

A collection of items including a chessboard, medals, a compass, and glasses. The chessboard is in the top left, with several pieces visible. There are two medals: one with a red ribbon and a white star, and another with a blue ribbon and a white star. A compass is in the bottom left. A pair of glasses is in the center. The background is a light-colored surface.

Regional Greenhouse Gas Initiative

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Planning

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Background

- ◆ Description of initiative
- ◆ Participating states
- ◆ Design elements
- ◆ Work effort completed to date
- ◆ Next steps



What is RGGI?

- ◆ Nine state effort to limit carbon dioxide from electric generating units [an energy issue with environmental attributes]
- ◆ Participating: New England, New York, New Jersey, Delaware [DEP and DPUC in each state]
- ◆ Observing: Pennsylvania, Maryland, Eastern Canadian Provinces
- ◆ Stakeholders: utilities, environmental groups, interest groups representing EE/RE, nuclear, coal and gas sectors



Design Elements

- ◆ Affected sources: >25 MW and sell $>10\%$ of their generating output to the grid
- ◆ Initially for carbon dioxide only
- ◆ ~ 150 MM tons = current emissions of the affected regional EGU



Design Elements [2]

- ◆ Model rule
- ◆ Offset provisions
- ◆ Banking/ early action credits
- ◆ Integrated energy policies
- ◆ Compliance/ enforcement mechanisms



Work Completed to Date

- ◆ Extensive modeling, using IPM [ICF proprietary model]
- ◆ Inputs include: level of cap, natural gas and other fuel prices, amount of energy efficiency and renewables, amount of offsets



Results to Date

- ◆ Carbon and electricity prices relate to level of cap, amount of offsets and amount of imported power into the region
- ◆ Canada and US Federal policy implementation would tend to increase price of carbon within NE



Next Steps

- ◆ Constructive progress made
- ◆ Additional technical work being completed now in response to stakeholder comments
- ◆ Agency heads conference call October 28th
- ◆ States will complete their own rulemaking
- ◆ Some states will need legislation to implement, others not



Some Connecticut Level Actions

- ◆ CT's climate change action plan completed 2/05. Supported/ endorsed by all cognizant legislative committees
- ◆ Goal: meet/ exceed NEG/ECP targets: includes 55 recommendations, 38 of which were agreed to for immediate implementation
- ◆ Includes black carbon [from recent NASA research describing its climate forcing nature]



2005-06 Focus

- ◆ Clean Energy
- ◆ Diesel Plan
- ◆ Home Heating Oil
- ◆ Feebate
- ◆ Regional registry [for reporting, recording of GHG emissions]



2005-06 Focus [2]

- ◆ Diesel plan to be developed and submitted to legislature by end of 2005
- ◆ Home heating oil: goal to lower sulfur from 3000 ppm to 500 ppm, first, and then further to “2 digits” in a phase two. Would achieve more emission reductions comparable to those achieved from “filthy five”. Also needs regional attention to increase benefits and address economic issues. Would also provide opportunities for cleaner, more efficient and reliable oil furnaces.