



State Climate Investments

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Maryland Mitigation Working Group
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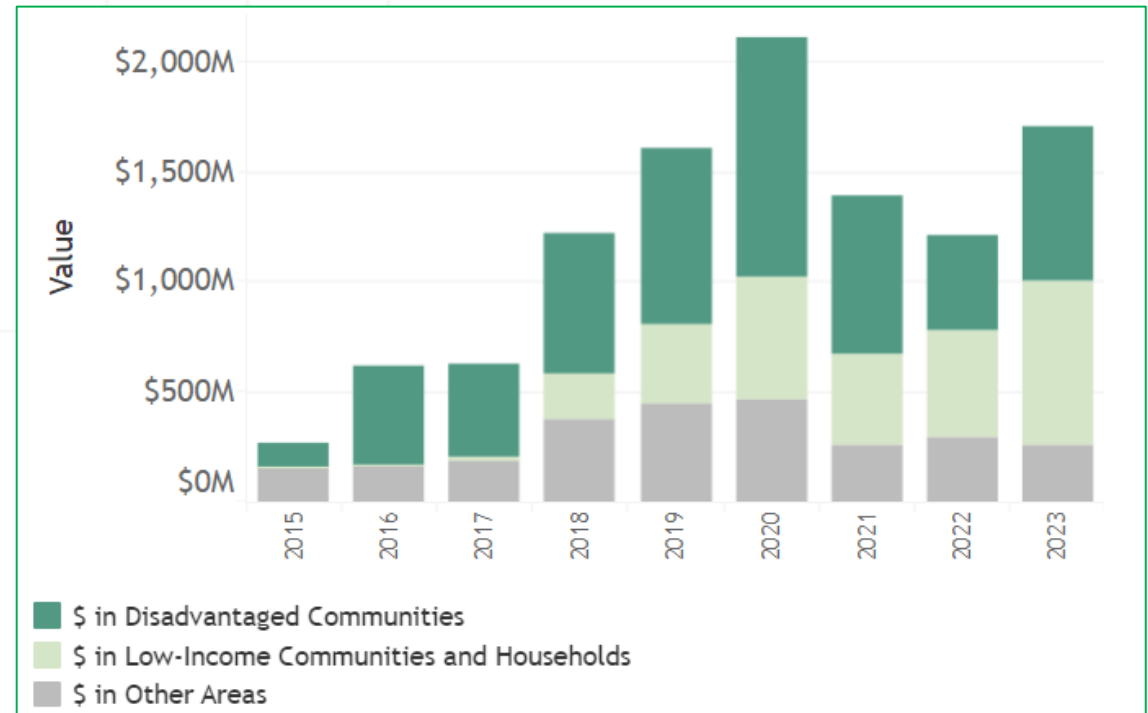
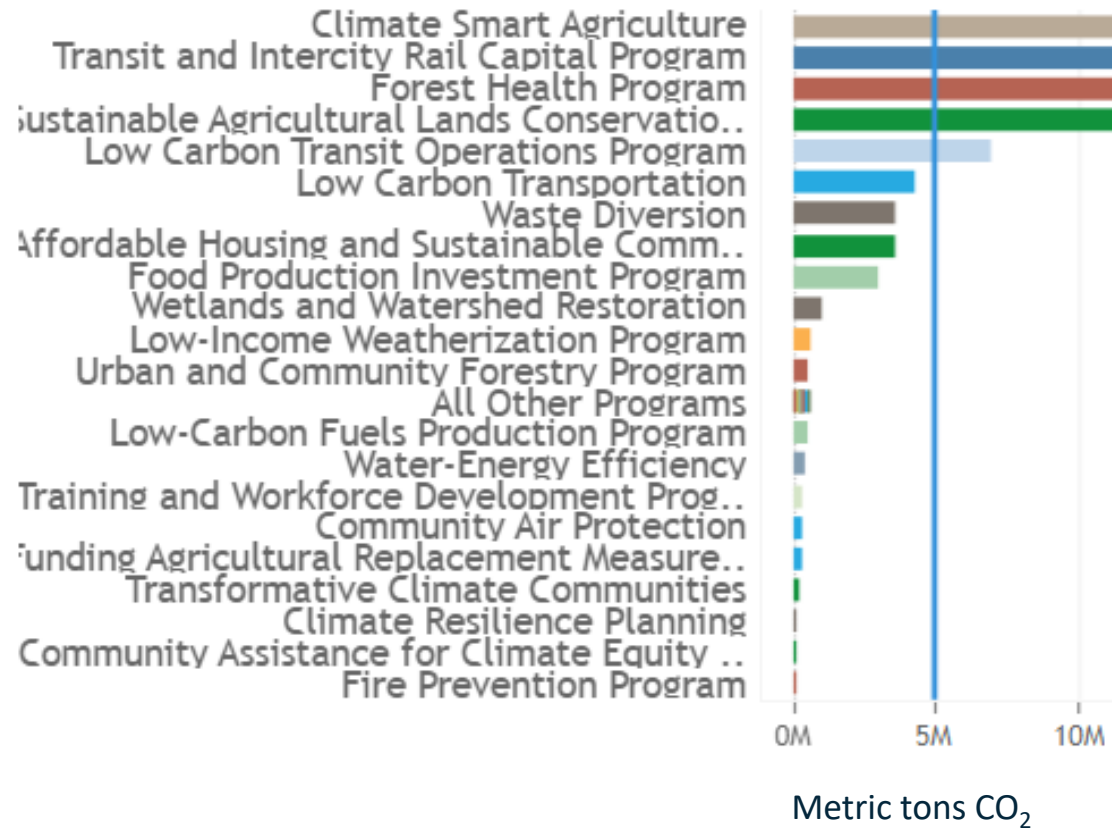


