

GOV. MALLOY SAYS STATES ACTING TO ADDRESS CLIMATE CHANGE BY STRENGTHENING RGGI PROGRAM

Proposed Strengthened Cap on Carbon Emissions from Power Plants will be Major Step Forward

(HARTFORD, CT) – Governor Dannel P. Malloy and Connecticut energy and environment officials today applauded <u>a proposal by states</u> participating in the Regional Greenhouse Gas Initiative (RGGI) to further reduce carbon emissions from power plants and make other enhancements to the nation's first market-based regulatory program to reduce greenhouse gas emissions.

"The success of the RGGI program – and the proposals to make it even more effective – stand in sharp contrast to the Trump administration's shortsighted and wholesale retreat on climate issues," Governor Malloy said. "Despite what deniers say, there is no doubt that climate change is real and is happening, and that the burning of fossil fuels contributes significantly to the dangers we face. No matter the mood in Washington, Connecticut and the other RGGI states will continue moving forward with this highly effective and innovative regional initiative, and with other efforts to support energy efficiency and the deployment of clean energy systems within our borders."

Connecticut and the other eight RGGI states <u>announced</u> earlier today a series of steps to strengthen the program. Among the changes:

- RGGI states proposed a regional cap trajectory that will provide an additional 30 percent cap reduction by the year 2030, relative to 2020 levels.
- RGGI states have already significantly reduced power sector carbon emissions, cutting them almost in half. The proposed new 2030 cap will be more than 65 percent lower than RGGI's 2009 starting cap.

In addition to reducing greenhouse gases in the region while at the same time stimulating economic growth and improving public health, participating states are benefiting from revenues generated by the auction of carbon allowances under the program.

"This commitment by all nine RGGI states will ensure a strong future for the program while continuing to demonstrate that states can successfully reduce carbon pollution while supporting economic growth and grid resiliency," Connecticut Department of Energy and Environmental Protection Commissioner Robert Klee said. "Connecticut's participation in RGGI has helped reduce power sector emissions in the state by 32 percent, putting the state on a solid path to meet its Global Warming Solutions Act to reduce emissions 10 percent below 1990 levels by 2020 and 80 percent below 2001 levels by 2050."

"With today's announcement, the RGGI states are demonstrating our commitment to a strengthened RGGI program that will further reduce emissions through 2030," Katie Dykes, Chair of the RGGI, Inc. Board of Directors and Chair of the Connecticut Public Utilities Regulatory Authority, said. "Through our comprehensive program review process that included a robust dialogue with stakeholders, the RGGI program revisions put forth today reflect current market conditions and introduce an innovative new mechanism to capture additional emissions at a low cost. Connecticut is proud to join with our sister states to continue to build upon RGGI's success to cost effectively reduce CO2 emissions and accelerate the region's transition to a clean energy economy."

Investment of RGGI Auction Proceeds in Connecticut:

- In the period between 2008-2015, Connecticut has received \$155 million in proceeds, more than 90 percent of these proceeds are invested in energy efficiency projects and clean and renewable energy.
- The reinvestment of auction proceeds in Connecticut has helped fund innovative programs that are harnessing market forces and competition to scale clean energy deployment and increase energy efficiency at the lowest cost.
- Connecticut's proceed investments have resulted in over 450,000 tons of CO2 avoided and \$150,000 in customer energy bill savings.
- By statute, 69.5 percent of RGGI auction proceeds are distributed to the Connecticut Energy Efficiency Fund (CEEF), the Connecticut Municipal Energy Cooperative (CMEEC), and the Town of Wallingford – Electric Division (WED), 23 percent to the Connecticut Green Bank.

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