

THE COLLABORATIVE FOR RGGI PROGRESS

(Acadia Center, Calpine Corporation, Exelon Corporation, National Grid,
Natural Resources Defense Council and Public Service Enterprise Group Incorporated)

COMMENTS ON DRAFT REFERENCE CASE ASSUMPTIONS

February 17, 2017

The Collaborative for RGGI Progress is pleased to submit these comments on the draft reference case assumptions presented by the RGGI states on their webinar February 8, 2017.

1. The Collaborative urges the states to release a schedule for the remainder of the 2016 Program Review and to move expeditiously to reach agreement on the program review decisions.
2. The Collaborative supports the states' decision to produce a new round of modeling results, including a reference case with updated assumptions.
3. The Collaborative makes the following suggestions on the proposed reference case assumptions:
 - 3.1. The natural gas price assumption should be the average of AEO 2017 base case and the high resource case, similar to the approach taken in RGGI's 2016 reference case.
 - 3.2. We support the states' proposal to use updated future energy and peak demand forecasts.
 - 3.3. The proposed approach to modeling renewable portfolio standards is reasonable, so long as the recently enacted RPS in Maryland is assumed to be achieved in the new reference case.
 - 3.4. The proposed approach to modeling firm builds and retirements is reasonable.
 - 3.5. The proposed approach for including the cost and performance of new generation is reasonable.
 - 3.6. The proposed approach to capture firmly planned transmission is reasonable.
 - 3.7. The proposed approach at capturing transmission capability is reasonable.

- 3.8. The proposed approach to modeling coal and nuclear plant construction is reasonable.
 - 3.9. The proposed approach to modeling nuclear plant retirements is reasonable.
 - 3.10. The proposed approach to modeling reserve margins and local requirements is reasonable.
 - 3.11. The proposed assumptions regarding the costs of pollution controls and firmly planned control installations are reasonable.
 - 3.12. The proposed approach to modeling state policies is reasonable.
 - 3.13. The Clean Power Plan is currently federal law, but its future is uncertain. The states should consider modeling sensitivities with and without the Clean Power Plan. Policy runs should use both sensitivities. The proposed approach to incorporating other federal policies is reasonable.
 - 3.14. The proposed approach to modeling RGGI requirements is reasonable.
4. The Collaborative requests an opportunity to comment on the policy scenarios that the states will model.