

RGGI DELIVERS ECONOMIC BENEFITS FOR PARTICIPATING STATES—AND CAN ADDRESS KEY EQUITY ISSUES IN EJ COMMUNITIES

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The Regional Greenhouse Gas Initiative (RGGI) aims to reduce carbon emissions. But what does the program mean for the economy, public health and consumers? How do RGGI states address environmental justice and equity concerns? The latest Analysis Group report tracks RGGI-related economic performance from 2018–2020 based on real, historic data and provides a snapshot of innovative approaches RGGI states are taking to advance their environmental justice (EJ) and equity priorities.

Key Takeaways

01

RGGI Continues to Deliver Economic Benefits for Member States

Since 2009, RGGI has contributed to a 46% reduction in carbon emissions, raised \$3.8 billion in allowance revenues, produced \$5.7 billion in net economic benefits, and added 48,000 job-years. This trend continued from 2018 to 2020, with RGGI adding \$669 million in net economic value and 7,874 job-years to the 10-state region. This accounts for both RGGI's impacts on the power sector and the states' spending of RGGI auction proceeds. On net, RGGI delivered \$15 in economic value added per capita over the 2018–2020 period.

02

RGGI States Are Taking New and Innovative Approaches to Address Equity Priorities

In recent years, RGGI states have been experimenting with innovative policies to address environmental justice (EJ) priorities. For the first time in a RGGI report, we review the approaches RGGI states have taken to identify and reduce inequities for communities overburdened by negative environmental, health, and economic impacts from energy production and use.

03

We Provide a Framework for RGGI States to Advance Equity Priorities

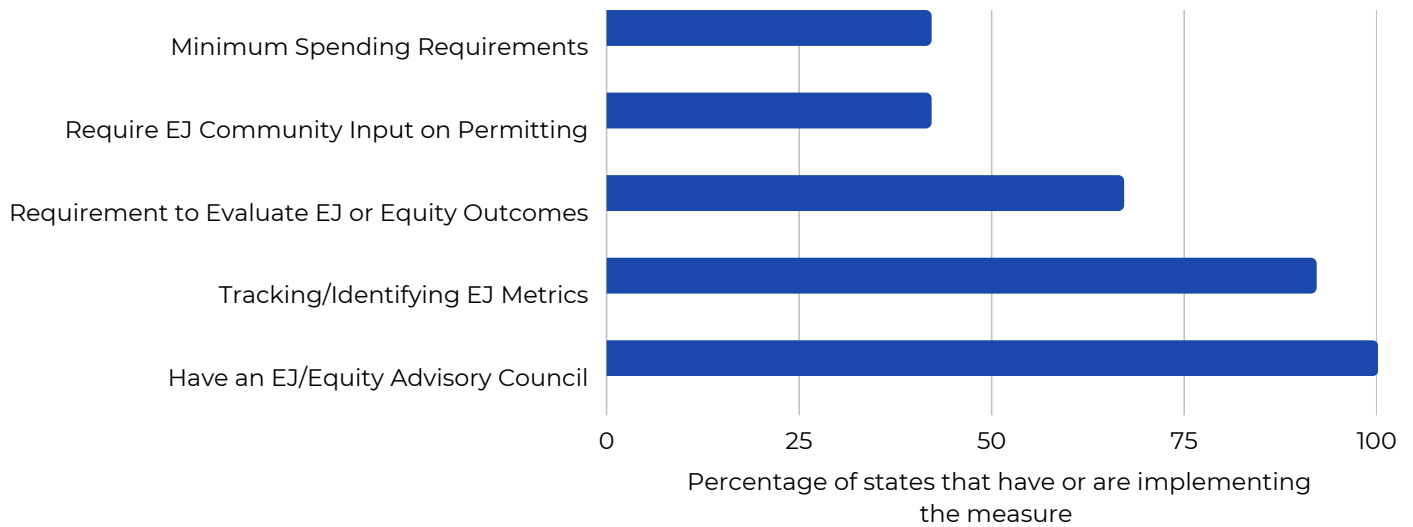
After reviewing the efforts of individual RGGI states, we have highlighted policy options that would help ensure RGGI reduces environmental, health, economic, and other associated inequities for overburdened communities. These policy options include

- Conducting new studies of potential pollution hot spots affecting EJ communities that combine emissions data, pollution transport modeling, and economic analysis
- Setting minimum spending requirements for RGGI investments in EJ communities
- Expanding data collection to track and report RGGI investment spending and associated outcomes
- Using RGGI funds to monitor ambient air pollution in EJ communities
- Requiring opportunities and resources for active community participation in RGGI spending plans and environmental permitting

FOCUS ON EQUITY

Where RGGI states are doing well on equity measures – and where they're just getting started

A look at the number of states that have or are developing the following EJ and equity policies



HOW RGGI CAN ADVANCE STATE EQUITY PRIORITIES

 IDENTIFY Identify pollution hot spots & monitor ambient air quality	 SET MINIMUMS Set minimum spending requirements in EJ communities
 REQUIRE Require opportunities & resources for community participation	 TRACK Track & report RGGI investments in EJ communities

RGGI is a market-based cap-and-invest program that reduces fossil fuel plant carbon emissions. Power plants in the RGGI states (CT, DE, ME, MD, MA, NH, NJ, NY, PA, RI, VA, VT) acquire one CO₂ allowance for every short ton of CO₂ they emit. Power plants buy allowances at quarterly auctions and RGGI states receive the proceeds, which are typically invested in communities to fund clean-energy programs, jobs training, energy-efficiency measures, and bill assistance for businesses and residents.