

February 5, 2016

To: Governor's Council on Climate Change

The Sierra Club, on behalf of its 8,000 members in Connecticut, respectfully submits the following comments to the Governor's Council on Climate Change ("GC3") on plans for modeling future scenarios. We appreciate the transparent and inclusive process that the GC3 has conducted so far, and note that these comments build upon those submitted by the Sierra Club on December 18, 2015 to the Analysis, Data, and Metrics subgroup.¹

The GC3 process is proceeding concurrently with a number of similar and related planning processes to reduce climate-disrupting pollution within the Northeast, including the 2016 Program Review of the Regional Greenhouse Gas Initiative ("RGGI")², the Transportation and Climate Initiative's ("TCI") consideration of carbon pollution reduction strategies in the transportation sector³, the Maryland Commission on Climate Change⁴, the New York State Energy Plan⁵, and the Massachusetts Clean Energy and Climate Plan ("CECP")⁶. The latter plan emphasizes part of the opportunity facing the GC3 in its discussion of previous studies to achieve significant and necessary steps to reduce pollution and combat climate disruption:

"A common conclusion across past 2050 planning studies, including the study that was completed to support the original CECP, is that the only viable path to deep reductions in GHG emissions is through a combination of reduced energy consumption (through increased energy efficiency in vehicles and buildings), expanded availability of clean electricity, and electrification of the transportation and heating sectors... The scope of the challenge can be summarized in three words: reduce, electrify, and decarbonize."⁷⁷

The January 22nd presentation to the GC3similarly highlighted this point in its discussion of a hypothetical zero emission vehicle scenario, noting that *"the grid mix has a large impact on the efficacy of vehicle electrification"*.⁸

 $^{^{1}\} http://www.ct.gov/deep/lib/deep/climatechange/gc3_adm_group/public_comments/sierra_club_ct.pdf$

² http://rggi.org/design/2016-program-review/

 $^{^{3}\} http://www.transportationandclimate.org/five-northeast-states-and-dc-announce-they-will-work-together-develop-potential-market-based$

⁴ http://www.mde.state.md.us/programs/Marylander/Pages/mccc.aspx

⁵ http://energyplan.ny.gov/

 $^{^{6}\} http://www.mass.gov/eea/waste-mgnt-recycling/air-quality/climate-change-adaptation/mass-clean-energy-and-climate-plan.html$

⁷ http://www.mass.gov/eea/docs/eea/energy/cecp-for-2020.pdf, page 50

⁸ http://www.ct.gov/deep/lib/deep/climatechange/gc3/(meeting20160122/gc3_meeting_1_22_2016.pdf, page 11

To better inform our participation in a number of these ongoing processes, the Sierra Club commissioned a report by Synapse Energy Economics to determine the most cost effective way to achieve the collective climate goals of the nine states that participate in RGGI, including Connecticut, and what the potential economic benefits of reaching those goals would be. We released that report, "The RGGI Opportunity", on January 20th.⁹ Like the previous planning studies highlighted by the CECP, the report finds that increased energy efficiency, greater deployment of wind and solar power, and electrification of additional sectors including transportation are the most cost effective strategies to reach a regional target of 40% economywide reduction in carbon pollution from 1990 levels by 2030, while staying on track to reach 80% by 2050.

For Connecticut, the report found that achieving those goals by 2030 would add nearly 10,000 additional jobs and save New England residents \$342 million that year. Those economic benefits are consistent with the region's experience to date with RGGI and other strategies to reduce climate-disrupting pollution. Since RGGI's inception, regional carbon pollution has dropped by more than 35%, electricity prices have declined by 5% in Connecticut, and revenues raised and reinvested have resulted in \$245 million in value and created almost 2,200 jobs.

As the GC3 presentation emphasized, the carbon pollution level in the electric sector was the most critical factor in achieving the states' collective goal and influencing the impact of deploying electric vehicles. Thus we encourage Connecticut and the GC3, especially given your leadership position within RGGI, to actively support program elements including cap levels consistent with reaching the Global Warming Solutions Act ("GWSA") targets. While we support RGGI states' initial plans to consider an emissions cap that continues to decline from 2020 to 2030, with annual cap reductions equivalent to at least 2.5% of 2020 emissions, and eliminates the dangerous loopholes of offsets and the cost containment reserve¹⁰, the analysis by Synapse shows we need even deeper early reductions in carbon pollution from the electric sector. As such, in addition to the 2.5% cap reduction, we encourage the GC3 to support evaluating more ambitious cap reductions as well. Such engagement cannot wait until the GC3 process finishes, as decisions pursuant to the RGGI Program Review are being made imminently.

Similarly other decisions about the future trajectory of Connecticut's electric sector are being made in the coming months, including the selection of contracts with renewable energy projects pursuant to the recent Request for Proposals ("RFP") issued by Connecticut, Massachusetts, and Rhode Island utilities.¹¹ Connecticut ratepayers will reap the tremendous benefits and savings of long-term contracts with wind and solar projects from the last RFP¹². Building on that success, the GC3 should encourage the states' utilities to once again choose contracts with new zero carbon wind and solar projects in New England, rather than exporting our energy dollars out of the region for dangerous hydropower.

⁹ http://content.sierraclub.org/press-releases/2016/01/new-report-details-significant-economic-benefits-additional-carbon-reductions

¹⁰ http://www.rggi.org/docs/ProgramReview/2016/02-02-16/2016_Program_Review_IPM_Modeling_Scenarios.pdf ¹¹ http://cleanenergyrfp.com/

http://www.dpuc.state.ct.us/dockcurr.nsf/8e6fc37a54110e3e852576190052b64d/8b29b17e17254cd285257c0d006af 56e/\$FILE/130919-102313.doc

While decisions about the future of the electric sector are being made imminently, electrifying the transportation sector is equally important. Thus we applaud Connecticut's recent decision to extend the Connecticut Hydrogen and Electric Automobile Purchase Rebate ("CHEAPR").¹³ As noted in our December 18, 2015 comments, securing long term funding for the CHEAPR program at the scale necessary to achieve significant electrification of the transportation sector should be a top priority of the GC3. Connecticut should actively engage the conversations begun with other states through the TCI to better inform the optimal policy choices that could generate such funding for electric vehicles, as RGGI has done for supporting energy efficiency.

The Sierra Club greatly appreciates the opportunity to share these comments as the critically important GC3 process continues, and we look forward to engaging further through 2016.

Respectfully submitted,

Marco

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¹³ http://www.ct.gov/deep/cwp/view.asp?a=2684&q=527866&deepNav_GID=1619