

May 25, 2016

Secretary Benjamin Grumbles  
Maryland Department of the Environment  
1800 Washington Boulevard  
Baltimore, MD 21230  
Email: Ben.Grumbles@maryland.gov

Chairman Kevin Hughes  
Maryland Public Service Commission  
6 St. Paul St., 16<sup>th</sup> Floor  
Baltimore, MD 21202  
Email: Kevin.Hughes@maryland.gov

Dear Secretary Grumbles and Chairman Hughes,

The undersigned legislators thank you for your support and technical expertise during the 2016 legislative session that helped lead to the adoption of the 2016 Greenhouse Gas Reduction Act (GGRA). With the adoption of this law, we call on you to utilize the highly successful Regional Greenhouse Gas Initiative (RGGI) to keep Maryland on a path to achieving its 2030 greenhouse gas (GHG) reduction requirements. The new GGRA requires Maryland to reduce greenhouse gas emissions 40% from 2006 levels by 2030. The ongoing RGGI program review, presents a vital opportunity to lock in the necessary emission reductions from the electric sector to ensure that Maryland meets its new GGRA goals while also holding neighboring states accountable for their own emission reduction commitments.

Climate change is the defining environmental challenge and opportunity facing not only Maryland, but our country and the entire world. As the Maryland Commission on Climate Change observed, “Climate change is real, harmful and predominantly human-caused and it is placing the health and well-being of many Marylanders at risk.”[1] Efforts to address climate change provide substantial economic opportunity and human health co-benefits through reduced air and water pollution, while failure to act jeopardizes billions of dollars in the State’s economy.[2]

The RGGI program is tailor-made to lock in the necessary electric sector reductions to ensure attainment of Maryland’s 2030 climate goals. RGGI is an effective program that utilizes market forces to reduce emissions at lowest cost. RGGI’s flexible approach enables private companies to make investment decisions about how and when to reduce emissions, and the program has produced impressive results over its seven years of operation.

A recent analysis evaluating a least-cost buildout to a RGGI-wide 40% reduction in greenhouse gas emissions by 2030 concluded that this target was not only achievable, but could be implemented with enormous net benefits to the region.[3] Reduced climate, air, and water pollution will mitigate risks to human health, while a least-cost movement to a 40% reduction in economy-wide carbon emissions will continue to promote economic growth and jobs. The revenue-generating structure of RGGI also presents the opportunity here in Maryland to help ensure that actions to reduce climate pollution and the benefits associated with those actions are equitably distributed across our population.

Over the next decade and a half the RGGI states have the opportunity to advance ongoing efforts to put 10 million electric vehicles on the road, increase energy efficiency to levels of the top-achieving states in the region like Maryland, replace inefficient heating oil in buildings with highly efficient heat pumps and ramp up renewable generation in the region. Due to its current carbon intensity and the opportunity of clean technology, the electric sector will be responsible for nearly half of the incremental emission reductions between now and 2030.[4] As a result of these investments, the RGGI states would achieve \$25.7 billion in total savings while adding an average of 58,400 job-years per year. Maryland would see declining carbon emissions from across sectors while adding thousands of jobs in-state, and saving billions of dollars.

As the 2016 RGGI Program Review unfolds, we encourage you, as our state's representatives to the RGGI Board, to build on the program's proven success. Our state cannot miss this chance to align our climate programs; we will not see this opportunity again in RGGI for many years. Toward this end, we support the modeling and evaluation of a diverse range of emissions caps, including a cap that aligns with our state's new 40% by 2030 climate goal. This includes, but is not limited to, a scenario that evaluates a 5% annual emissions decline from 2020 to 2030, which is consistent with previous emission reduction trends in the region. Ultimately, upon consideration of the various scenarios, we urge the state to adopt a cap that best aligns with our new 2030 state GGRA goal.

Sincerely,

**Maryland State Senators (alphabetical)**

Lisa Gladden  
District 41  
Member  
Budget and Taxation Committee

**Maryland State Delegates (alphabetical)**

Kumar Barve  
District 17  
Chair  
Environment and Transportation Committee

(signatures continue on subsequent pages)

Cheryl Kagan  
District 17  
Member  
Education, Health, and Environmental Affairs  
Committee

Jill Carter  
District 41  
Member  
Judiciary Committee

Richard Madaleno Jr.  
District 18  
Vice Chair  
Budget and Taxation Committee

Sheila Hixson  
District 20  
Chair  
Ways and Means Committee

Roger Manno  
District 19  
Chair  
Administrative, Executive, & Legislative  
Review Committee

Marc Korman  
District 16  
Member  
Appropriations Committee

Shirley Nathan-Pulliam  
District 44  
Member  
Education, Health, and Environmental Affairs  
Committee

Clarence Lam  
District 12  
Member  
Environment and Transportation Committee

Paul Pinsky  
District 22  
Vice Chair  
Education, Health and Environmental Affairs  
Committee

Brooke Lierman  
District 46  
Member  
Appropriations Committee

Jaime Raskin  
District 20  
Chair  
Executive Nominations Committee

Eric Luedtke  
District 14  
Member  
Ways and Means Committee

Maggie McIntosh  
District 43  
Chair  
Appropriations Committee

(signatures continue on subsequent pages)

David Moon  
District 20  
Member  
Judiciary Committee

Joseline Pena-Melnyk  
District 21  
Member  
Health & Government Operations Committee

Kirill Reznik  
District 39  
Member  
Appropriations Committee

Shane Robinson  
District 39  
Member  
Environment and Transportation Committee

Dana Stein  
District 11  
Vice Chair  
Environment and Transportation Committee

William Smith Jr.  
District 20  
Member  
Judiciary Committee

Jeff Waldstreicher  
District 18  
Member  
Economic Matters Committee

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[1] Report of the Maryland Commission on Climate Change (Dec. 2015), at 3.

[2] *See, e.g., id.* at 12-17.

[3] *See* Synapse Energy Economics, Inc., *The RGGI Opportunity 2.0: RGGI as the Electric Sector Compliance Tool to Achieve 2030 State Climate Targets* (updated Mar. 4, 2016).

[4] Synapse Report

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