



April 21, 2023

Submitted via email to info@rggi.org

Re: Regional Greenhouse Gas Initiative – Third Program Review –
Comments of Maryland Non-Government Organizations (NGOs)

The sixteen Maryland NGOs¹ listed in footnote 1 represent a diverse partnership of nonprofit organizations including environmental justice, climate justice, public health, environmental and ally organizations located in and working with communities throughout Maryland. Thank you for the opportunity to provide public comment as part of the Third Program Review of the Regional Greenhouse Gas Initiative (RGGI).

To be part of the zero carbon emissions solution, RGGI should greatly improve its current practices, and energy generating facilities will need to be strongly incentivized to move to renewable sources as soon as possible.²

Moreover, it is undeniable that climate change disproportionately impacts economically vulnerable communities and communities of color. Previous RGGI Program Reviews have failed to incorporate environmental justice and climate concerns and priorities into RGGI's policy design. Greater equity is needed in allocating RGGI funds because environmental justice communities are more likely than any other segment of our society to receive the brunt of directly emitted air pollutants and climate impacts of Greenhouse Gas (GHG) emissions resulting from energy generation. Thus, projects that will benefit these groups should have priority. As RGGI embarks on its Third Program Review to consider program impacts, design elements, and additional reductions to the cap post-2030, environmental justice priorities and state climate mandates should be embedded into the RGGI program.

RGGI's cap-and-trade scheme does not guarantee GHG emissions and co-pollutant reductions in environmental justice communities, including predominately Black, indigenous, communities of color, and low-income communities that have historically been disproportionately impacted by the siting of polluting power plants, highways, and other polluting infrastructure. Furthermore, RGGI's market-based strategy is not aligned with

¹ The NGOs joining these comments include Earthjustice, Maryland League of Conservation Voters, Climate Xchange Maryland, Maryland Legislative Coalition Climate Justice Wing, Mountain Maryland Movement, Maryland Energy Advocates Coalition, Maryland Legislative Coalition, Solar United Neighbors, Howard County Climate Action, Center for Progressive Reform, Chesapeake Physicians for Social Responsibility, Elders Climate Action Maryland, Climate Reality Greater Maryland, Interfaith Power & Light (DC. MD. NoVA), Cedar Lane Environmental Justice Ministry and Sierra Club – Maryland Chapter.

² These incentives should include the RGGI states supporting efforts to accelerate interconnection of renewable generating sources onto the transmission system.



aggressive economy-wide GHG reductions targets and the strategy is insufficiently ambitious given Maryland and other member states climate goals.

We urge the RGGI states to incorporate the following recommendations in the Third Program Review:

- **Assess and Reduce Cumulative Burdens on Environmental Justice Communities**

RGGI should collect and make publicly available spatially-explicit data that identifies where emissions reductions are happening, so that communities throughout the RGGI states can identify if emissions reductions are taking place locally. We urge the RGGI states to investigate and address the serious possibility that the cap-and-trade program is failing to reduce or is even increasing pollution exposure in environmental justice communities. This has been documented in other cap-and-trade programs.

For example, a California study found that in the first three years of California's carbon trading program, emissions increased at over half of the covered facilities, and the neighborhoods that experienced increases in annual average emissions had higher proportions of people of color and low-income, less educated, and linguistically isolated residents, compared to neighborhoods that experienced decreases in emissions.³ Similarly, in the northeast, Energy Information Administration data from 2013 to 2020 shows that several plants sited in environmental justice communities have seen CO₂ and local co-pollutant emissions levels increase.⁴ These analyses validate our concern that, although emissions may have fallen overall, RGGI has not delivered the promised reductions in pollution to environmental justice communities.

RGGI should conduct an ongoing, place-based equity analysis and report on the distribution of emissions reductions, including a cumulative burden analysis that considers the proximity of multiple power plants to a given community.⁵ RGGI should then take into consideration any findings of disproportionate burden and emissions on specific communities in decision-making procedures so that states can target disproportionately impacted communities for local emissions reductions.

³ Cushing, Lara et al., Carbon trading, co-pollutants, and environmental equity: Evidence from California's cap-and-trade program (2011–2015), PLOS Medicine (2018), <https://doi.org/10.1371/journal.pmed.1002604>.

⁴ Emissions by plant and by region, Energy Information Administration, <https://www.eia.gov/electricity/data/emissions/>.

⁵ As discussed below, RGGI should expand the plants include in the program to include facilities below the 25 Megawatt threshold.



