

February 10, 2015

The Honorable Andrew M. Cuomo  
Governor of New York State  
Executive Chamber  
New York State Capitol  
Albany, New York 12224

Dear Governor Cuomo:

As clean energy advocates and supporters of your efforts to address the impacts of our changing climate, we write to respectfully request your consideration of removing the proposed transfer of \$36 million in Regional Greenhouse Gas Initiative (RGGI) carbon pollution auction proceeds from the New York State Energy Research and Development Authority to the State's General Fund in your submittal of the 30-Day Amendments.

The narrative released in conjunction with the Executive Budget links the proposed RGGI diversion to the Environmental Protection Fund (EPF) and various energy related tax credits. While our organizations strongly support funding the EPF at the \$172 million level included in the Executive Budget, we do not condone shifting funding dedicated to addressing the impacts of climate pollution to pay for other environmental priorities. The EPF has had a long standing relationship to the state's Real Estate Transfer Tax (RETT), which has significantly rebounded from the declines experienced during the Great Recession. We encourage you to consider dedicating additional RETT revenues and other general fund resources to ensure a robust \$172 million EPF and the continuation of clean energy tax credits.

Climate pollution is having a major impact on our health, our environment and our economy. Poor air quality which can be made worse by climate change is making our children sick and shortening the lives of some seniors. Rising temperatures, prolonged heat waves and severe storms are costing our economy billions in lost production and infrastructure and property damage.

The cap and invest model established through RGGI, as you noted in your 2015 Opportunity Agenda, has been a tremendous success. RGGI, the first market-based standard in North America regulating climate pollution from the energy sector, has been held up by the federal government as a model for nationwide effort to cap climate pollution through the proposed Clean Power Plan. Repurposing funds from the carbon abatement programs guided by DEC and NYSERDA regulations could threaten the integrity of RGGI in New York and cause a ripple effect throughout the region if other states also choose to shift carbon allowance revenues away from their intended use.

Today in the RGGI region, climate pollutant emissions from power plants are more than 40-percent lower than they were when RGGI was initiated in 2005. New rules implemented in 2014 lowered the regional carbon cap by 45-percent, locking in emission reductions already achieved and placing the region on a path to cut carbon pollution by an additional 10-percent by 2018.

On top of the clear health and environmental benefits, RGGI has proven to be an economic driver throughout the region. RGGI allowance auctions have, thus far, generated over \$1.9 billion. States have invested auction proceeds in a variety of consumer benefit initiatives, including energy efficiency, renewable energy, direct bill assistance, and additional climate pollution reduction programs. New York has benefitted from over \$728 million in auction proceeds, the bulk of which has been allocated to renewable power, efficiency and clean energy technology and market innovation programs – creating jobs, lowering consumer costs and driving further reductions in emissions. To date, RGGI programs have provided energy bill savings and other benefits to more than 130,000 households and 2,500 businesses spanning all of New York State’s 62 counties.

The need to act on climate is urgent and imperative. RGGI has been proven to be an effective tool in moving New York forward toward our 80 percent reduction of climate pollutants by 2050. Repurposing RGGI funds at this juncture would be a significant step backward for the state and establish a bad precedent for other states looking to New York for leadership on climate action. We strongly urge you to reconsider your position and amend the Executive Budget to remove the transfer of RGGI funds.

We appreciate your attention to this matter.

Sincerely,

Acadia Center  
The Adirondack Council  
Adirondack Mountain Club  
Alliance for Clean Energy New York  
Alliance for a Green Economy  
American Lung Association in New York  
Association for Energy Affordability  
AWS Truepower  
Binghamton Regional Sustainability  
Coalition  
Citizens Campaign for the Environment  
Citizens’ Environmental Coalition  
Citizens for Local Power  
Clean Air Coalition of Western New York

Environment New York  
Environmental Advocates of New York  
GreenLogic Energy  
Hudson River Sloop Clearwater, Inc.  
Northeast Energy Efficiency Partnership  
NRDC  
NYPIRG  
Pace Energy and Climate Center  
Protect the Adirondacks  
Renewable Energy Long Island  
Sierra Club Atlantic Chapter  
Union of Concerned Scientists  
Vermont Energy Investment Corporation

cc: Hon. Carl Heastie, Speaker of the Assembly  
Hon. Brian Kolb, Assembly Minority Leader  
Hon. Dean Skelos, Senate President Pro Tempore  
Hon. Andrea Stewart-Cousins, Senate Democratic Conference Leader  
Hon. Jeffrey Klein, Independent Democratic Conference Leader