

May 22, 2024

Via Email

Deputy Commissioner Jon Binder
Department of Environmental Conservation
625 Broadway
Albany, New York 12233-0001

Chair Rory Christian
New York Public Service Commission
3 Empire State Plaza,
Albany, NY 12223.

Dear Commissioner Binder and Chair Christian:

As both constituents and advocates for emissions reductions and environmental justice, we, the undersigned organizations, write to express our support for the Regional Greenhouse Gas Initiative (RGGI) program. We acknowledge the time and consideration given to the Program Review so far and we urge action on the part of the RGGI States to complete the Third Program Review, initiated on February 2, 2021, and consider the dozens of comments you have received as part of the Review.

On February 2, 2021, announcement, "[RGGI States Look Ahead to Third Program Review](#)," the RGGI States indicated that "equity and environmental justice" were one of the program's top priorities. The States noted that "RGGI participating states have reinvested proceeds from the RGGI CO2 allowance auctions to benefit communities across the region and would welcome ideas to further and strengthen these efforts." Finally, the States indicated: "The RGGI participating states will continue to prioritize and create opportunities for robust public engagement, especially from environmentally overburdened communities across the RGGI participating states."

It has been almost three and a half years since that announcement, and we, your constituents, have grown increasingly concerned with the lack of communication and engagement from the RGGI States and RGGI Inc. during this Third Program Review. The most recently updated timeline promised a conclusion to the Program Review for January of 2024. As of the writing of this letter in May 2024, the Program Review is not complete, and an updated timeline has not been announced.

Prior Program Reviews have been much more collaborative and clearly bound by goals and results. The First Program Review lasted approximately two years (2012-2014). The Second Program Review lasted approximately one year (2016-2017). We do understand and acknowledge the uncertainty around some states' program participation in recent years, but the program has navigated similar uncertainty more swiftly in prior program reviews, and we are confident it is capable of doing so now.

So, in simple terms, our organizations respectfully ask: when should we expect the RGGI states to take action to complete the Program Review?

Not only is there a need to clarify the Third Program Review schedule, but there is also a need for the RGGI states to respond, from a substantive point of view to the comments you solicited, and we provided. While the RGGI States were responsive to comments filed during this Program Review in October 2021, November 2021, and December 2021, we have received no response from the RGGI member states to our comments filed in March of 2023 and September 2023.

Environmental justice and equity concerns for electricity ratepayers and frontline communities is notably the overarching issue that stands out among the many comments filed with the RGGI states. Of the various issues raised in the two rounds

of 2023 program review stakeholder comments, 17 of the 38 filings from March and September mirror the language of the RGGI state's initial Program Review announcement. They request that the RGGI states prioritize the needs of frontline communities.

The number of filings is only one piece of this story—it is also important to look at who filed comments. Multiple organizations signed on to comment letters. For example, the RGGI Advocates Coalition filing represents 18 organizations, while the Earthjustice et al. comments were signed by 16 organizations. Thus, an overwhelming majority of the organizations submitting 2023 program review filings urged the RGGI states to prioritize environmental justice-related issues in their program review. These issues and accompanying requests and recommendations include:

- Adopt a definition of “environmental justice”, a necessity for states that do not have one;
- Set a percentage commitment of funds to allocate towards the RGGI ratepayers that have historically suffered from unfair treatment and disproportionate exposure to the harmful environmental conditions;
- Increase frontline community participation in decision-making and participation in investment planning;
- Address frontline community members’ exposure to poor air quality from criteria pollutants exacerbated by the electric generators covered by the program, and generators that are not yet covered by the program;
- Lower the 25 MW program threshold to include smaller generating units in the program;
- Expand air quality monitoring, particularly in disproportionately impacted areas at relevant levels of granularity
- Set a new cap that is in line with the States’ goals, we are in support of a cap that goes to zero by 2040.

The Program Reviews are a baked-in procedure to help the RGGI program effectuate its policy goals. As you know, In the mid-2000s, a bipartisan group of governors from the Northeast and Mid-Atlantic states signed a [Memorandum of Understanding](#) (MOU) that would create RGGI, then a first-of-its-kind market-based program for major electric generators in each of their states. Uncertain as to all the effects that this new program might have on electricity ratepayers, RGGI's founders agreed to establish a “program review” to ensure that the program could be adapted over time. In the weeks before signing the MOU, however, the states agreed to earmark 25 percent of allowance revenues for “consumer benefit.” This reflected the founders’ understanding that if the program created unintended negative impacts on electricity ratepayers, it could also support investment to mitigate those impacts. The good news is that the RGGI MOU, signed nearly 20 years ago, was drafted in a way to enable today’s decision-makers to simultaneously meet the evolving needs of electricity ratepayers in the RGGI region and take ambitious action to address climate change, while prioritizing populations that continue to experience more negative effects of power plants in the region. Higher ambition can enable greater investment in these communities.

Today, nearly 20 years later, this Third Program Review is now the opportunity for RGGI leaders to carry on a worthy tradition of hearing the voices of all citizens in the region and further improving upon an already excellent program. We hope State officials will move swiftly to do just that in the days ahead.

Thank you for your consideration.

Respectfully submitted,

[RGGI ADVOCATES SIGNATURES]

Paola Moncada Tamayo, Policy Analyst, Acadia Center

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