

American Lung Association of New York State
Catskill Center for Conservation and Development
Environmental Advocates of New York
Global Warming Action Network of Greater Syracuse
Hudson River Sloop Clearwater
Kids Against Pollution
New York Climate Rescue
New York Public Interest Research Group
Renewable Energy Long Island
Riverkeeper
Sierra Club - Atlantic Chapter
Social Action Committee, Temple Sinai (Amherst, NY)
Western New York Sustainable Energy Association

Platform for a Carbon Cap to Control Global Warming Pollution from New York's Power Sector

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Like all Americans, New Yorkers produce a larger share of global warming pollution than the great majority of the world's citizens. In fact, the Empire State produces more global warming pollution than 99 developing countries combined.¹ New York has a responsibility to clean up its share of the problem. As the world's 9th largest economy, action to control emissions here will be significant.

Platform for Action

The Regional Greenhouse Gas Initiative (RGGI) should build on the work of Governor Pataki's Greenhouse Gas Task Force. Specifically, New York should:

- I. Reduce emissions of carbon dioxide from the power sector at least 30% below 1990 levels, based on the conclusions in the Task Force's analysis. This reduction is necessary to enable the state to achieve its economy-wide greenhouse gas targets of 5% below 1990 levels in 2010 and 10% below 1990 levels in 2020, as established in the 2002 *State Energy Plan*.
- II. Commence a rulemaking at the Department of Environmental Conservation (DEC) to implement the cap-and-trade program by April 2005, the target date for a regional agreement.
- III. Refrain from creating new subsidies for nuclear power or utilizing increases in nuclear output (uprates) as an emission-reduction strategy.
- IV. Rely on rules that are as transparent as possible; guarantee verifiable reductions in global warming pollution; minimize administrative costs; and impose severe penalties for non-compliance.

¹ National Environmental Trust. 2003. *First in Emissions Behind in Solutions: Global Warming Pollution from U.S. States Compared to 149 Developing Countries*. National Environmental Trust, Washington, DC.

- V. Mandate greenhouse gas emissions reporting for all stationary sources to provide a basis for subsequently controlling global warming pollution from other sources.
- VI. New York should not allow companies to use pollution reductions in other sectors (offsets) to comply with the cap.

Once the program is established, our preference is that pollution allowances be auctioned rather than allocated in order to reward low carbon-emitting power producers and to generate revenues to offset economic impacts and support further environmental programs.

We commend the effort to work in concert with other states to maximize reductions and encourage the Governor and DEC to maintain their leadership role in this initiative. However, the RGGI should by no means constrain New York's ability to act alone or with only some of the participating states. Since the beginning of the year, Connecticut and Maine have passed legislation mandating statewide greenhouse gas reduction targets, and Massachusetts' Governor Romney has recently released a climate action plan. The goal of gaining participation by every state in the region should not stand in the way of New York and other willing states to implement carbon caps expeditiously. The sooner New York begins, the greater likelihood we will meet our state goals and the better for the planet.

The carbon cap is one of many steps the state must take to control New York's share of global warming pollution. Boosting the use of truly clean energy (e.g. wind and solar) through the renewable portfolio standard and maintaining alignment with all of California's light-, medium-, and heavy-duty vehicle emission standards are also integral parts of a comprehensive action plan. The state also should adopt policies that will ensure least cost compliance with a cap on carbon dioxide emissions, including removing barriers to investment in energy efficiency by utilities and promoting all cost-effective investment in energy efficiency by electricity and gas consumers.

We fully support New York's role in starting the RGGI and the goal of establishing a regional carbon cap-and-trade program. As the initiator of the discussions, New York must push for a model rule by April 2005 that puts the state on track to meet its emission targets. We look forward to working with the Department of Environmental Conservation and the Public Service Commission throughout the carbon cap rulemaking.

Background

New York's Greenhouse Gas Task Force, convened by Governor George E. Pataki, established a solid foundation for state action to confront global warming. The final Task Force report, released in 2003, identifies specific cost-effective actions and highlights the danger of delay. The National Academy of Sciences has also reported that "...risk increases with increases in both the rate and the magnitude of climate change."² To avoid more extreme climate change, which will produce more dramatic alterations in regional climate, industrialized nations must begin to reduce emissions of global warming pollution as early as 2020, and the world must bring emissions below 1990 levels to stabilize atmospheric concentrations.³

A power sector carbon cap is the most effective step New York can take to cut global warming pollution now. The Task Force report showed that New York's electricity sector currently produces 17% less greenhouse gases than in 1990. Because of this downward trend, it is relatively easy for the state to achieve a significant reduction in emissions. According to the Task Force analysis, if New York independently capped emissions of carbon dioxide from the power sector, a cap at 25% below 1990 levels would be achievable at no cost to consumers. A coordinated program in New England (the cap for that region set at

² Committee on the Science of Climate Change, Division on Earth and Life Studies, National Research Council. 2001. *Climate Change Science: An Analysis of Some Key Questions*. National Academy Press, Washington, D.C.

³ Center for Clean Air Policy. 2003. *Recommendations to Governor Pataki for Reducing New York State Greenhouse Gas Emissions: In collaboration with the New York Greenhouse Gas Task Force*. Washington, DC.

1990 levels), makes it feasible for New York to go further in cutting emissions from the electricity sector, to 31% below 1990 levels.⁴

Reducing greenhouse gas emissions will produce immediate benefits for human health and the environment because the measures adopted to control global warming will also improve air quality. Researchers from Carnegie Mellon University have found that efforts to reduce global warming pollution from the power sector could cut ambient ozone and fine particle levels in the New York City Metropolitan Area at least 10%. Over a twenty-year period, cleaner air in that area could avoid 8,500 premature deaths.⁵

New York State has much at stake if we fail to control global warming. Current evidence suggests that the regional climate is already being affected.⁶ Continued warming will cause major disruptions to the state's wildlife and ecosystems, among them the unique Hudson River estuary, the Adirondack Park and the Great Lakes. Many hallmark species, including trout and the maple tree, are suited to today's cooler climate. The U.S. Environmental Protection Agency has forecast that the New York could lose 50-70% of its maple forests.⁷ Hotter summers will produce more days of unhealthy air, exacerbating poor air quality in the thirty counties that currently suffer from too much smog. Critical transportation infrastructure and buildings in the New York metropolitan area are at risk from flooding and severe storms, as is much of the coast of Long Island.⁸ Saltwater infiltration of the sole source aquifer on Long Island as well as a loss of valuable coastal wetlands would result from rising sea levels. The State cannot ignore these threats.

⁴ Center for Clean Air Policy.

⁵ Cifuentes, L., et al. 2001. "Assessing the Health Benefits of Urban Air Pollution Reductions Associated with Climate Change Mitigation (2000-2020): Santiago, Sao Paulo, Mexico City, and New York City." *Environmental Health Perspectives* 109 (Suppl3): 419-425.

⁶ New England Regional Assessment Group. 2001. *Preparing for a Changing Climate: The Potential Consequences of Climate Variability and Change. New England Regional Overview*. U.S. Global Change Research Program. University of New Hampshire.

⁷ U.S. Environmental Protection Agency. 1997. *Climate Change and New York*. U.S.EPA, Washington, DC.

⁸ Rosenzweig, C. and W.D. Solecki (Eds.). 2001. *Climate Change and a Global City: The Potential Consequences of Climate Variability and Change—Metro East Coast*. Report for the U.S. Global Change Research Program, National Assessment of the Potential Consequences of Climate Variability and Change for the United States, Columbia Earth Institute, New York.