

For Immediate Release:
February 8, 2013



Contact:
Jackson Morris
914-539-1985
jmorris@law.pace.edu
energy.pace.edu

Power Companies, Environmental Groups Commend Northeast and Mid-Atlantic States for Strengthened Climate Change Program

***RGGI states release a new Model Rule to drive greater reductions in
CO₂ emissions from power plants in the region and increase
investments in clean energy***

RGGI Dialogue participants—Calpine, ENE (Environment Northeast), Exelon, Natural Resources Defense Council, and NextEra Energy/FPL Environmental Services— commend the nine states for renewing their commitment to address climate change through a **strengthened RGGI Model Rule**. By improving this already successful program, the RGGI states have signaled that they are serious about tackling climate change in a pragmatic, forward-thinking manner, while also demonstrating to Washington that many parts of the country are moving forward on the issue.

Specifically, RGGI Dialogue participants applaud the following features of the new Model Rule:

- lowering the emissions cap from the current 165m tons per year to a level that will ensure reductions from current emissions;
- including a cost containment reserve, which will moderate allowance price volatility; and
- accounting for the current allowance surplus, while ensuring that those who have invested in the program retain the value of their investments.

“The RGGI program needed a shot in the arm. Yesterday all 9 states announced they are going to give it that shot in the arm,” said Franz Litz, Executive Director at the Pace Energy Climate Center. “On behalf of the RGGI Dialogue participants, the Pace Center thanks the states for listening and responding to participants’ concerns.”

“Calpine applauds the efforts of the RGGI states in this stakeholder process,” said Derek Furstenwerth, Sr. Director, Environmental Services of Calpine Corporation. “We support the goals of the RGGI program, and at the same time, strongly urge the RGGI states to make good on their commitment to address the potential for emissions from electricity imported into the RGGI region. Addressing such leakage is crucial to maintaining the environmental and economic integrity of the RGGI program. We look forward to continuing to work with the states and other stakeholders in the development of RGGI.”

“RGGI states continue to demonstrate national leadership on climate,” said Peter Shattuck, Director of Market Initiatives at ENE. “Resetting the cap at 91 million tons locks in significant cost-effective emissions reductions, and ensures that RGGI will continue to mitigate climate pollution in the future.”

“RGGI has shown the nation unequivocally that environmental and economic progress can indeed go hand in hand,” said Luis G. Martinez, Senior Attorney at the Natural Resources Defense Council. “In the wake of Superstorm Sandy, RGGI is combating extreme weather at its source: climate change. At the same time, it has proved to be an economic engine for participating states: creating thousands of local jobs, generating millions for clean energy development, and lowering energy bills. As the EPA prepares to issue carbon pollution standards for existing power plants nationwide, other states would be wise to look to RGGI as a model.”

The RGGI Dialogue would like to thank the RGGI state staff for actively engaging stakeholders and for being receptive to input and recommendations throughout the 2012 program review process. As a result of this successful effort, the RGGI states have a much improved RGGI program, and the citizens of the region will breathe cleaner air, experience greater investment in energy efficiency and renewable energy, and find a wealth of new jobs in the clean energy field.

About the RGGI Dialogue

In late spring of 2012, the Pace Energy and Climate Center convened a group of electric generators, utilities and environmental organizations to engage in discussion regarding the RGGI program. The Dialogue aims to support the RGGI states as they continue to consider ways to preserve and improve RGGI – through the 2012 program review and beyond.