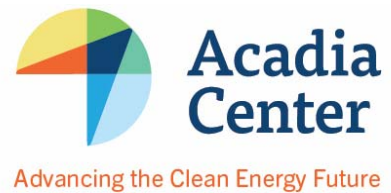


Clean Energy Investments at Stake in Connecticut

The Future of RGGI's Revenue

April 8, 2016



The General Assembly's proposal to take \$20 million in Regional Greenhouse Gas Initiative (RGGI) revenue away from clean energy investments would result in substantial lost benefits for Connecticut's consumers. Up to this point the vast majority of Connecticut's RGGI revenue has been reinvested in energy efficiency and clean energy programs—a strategy that has been a boon for the state's economy and environment.

Investing RGGI revenue in the state's nation-leading energy efficiency and clean energy programs has resulted in over \$245 million in value added to the state's economy and almost 2,200 job-years.¹ Carbon dioxide emissions from power plants covered by RGGI have declined over 35% since RGGI launched, and reduced emissions of hazardous pollutants have led to more than \$13 million in avoided public health costs.²

Through Connecticut's award-winning energy efficiency programs, RGGI revenue is used to boost programs that reduce ratepayer energy bills while creating jobs and spurring the economy. In 2015, Energize Connecticut achieved \$3.98 in lifetime energy savings for each dollar invested.³ **The General Assembly's budget proposal would deprive energy efficiency programs of \$15 million in 2017, which would cost consumers approximately \$60 million.**

The remaining \$5 million of the proposed \$20 million raid would be drawn from the Connecticut Green Bank, which provides an important source of funding for Connecticut's renewable energy industry. Green Bank-funded clean energy programs reduce expenditures for fossil fuels imported to generate power and heat our homes, thus making Connecticut more competitive while reducing carbon emissions. Reducing funding for these programs prevents the state from realizing myriad clean energy benefits.

RGGI Investments in CT

- Auction revenue to-date: \$160 million
- Use of revenue:
 - 92.5% for energy efficiency and clean energy programs
 - 7.5% for program administration
- Benefits through 2014:
 - \$245 million added to state economy
 - 2,200 job-years created
 - \$13 million avoided health impacts
- General Assembly proposal to raid \$20 million of RGGI revenue would cost consumers approximately \$60 million

¹ See Analysis Group reports on RGGI from 2011 (http://www.analysisgroup.com/uploadedFiles/Content/Insights/Publishing/Economic_Impact_RGGI_Report.pdf) and 2015

(http://www.analysisgroup.com/uploadedfiles/content/insights/publishing/analysis_group_rggi_report_july_2015.pdf).

² Appendix to *RGGI: A Model Program for the Power Sector*, December 2015, available at: http://acadiacenter.org/wp-content/uploads/2015/07/Appendix_Monetized-Benefits-of-Avoided-Emissions.pdf.

³ 2015 Programs and Operations Report, Energize Connecticut, available at: <http://www.energizect.com/sites/default/files/Final-ALR-2015-Full-030316.pdf>.

Beneficiaries

Reducing clean energy funding would starve programs that have benefited consumers across the state. Connecticut's RGGI auction proceeds are currently divided between consumer energy efficiency programs, renewable energy projects, and projects that cut greenhouse gas (GHG) emissions across the state. Beneficiaries⁴ include:

- The **Connecticut Children's Medical Center** (Hartford) – which received funding for HVAC upgrades and high efficiency controls estimated to save 287,700 kilowatt-hours (kWh), or \$23,000, annually through the Energy Opportunities Program.
- **Price Chopper** (Middletown) – which received technical advice and incentives for high-performance lighting, HVAC, and refrigeration equipment through the Energy Conscious Blueprint Program. The measures will annually save the store approximately 639,518 kWh of electricity and 320 cubic feet of natural gas, which results in nearly \$100,000 savings on energy bills.
- **The Fish Family Farm** (Bolton) – which is saving approximately \$5,600 annually from the installation of energy-efficiently lighting and refrigeration measures as part of the Small Business Energy Advantage Program.
- Homeowners like **Dan and Marsha Carson** (Newington) – who are saving approximately \$587 each year after taking advantage of the Home Energy Solutions Program, which includes audits, on-the-spot efficiency and weatherization, education, and incentives for expenditures to improve efficiency.
- The **John Lyman Elementary School** and **Memorial Middle School** (Middlefield) – which received \$111,660 for 66kW of solar arrays through the High Performance Schools Program. When the expected output of 60,000 kWh (enough to power 12 average homes) exceeds the schools' demand, surplus power is exported to the grid.
- The **Bishop's Corner Library and Senior Center** (West Hartford) – which received \$165,685 for a 67kW solar array through the Connecticut Clean Energy Communities Program.

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⁴ Efficiency program beneficiaries drawn from Appendix to Analysis Group report, at: http://www.analysisgroup.com/uploadedfiles/content/insights/publishing/economic_impact_rggi_appendix.pdf.