



May 2, 2013

Governor Dan Malloy  
Executive Office of the Governor  
State Capitol, 210 Capitol Ave.  
Hartford, Connecticut 06106

Dear Governor Malloy:

On behalf of the Business Council for Sustainable Energy (BCSE), I would like to commend the State of Connecticut for its commitment to the Regional Greenhouse Gas Initiative (RGGI) and for its work with the other RGGI states to complete the 2012 Program Review and to develop an Updated Model Rule to guide future participation in the program.

The Council is a coalition of companies and trade associations from the energy efficiency, natural gas and renewable energy sectors, and also includes independent electric power producers, investor-owned utilities, public power, commercial end-users and energy and environmental service providers. Founded in 1992, BCSE advocates for policies that expand the use of commercially-available clean energy technologies, products and services. The coalition's diverse business membership is united around the revitalization of the economy and the creation of a clean, secure and reliable energy future for America.

BCSE includes a number of companies and utilities in the northeastern United States and was an active stakeholder during the development and design phase of the RGGI program. Since the first auction of RGGI allowances in 2009, the program has successfully demonstrated how the mechanics of a market-based program can work. In addition, the investment of auction proceeds in clean energy and energy efficiency have had a positive impact on the region, by helping consumers and businesses become more efficient, accelerating the development of local clean and renewable energy sources and creating jobs.

As evidenced in the *Sustainable Energy in America 2013 Factbook*, a report that was recently released by the Business Council for Sustainable Energy and Bloomberg New Energy Finance, affordable, homegrown and clean energy sources – such as those being deployed in the RGGI region - are powering the U.S. economy with jobs and investment, and are promoting the security and diversity of the U.S. energy supply.

As a result of the 2012 RGGI Program Review, the participating states have identified areas for further improvement. The Council applauds the region's efforts to build upon the early success of the program and to further reduce harmful emissions while continuing to grow the region's economy. Of note, the Council encourages RGGI to monitor and assess the emissions impact of program changes, specifically with regard to emissions leakage. Further, as federal regulation of greenhouse gas emissions is developed by the Environmental Protection Agency, RGGI states should encourage recognition of their early action in such rules.

The Business Council for Sustainable Energy offers its assistance to work with you as the state of Connecticut updates its CO<sub>2</sub> budget trading program and throughout the implementation of the Updated Model Rule.

Sincerely,

Lisa Jacobson, President  
Attachments (3)