CA Climate Investments Funded Programs

- Roughly half of the allowance value is allocated to utilities and industry. Utility allowances are consigned to the auction with proceeds spent *for the benefit of ratepayers*.
 - Most of the utility value is returned as a twice-yearly, equal-per-customer-account climate dividend. (The size differs by climate zone across the state.)
- Roughly half of the allowance value is auctioned with proceeds accruing to the Greenhouse Gas Reduction Fund (GGRF) and appropriated by the Legislature.
 - Continuous appropriations account for about half of GGRF investments to date including high speed rail, transit, affordable housing, sustainable agriculture.
 - Investments to date include 420,215 vehicle rebates, 12,606 affordable housing units, 983,095 acres of land restoration, 221,918 urban trees.
 - Investments have reduced over 109 million metric tons CO₂; 76,000 tons NO_x.
 - 76% of funding has benefited priority populations.



Emissions Reductions and Annual Appropriations



Not including high speed rail

Source: California Climate Investments [Data Dashboard](#)

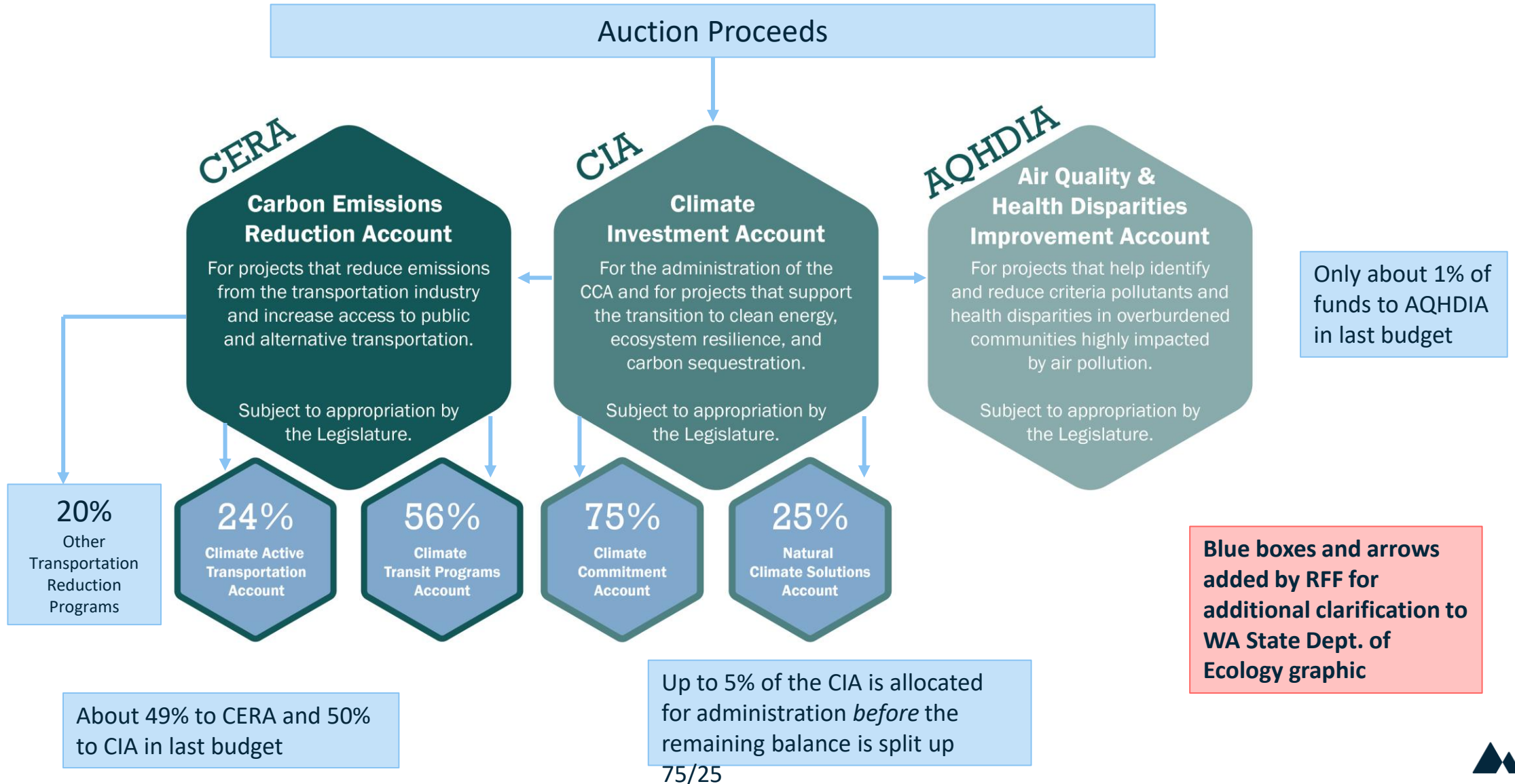


WA State Cap-and-Invest Investment Strategy

- The legislature is responsible for appropriating funds across projects and activities.
 - The Environmental Justice Council provides recommendations on how to allocate funds.
