

Starting Blocks: NJ Clean Power Plan State Implementation Plan As Vehicle for Global Warming Response Act Compliance & the Promise of a Stronger Regional Greenhouse Gas Initiative Program

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Climate and health benefits of EPA Clean Power Plan

- Clean Power Plan will cut smog and soot pollution by over 25%
- Health benefits worth \$55-\$93 billion
- 2,700 6,600 deaths avoided in 2030
- 140,000 asthma attacks in children avoided
- For every dollar invested in compliance, American families will see up to \$7 in health benefits

How RGGI Laid the Groundwork for the Clean Power Plan

The Regional Greenhouse Gas Initiative, 2009



Carbon Emissions are Down in Northeast, Economy is Benefiting



RGGI: A Program That Works

- 1) Generates Clean Energy Funding: Since New Jersey withdrew from RGGI program in 2011, NJ has lost out on \$114 million in potential revenue. By 2020 New Jersey could miss out on another \$387 million. Investing this \$500 million of lost revenue in energy efficiency could generate savings equivalent to the pollution of New Jersey's coal plants from 2010-2012.
- 2) RGGI Saves Consumers Money: Since it launched in 2009, RGGI has helped the nine participating states to cut electricity prices by 8 percent & lock in more than \$1.8 billion in long-term savings on energy bills.
- 3) **Best Way To Comply With Clean Power Plan:** New Jersey's state requirements under the Clean Power Plan will require roughly a quarter reduction in power plant carbon pollution by 2030.
- 4) **RGGI Reduces Global Warming Pollution:** States that participate in RGGI have reduced power plant global warming pollution by 18 percent since the program started in 2009. NJ should ultimately rejoin RGGI to comply with the mandates of the Clean Power Plan and the Global Warming Response Act.



EPA Modeling of the CPP Impact on NJ



Learning From Our Neighbors

- Increased NJ Carbon Emissions: NJ saw a 14% increase in carbon emissions in 2014, including 17 million metric tons of carbon from power plants, (which was an increase of 17% from the sector).
- NJ's Global Warming Response Act: Stringent 2050 carbon pollution reduction mandate of 80% mirrors the reduction requirement of neighboring RGGI states.
- New York: Increased Renewable Portfolio Standard (RPS) to 50% renewable energy by 2030 under Gov. Cuomo earlier this year. 2015 State Energy Master Plan calls for 40% reduction targets.
- **Maryland**: Greenhouse Gas Reduction Act of 2016 (SB 323) signed into law by Gov. Hogan, which will require Maryland to reduce carbon emissions economy-wide by 40% below 2006 levels by 2030, as a strategy to meet their mandated 90% reduction by 2050.
- New England States: Governors of six New England states (NY, MA, VT, CT, RI, NY in conjunction with the premiers of the Eastern Canadian provinces, agreed to overall emissions reductions of 35% to 45% by 2030 (as part of the Under 2 MOU).

RGGI As a Compliance Option

- A Program That Works: Neighboring states have generated more than \$1.5 billion in revenues through RGGI, which they are largely using to advance clean energy solutions, \$2.7 billion in net economic benefits has been created and regional electric prices have decreased by 2% and power sector emissions have dropped by 35%. Every RGGI dollar that states put into energy efficiency programs delivers more than <u>\$2 dollars in benefits</u>, in addition to reducing carbon pollution – making the program a clear win-win.
- Economic Boost: Participating states, under current plans, will reap an additional \$3 billion in funding and an \$8 billion boost to the regional economy through 2020, according to the Acadia Center. New Jersey is missing out on this opportunity by sitting on the sidelines. It should be noted that carbon emissions from 2009 2012 were 19% lower than they would have been without RGGI, accounting for a larger share of emissions reductions than the economic downturn or increased generation from natural gas. (Nicholas Institute, Duke University, 2015)

Early Success of the RGGI Program



RGGI Program Gets Stronger



Quadrennial RGGI Program Review

 The RGGI program is currently undergoing its quadrennial program review, with a schedule of stakeholder meetings, and ideally a revised stronger plan issued by the end of the year that extends the carbon emissions cap through 2030, aligns the RGGI cap with the 2050 longterm carbon caps with a trajectory for 90% reductions from the power plant emissions by 2050. It should be noted that six of the nine governors who participate in RGGI (NY, CT, MA, NH, RI, VT) have signed onto the Under 2 MOU committing to reduce pollution in line with the Paris Climate Agreement, which New Jersey should investigate joining.

EPA Mass-Based CPP Reduction vs. RGGI Cap by 2030



The Path Forward with Renewables for 2050



Clean Power Plan and EJ Cumulative Impacts



State Clean Power Plan Should Build on EJ Equity

- Environmental Justice: NJ's State Implementation Plan should also not be blind to the very real hazards of environmental injustice, to ensure that the state's communities that are home to people of color and those near, at or below the poverty line don't suffer increased copollutant air pollution, and ensure meaningful actual on-site reductions in both carbon and co-pollutant emissions.
- Clean Energy Incentive Program: NJ should adopt usage of the proposed Clean Energy Incentive Program, incentivize clean energy and energy efficient programs located in EJ neighborhoods with specific carve-outs (a majority of which should be energy efficiency) and ensure that facilities aren't able to use the program to dodge emissions reduction requirements in EJ communities.