

Supplemental Comments by the NYSBA Environmental and Energy Law Section on 82 Fed. Reg. 48035 (October 16, 2017)

EPA Docket ID No. EPA-HQ-OAR-2017-0355

Environmental #5 – Supplemental Comments

April 24, 2018

The New York State Bar Association Section of Environmental and Energy Law (“SEEL”) submits these comments to the proposed rule, published in the October 16, 2017 Federal Register,ⁱ regarding the intention of the U.S. Environmental Protection Agency (“EPA”) to repeal the Clean Power Plan.ⁱⁱ This letter supplements our comment letter dated December 19, 2017 and submitted on January 5, 2018.

SEEL respectfully directs EPA’s attention to evidence of the economic benefits that carbon reductions in the power sector can reap. In particular, an independent report released on April 17, 2018 on the economic impacts of the Regional Greenhouse Gas Initiative (“RGGI”) during the 2015-2017 compliance period showed that RGGI led to \$1.4 billion of net positive economic activity during that three-year period in the nine states that participate in RGGI’s cap-and-trade program for carbon dioxide emissions from power plants.ⁱⁱⁱ The participating states also experienced net economic benefits in RGGI’s first two compliance periods.^{iv}

The RGGI report found that RGGI generated this economic value in part through the investment of proceeds from the sales of carbon dioxide allowances into local economies to fund energy efficiency and renewable energy projects and related expenses.^v The RGGI report cited investments in energy audits, energy-efficient equipment, job training, and renewable energy projects, as well as payments for state taxes collected on these expenses. The report found that these investments and payments have direct and indirect multiplier effects both locally and regionally.^{vi} In addition, the report indicates that RGGI has provided net benefits to electric consumers, with consumers experiencing a net gain of \$220 million during 2015-2017.^{vii} The RGGI report also found that RGGI resulted in job increases, with each RGGI state experiencing net job-year additions.^{viii}

As the RGGI report notes,^{ix} these economic benefits are in addition to the benefits that result from RGGI’s primary goal of reducing the risks of climate change. The comment letter on the proposed Clean Power Plan repeal submitted by environmental and energy agencies of 13 states also refers to the additive economic benefits that states have experienced as they “decouple” pollution from economic growth.^x

President Trump’s Executive Order 13783 affirmed a “national interest” in avoiding “regulatory burdens that . . . constrain economic growth.” The RGGI report contributes to the developing evidence that, far from constraining economic growth, the reduction of power sector carbon emissions contributes to it.

ⁱ 82 Fed. Reg. 48035 (Oct. 16, 2017).

ⁱⁱ 80 Fed. Reg. 64662 (Oct. 23, 2015).

ⁱⁱⁱ ANALYSIS GRP., THE ECONOMIC IMPACTS OF THE REGIONAL GREENHOUSE GAS INITIATIVE ON NINE NORTHEAST AND MID-ATLANTIC STATES: REVIEW OF RGGI’S THIRD THREE-YEAR COMPLIANCE PERIOD (2015-2017), at 4 (Apr. 17, 2018),

http://www.analysisgroup.com/uploadedfiles/content/insights/publishing/analysis_group_rggi_report_april_2018.pdf.

^{iv} *Id.*

^v *Id.* at 5.

^{vi} *Id.*

^{vii} *Id.*

^{viii} *Id.* at 9.

^{ix} *Id.* at 11. In its announcement of the RGGI report, the Analysis Group noted that “the program also will create more than 14,500 new job-years (the equivalent of one full-time job for the duration of one year) due to the program’s implementation during the past three years. In addition, CO₂ emissions from power plants have dropped by more than 50 percent over the nine years since the RGGI program launch.” Press Release, Analysis Grp., Latest Study from Analysis Group Confirms that RGGI Program Continues to Boost the Economy and Create Jobs (Apr. 17, 2018), <http://www.analysisgroup.com/news-and-events/news/latest-study-from-analysis-group-confirms-that-rggi-program-continues-to-boost-the-economy-and-create-jobs/>; *see also* ANALYSIS GRP., *supra* note iii, at 9, 10.

^x Comment Letter on Repeal of Carbon Pollution Emission Guidelines for Existing Stationary Sources: Electric Utility Generating Units from Environmental and Energy Agencies of 13 States (Apr. 17, 2018).