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Regional Greenhouse Gas Initiative: Part of a Climate Strategy

Climate, Markets, and Law: A Conversation on Emissions Trading Schemes,
Yale Environmental Law Association
October 18, 2013

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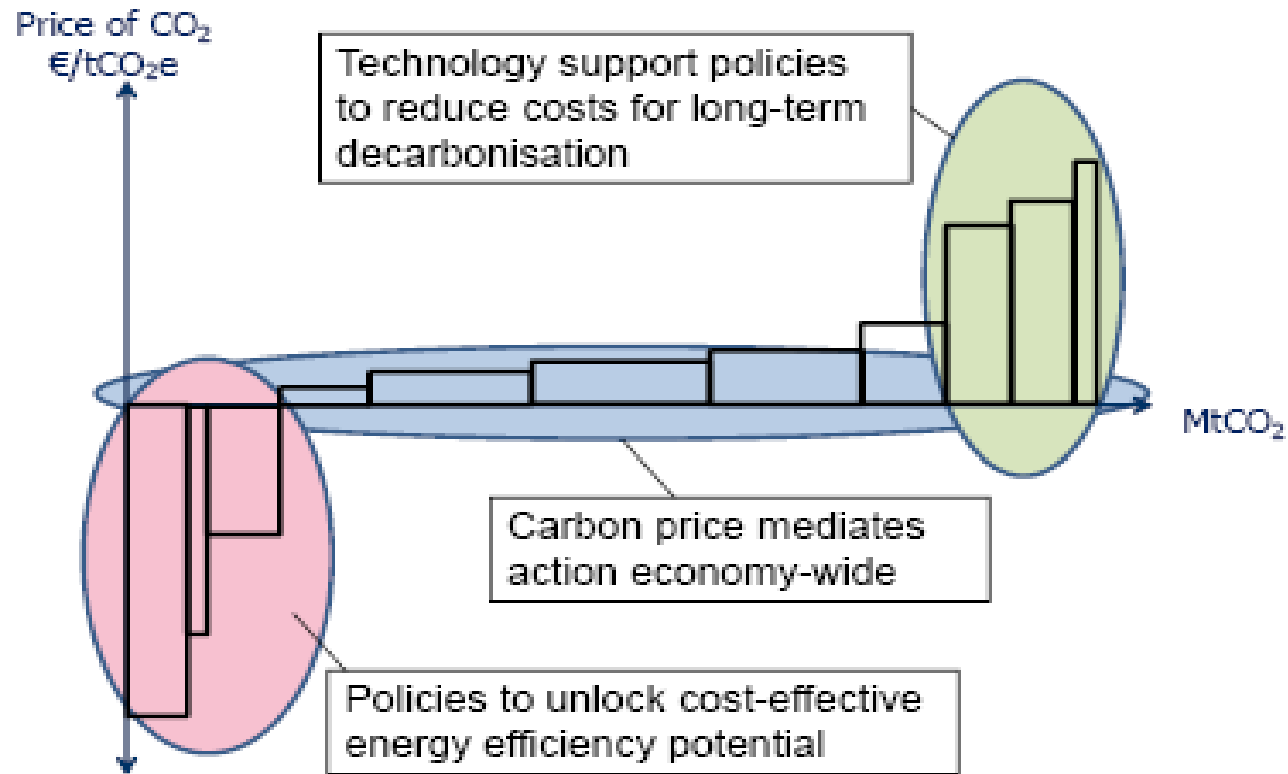
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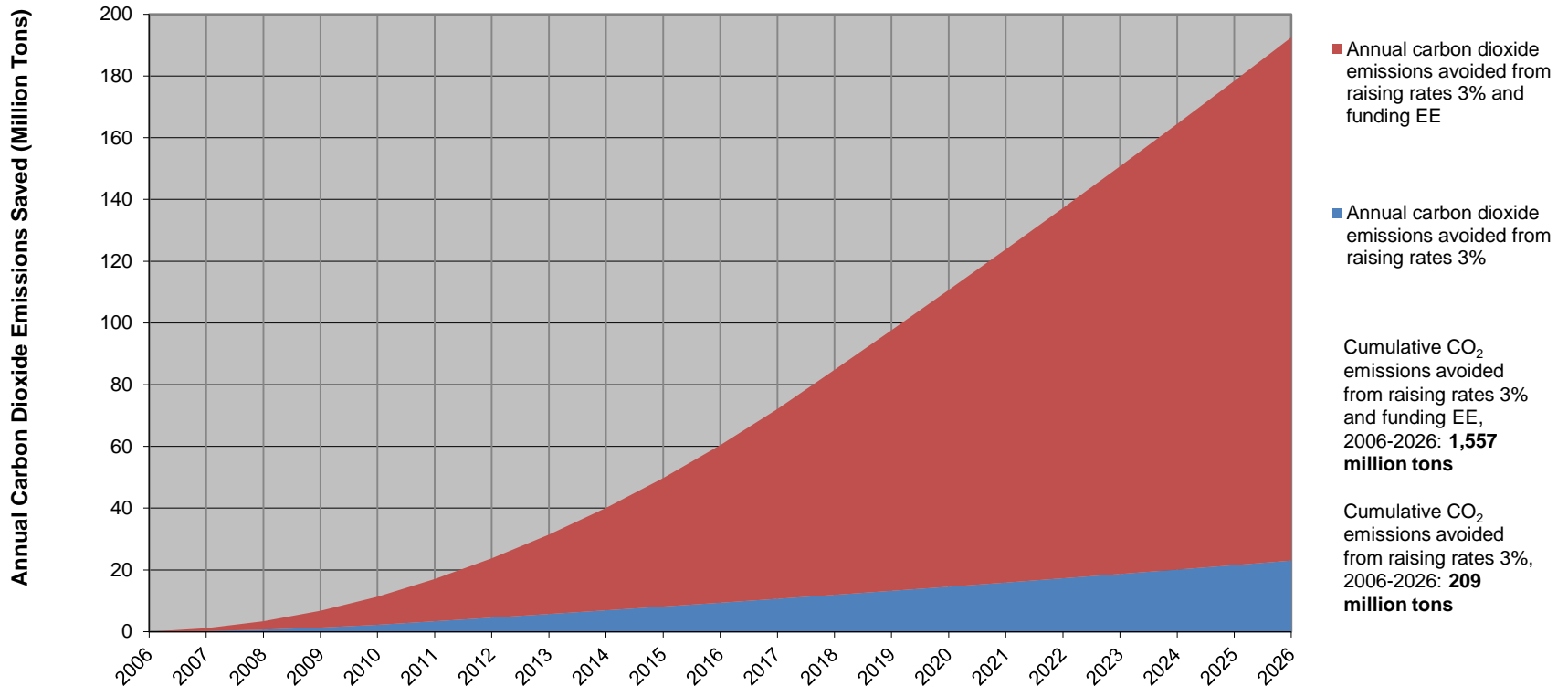
Carbon Management—Policy Mix

