally organizations located in and working with communities throughout current and proposed RGGI participating states. As RGGI Inc. continues its Fourth Three Year Program Review to consider design elements and additional reductions to the cap post-2030, we want to ensure that environmental justice priorities and state climate mandates are embedded into the program. Since its inception, many of our organizations have engaged with RGGI at the regional and state levels to uplift our concerns and community priorities.

We have previously submitted verbal and written comments regarding the Third Program Review process, when we stated that RGGI's cap-and-trade scheme does not guarantee greenhouse gas (GHG) emissions and co-pollutant reductions in environmental justice communities, including black, indigenous, communities of color, and low-income communities that have historically been disproportionately impacted by the siting of polluting power plants and other polluting infrastructure. Although not all CJA NE members agree with a market-based solution to combat emissions, we nevertheless acknowledge its existence and are pursuing RGGI to adopt a more aggressive program design that aligns with a true just transition effort.

Our previous comments have nine broad demands:

1. Tie the Cap to Statewide Climate Goals and Reduce Pollution.
2. Strengthen the Program by Improving the Emissions Containment Reserve, Price Floor, Cost Containment Reserve, and Banked Allowances.
3. Assess and Reduce Cumulative Burdens in Environmental Justice Communities.
4. Lower Compliance Threshold and Close Loopholes.
5. Expand Qualifying Polluters and Reject False Solutions.
6. Eliminate Offsets to Drive Real Emission Reductions.
7. Invest in Communities to Advance a Just Transition.
8. Prioritize Air Quality Monitoring.
9. Improve Energy Affordability.

RGGI indicated through the public hearings on March 29, 2023, that states participating in the RGGI program have EJ or Equity Advisory Boards that are consulted on program design and

implementation. Many of the undersigned organizations serve on named EJ or Equity Advisory Boards but did not have particular insights or inputs into how the Boards in their respective states shape RGGI policy and investments. It is in our view that states participating in RGGI must make a conscious effort to seek input from said Advisory Boards and properly address concerns that they brought up with each state. Equity and technical considerations must not be siloed in the policy design process. Inputs from overburdened and underserved communities must have impactful input on the technical aspects of the Program Review.

We urge RGGI Inc. to adopt scenario C-3 in the current modeling framework array. Many RGGI participating states, including big consumers such as New York and New Jersey, have existing regulations mandating an emissions-free energy grid on or before 2040. The current RGGI trajectory of a flat cap on allowances post-2030 is unacceptable and will only further demonstrate the ineffectiveness of RGGI for emissions reduction from power generation. Extending current cap reductions to 2040 shows a lack of urgency to address the climate and health crises, the brunt of which is borne by frontline communities. RGGI Inc. should adopt an allowance supply design for zero emissions by 2040 as soon as possible in order to facilitate a swift and just transition.

RGGI Inc.'s proposed electricity load growth cases should focus beyond renewable energy build mandates that currently exist in statutes or regulations. Many states have already committed to building renewable energy systems above that of their build mandates. In New York, the state has now committed to building 10 GW of solar by 2030 and 6 GW of battery storage by 2035, adding 7 GW of renewable or storage capacity beyond current mandates. [insert examples from other states?] Incentives through federal legislation, such as the Infrastructure Investment and Jobs Act or the Inflation Reduction Act, will only further accelerate the process of renewable energy and storage development in the Northeast.

As RGGI Inc. continues the Third Program Review process through 2023, staff and the board of directors should actively be engaging with frontline and environmental justice communities to understand our priorities and concerns and adjust the program to reflect those conversations. A program design that better incorporates community inputs and aggressively reduces emission allowances is necessary for a more equitable emissions control program for the power sector. To respond to these comments or to schedule a meeting with signatories, contact Sofia Owen, Senior Attorney at Alternatives for Community & Environment (ACE), at sofia@ace-ej.org.

Organizations:

Alternatives for Community & Environment, MA

Center for Coalfield Justice, PA

Climate Justice Alliance East & Northeast members

Connecticut Coalition for Economic and Environmental Justice, CT

Environmental Advocates NY, NY

New York City Environmental Justice Alliance, NY