

POINT CARBON



THOMSON REUTERS

US state inches closer to repealing cap-and-trade law

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(WASHINGTON, DC) – A New Hampshire bill to repeal RGGI gathered steam Tuesday after clearing a key legal hurdle.

The Science Technology and Energy committee in the State House passed the bill that would remove New Hampshire from the Regional Greenhouse Gas Initiative (RGGI).

RGGI is a cap-and-trade programme between 10 northeast US states that aims to reduce electric sector carbon dioxide emissions 10 per cent by 2018.

The bill's Republican co-sponsors have claimed the state's participation in the regional cap-and-trade system is akin to a "stealth tax" on electricity consumers.

Bolstered by big wins in key state legislature seats in last November's mid-term elections, Republican lawmakers are expected to pass the bill in the full House and possibly the Senate.

The House of Representatives is expected to vote on the bill within the month, and the Senate will pick it up in March, according to green group Environment New Hampshire.

Repealing RGGI had been a key campaign issue, with state Republicans echoing strong opposition to cap and trade that emerged in national elections after a high-profile climate bill died in the Senate last year.

New Hampshire's Democratic Governor John Lynch opposes moves to withdraw from the US region's carbon cap-and-trade scheme.

Lynch was the governor in office when the participating northeastern governors signed a memorandum of understanding that created the RGGI cap-and-trade system.

New Hampshire has invested over \$30 million on energy efficiency programmes throughout the state through its participation in RGGI.

By Valerie Volcovici – vv@pointcarbon.com