

## RGGI State Laws/Regulations Pertaining To Allowance Revenues

### Connecticut

The Department of Environmental Protection, in consultation with the Department of Public Utility Control, shall auction all emissions allowances and invest the proceeds on behalf of electric ratepayers in **energy conservation, load management and Class I renewable energy programs**. In making such investments, the Commissioner of Environmental Protection shall consider strategies that maximize cost effective reductions in greenhouse gas emission”

**Public Act No. 07-242**

### Rhode Island

The proceeds from the auction or sale of the allowances shall be used for the benefit of energy consumers through investment in the most cost-effective available projects that can reduce long-term consumer energy demands and costs. Such proceeds may be used only for the following purposes, in a proportion to be determined annually by the Office (of Energy Resources) in consultation with the (Energy Efficiency and Resources Management) Council and the Department (of Environmental Management):

- promotion cost-effective **energy efficiency and conservation**;
- promotion of cost-effective **renewable non-carbon emitting energy** technologies as defined in Rhode Island general law section 39-26-5.
- cost-effective **direct rate relief** for consumers;
- direct rate relief for **low-income consumers**;
- (5)Administration

**RI Law 23-82**

### Vermont

In order to provide the maximum long-term benefit to Vermont electric consumers, particularly benefits that will result from accelerated and sustained investments in **energy efficiency and other low-cost, low-carbon power system investments**, the public service board, by rule or order, shall establish a process to allocate 100 percent of the Vermont statewide budget of tradable power sector carbon credits and the proceeds from the sale of those credits...”

**30 VSA Section 254**

### New Jersey

- There is established in the Department of the Treasury a special, non-lapsing fund to be known as the “**Global Warming Solutions Fund**.” The fund shall be administered by the State Treasurer and shall be credited with moneys received as a result of any sale, exchange or other conveyance of allowances through a greenhouse gas emissions allowance trading program;
- Sixty percent shall be allocated to the New Jersey Economic Development Authority to provide grants and other forms of financial assistance to commercial, institutional, and industrial entities to support **end-use energy efficiency projects**

and new, efficient electric generation facilities that are state of the art, as determined by the department, including but not limited to **energy efficiency and renewable energy applications, to develop combined heat and power production and other high efficiency electric generation facilities, and to stimulate or reward investment in the development of innovative carbon emissions abatement technologies** with significant carbon emissions reduction or avoidance potential.

- The authority, in consultation with the board and the department, shall determine:  
(a) the appropriate level of grants or other forms of financial assistance to be awarded to individual commercial, institutional, and industrial sectors and to individual projects within each of these sectors;
- Twenty percent shall be allocated to the board to support programs that are designed to reduce electricity demand or costs to electricity customers in the **low-income and moderate-income residential sector**
- Ten percent shall be allocated to the department to support programs designed to promote **local government efforts to plan, develop and implement measures to reduce greenhouse gas emissions**
- Ten percent shall be allocated to the department to support programs that enhance the **stewardship and restoration of the State's forests and tidal marshes**
- The department may use up to four percent of the total amount in the fund each year to pay for **administrative costs**

**P.L.2007, c.112 (C.26:2C-37 et seq.).**

## **Maine**

- The **Maine Energy Conservation Board**, as established in Title 5, section 12004-I, subsection 20-B and referred to in this section as "the board," is created to assist the commission and the trustees of the Energy and Carbon Savings Trust in the development, coordination and integration of planning for the State's energy conservation efforts
- The Energy and Carbon Savings Trust and the Energy and Carbon Savings Trust Fund are established effective July 1, 2008 to support the goals and implementation of the carbon dioxide cap-and-trade program.
- There is established a ceiling on energy efficiency spending from the trust equal to \$5 per carbon dioxide allowance
- During the years 2009, 2010 and 2011, not less than 85% of the trust fund must be allocated for **measures, investments and arrangements that reduce electricity consumption**, and not more than 15% must be allocated for **fossil fuel conservation measures**, investments and arrangements

**MRSA §12004-G, sub-§13-F**

## Massachusetts

- Proceeds of such auctions shall be deposited into the Division's Credit Trust Account and shall thereafter be available for expenditure by the Division subject to the approval of the Secretary of the Executive Office of Energy and Environmental Affairs (Secretary).
- The Division shall annually convene an advisory group of stakeholders representing a broad array of energy and environmental interests to advise it on how best to utilize said funds. After such consultation, the Division shall annually report recommendations for such expenditures to the Secretary for approval.
- Recommendations shall seek to achieve the goals of **cost minimization to electricity customers and the promotion of energy efficiency, reliability, demand response, peak shaving (the reduction of peak energy usage), and other strategic energy goals** of the Commonwealth.

**MA 225 CMR 13.00 (Proposed)**

## Maryland:

“**Consumer energy efficiency account**” means a general account established by the Department from which allowances will be sold or distributed in order to provide funds to encourage and foster the following:

- Promotion of **energy efficiency** measures;
- **Direct mitigation of electricity ratepayer impacts** attributable to the implementation of this subtitle;
- **Promotion of renewable or non-carbon-emitting energy technologies;**
- Stimulation or **reward of investment in the development of innovative carbon emissions abatement technologies** with significant carbon reduction potential; and
- **Funding to implement** this subtitle.

**MD COMAR 26.09 (Proposed)**

## New York

The Department will allocate the CO<sub>2</sub> Budget Trading Program base budget to best achieve the emissions reduction goals of the CO<sub>2</sub> Budget Trading Program by promoting or rewarding investments in **energy efficiency, renewable or non-carbon-emitting technologies, and/or innovative carbon emissions abatement technologies** with significant carbon reduction potential.

**Part 242 CO<sub>2</sub> Budget Trading Program (Proposed)**

## New Hampshire

There is hereby established a greenhouse gas emissions reduction fund appropriated to the public utilities commission to be expended in accordance with this section. Fund monies shall be used to support **energy efficiency, conservation, and demand response programs to reduce greenhouse gas emissions** generated within the state, which may include programs proposed and administered by private entities, as well as by the department, the commission, and other state and local governmental agencies. All

programs supported by these funds shall be subject to audit by the public utilities commission as deemed necessary. A portion of the fund monies shall be used to pay for commission and department **costs to administer** this subdivision, including contributions for the state's share of the costs of the RGGI regional organization.”

### **Options Discussed in the SCR 28 Workgroup**

- Energy efficiency
- Renewable energy development
- Direct ratepayer assistance
- Low income set a sides
- Public Education
- Administration (RGGI, other climate change programs)
- REC retirement
- Adaptation planning
- Forest preservation
- Vehicle trade in programs
- Research and Development