- **Increase Environmental Justice Communities’ Participation in RGGI**

Communities where people of color and people with low incomes and lack of access to resources have historically been overburdened by environmental burdens such as poor air and water quality. These communities are also overburdened by the siting of energy infrastructure in close proximity to where they live. Regrettably, these communities have been historically excluded from conversations regarding RGGI program design, including modeling and policy decision-making. Environmental justice and equity-focused organizations, as well as frontline communities most affected by pollution from electricity generation, must be meaningfully involved in developing program analyses, have access to the necessary resources to participate, and have their input substantively shape the states’ analysis plan. The RGGI states must engage directly with these groups and communities to understand what analysis and data is needed to assess RGGI’s impacts and develop an analysis plan that reflects this input.

- **Increase Investment in Environmental Justice Communities**

RGGI generates a significant amount of revenue – in 2022 alone, the program generated \$1.19 billion in proceeds. Revenue raised through RGGI participation can be invested in a wide variety of programs including building electrification, energy efficiency, electric transportation, and public transportation. These programs have the potential to simultaneously reduce GHG emissions, reduce criteria pollutant emissions, improve health outcomes, reduce energy bills for consumers, and create jobs and economic growth. In accordance with the federal Justice40 initiative and basic principles of equity and fairness, RGGI should prioritize direct investments in environmental justice communities, frontline communities, and disadvantaged communities. For RGGI investments to be equitable and to ensure that investments actually reach the populations most in need of this funding, we recommend that the RGGI Model Rule specify that a minimum of 40%-50% of investments be allocated to environmental justice communities, frontline communities, and disadvantaged communities. While RGGI revenue investments are decided by the individual participating states, there should be regional guidance to ensure there is equity across the region.

- **Tie the Cap to Statewide Climate Goals**

The RGGI emission cap is the sum of the CO₂ allowance budgets implemented by the RGGI participating states. Historically, the RGGI emissions cap has been set independent of specific clean energy goals or GHG emissions reduction goals mandated by the individual states. Currently, the RGGI cap is not aligned with the climate targets of individual states- such as those in Maryland, New York and Massachusetts - which passed aggressive climate laws since the last program review. The Third Program Review’s proposed reductions to the cap on carbon pollution should be aligned with the most aggressive emission reductions and renewable energy targets established by RGGI’s participating states. RGGI should account for these mandated shifts



toward renewable energy and expected emissions reductions, by including the outcomes of existing state renewable energy targets in the power sector into the analysis for the cap and overall emission reduction targets. Additionally, the RGGI states should tighten the cap starting in 2025, rather than waiting until 2030 and losing five years of significant reductions.

- **Lower the 25 Megawatt (MW) Compliance Threshold**

Currently, the RGGI Model Rule is only applicable to generators with a capacity equal to or greater than 25 megawatts. Application of this rule has created a significant loophole which allows multiple combustion turbines that individually do not meet the 25 megawatt threshold to avoid compliance with RGGI. There is no justification, based on climate impact or economics, for exempting such aggregated facilities from RGGI requirements.

Moreover, a recent study by Acadia Center found that there are 240 generating units between 15-25 MW in capacity spread across 115 power plants in the RGGI region. Of these 115 power plants containing at least one smaller generating unit, 91% (105) are located within a 3-mile radius of an EPA environmental justice or high asthma community.⁶

We recommend that electric generating facilities, currently operating with multiple units that are individually under the 25 MW threshold but over 15 MW, be required to comply with RGGI and finally pay for their carbon pollution. We further recommend that RGGI lower the overall nameplate capacity threshold to 15 MW, and lower the threshold for co-located units to 10 MW. This change should bring a significant number of generating units into the RGGI program. Given the disproportionate impact of fossil fuel peaking facilities and co-located facilities on environmental justice communities, the inclusion of this provision would constitute a small step in prioritizing reductions of greenhouse gas emissions in disadvantaged communities.

Thank you for your time and attention to this matter. Please do not hesitate to contact me at smiller@earthjustice.org for further discussions on these issues.

Continued for signature

⁶ Ben Butterworth, Paola Moncada Tamayo, and Amy Boyd, Daniel Sosland (President), *Regional Greenhouse Gas Initiative Findings and Recommendations for the Third Program Review*, Acadia Center April 2023 at 33. [AC RGGI 2023 Layout R6.pdf \(acadiacenter.wpenginepowered.com\)](#).



Respectfully submitted,

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*On Behalf of the Non-Government
Organizations*