Figure 3.4 The core policy mix: a carbon price, energy efficiency and technology policies



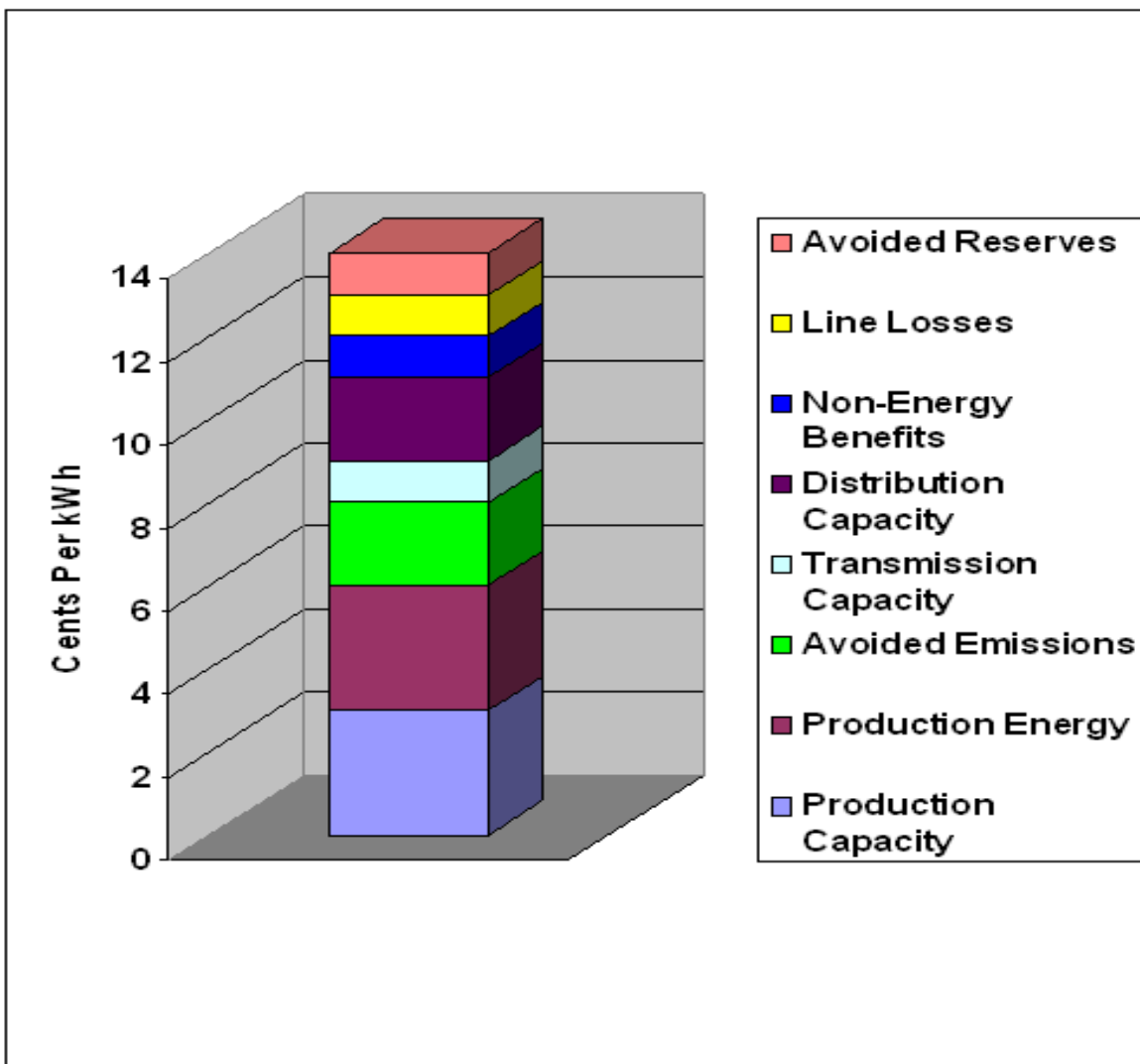
Efficiency programs can save 7x more carbon per consumer \$ than carbon taxes or prices

Annual CO₂ Emissions Saved by: Increasing Rates 3%; and Increasing Rates 3% to Fund Energy Efficiency (Ohio Example)



Assumptions: Electricity use increases by 1.7% per year; Retail electric sales increase by 3%; Price elasticity is -0.25 (-0.75 for a 3% increase), distributed over 5 years; Carbon dioxide emissions are 0.915 tons per MWh in Ohio; Cost of EE is 3 cents per kWh; Average EE measure life is 12 years

Energy
efficiency
investment
yields
multiple
(not just
climate)
benefits



Recognizing the Full Value of Energy Efficiency, Lazar and Colburn, RAP, <http://www.raponline.org/event/recognizing-the-full-value-of-efficiency-theres-more-layers-in-the-layer-cake-than-many-account>

For More Information

Carbon Caps and Efficiency Resources: How Climate Legislation Can Mobilize Efficiency and Lower the Cost of Greenhouse Gas Emission Reduction, R. Cowart (*Vermont Law Review* 2008)

<http://lawreview.vermontlaw.edu/articles/12%20Cowart%20Book%202,%20Vol%2033.pdf>

Climate Issue Brief #4, State Clean Energy Policies: The Foundation for an Electric Sector Cap-and-Trade Program, National Association of Regulatory Utility Commissioners,
http://www.naruc.org/Publications/ClimateIssueBrief4_Jul2009.pdf

Images and How We Remember History, Farnsworth

http://www.huffingtonpost.com/david-farnsworth/images-and-how-we-remembe_b_604784.html

Climate Policy and Affordability: Advocacy Opportunities in the Northeast, Farnsworth, D'Antonio , and Pike-Biegunska

http://www.raponline.org/docs/RAP_Farnsworth_ClimatePolicyinNortheast_2009_09_18.pdf

RGGI Auction Tracker: State Allocations and Spending Plans, June 7, 2013 http://www.environment.org/public/resources/ENE_RGGI AuctionTracker_130607R.pdf

The Economic Impacts of the Regional Greenhouse Gas Initiative on Ten Northeast and Mid-Atlantic States Review of the Use of RGGI Auction Proceeds from the First Three-Year Compliance Period, November 5, 2011, Hibbard et al.

http://www.analysisgroup.com/uploadedFiles/Publishing/Articles/Economic_Impact_RGGI_Report.pdf

About RAP

The Regulatory Assistance Project (RAP) is a global, non-profit team of experts that focuses on the long-term economic and environmental sustainability of the power and natural gas sectors. RAP has deep expertise in regulatory and market policies that:

- Promote economic efficiency
- Protect the environment
- Ensure system reliability
- Allocate system benefits fairly among all consumers

Learn more about RAP at www.raonline.org

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