 - 35% minimum of funds, goal of 40% funds, used in projects that provide a direct benefit to overburdened communities, with additional 10% to tribal approved projects.
 - This does not mean direct transfers (but WA did add a new working families tax credit around same time as cap-and-invest program).
 - About \$2.1 billion allocated to very specific projects in FY23-FY25 budget.
 - Utilities and EITE industries receive no-cost allowances not included in the appropriations process.
- There are technically seven different state accounts to distribute appropriate auction revenue.
 - Each account has a specific purpose of investment.
 - Legislature can redistribute across accounts (with some constraints).



Summary of WA Investment Accounts

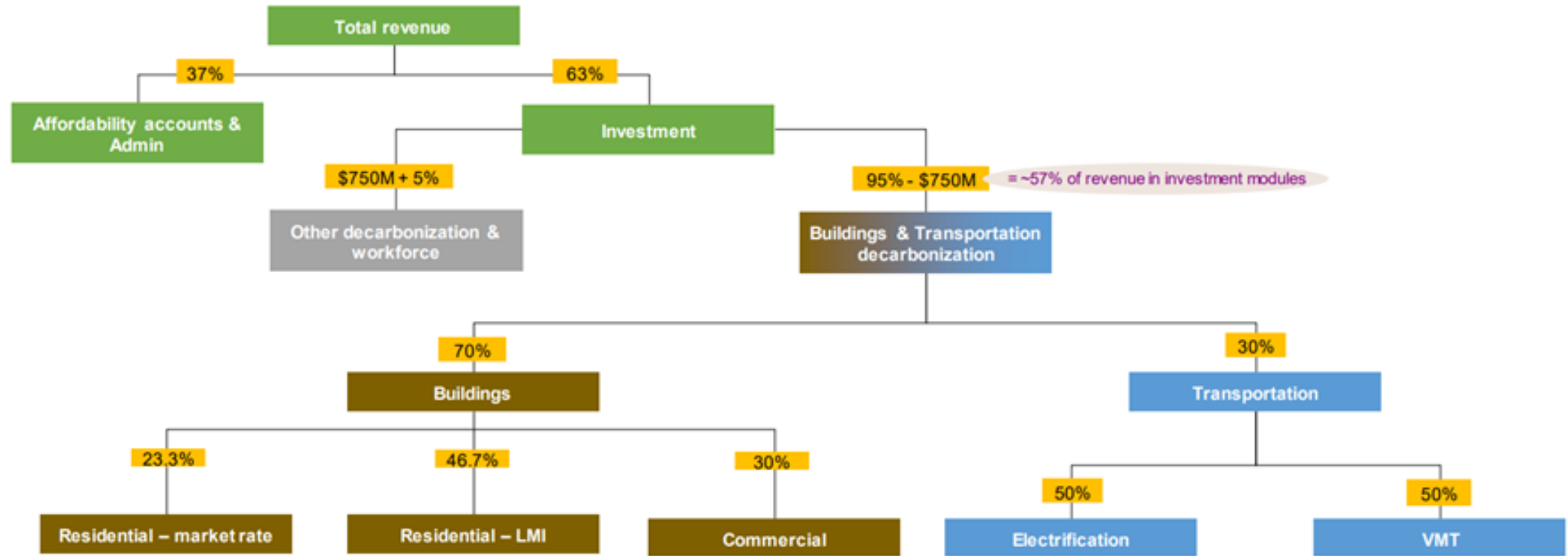


NY State Cap-and-Invest Investment Strategy

- New York Cap & Invest is still under development.
- Some information on investment leanings:
 - The climate law requires at least 35 percent, with a goal of 40+ percent, of program investments to directly benefit disadvantaged communities.
 - Governor Hochul has indicated 30 percent of proceeds will be directed to New Yorkers to defer costs.
 - Legislature will play a large role in determining investment strategy.
- The preliminary analysis of the NYCI program (from NYSERDA & DEC) includes information on predicted revenues, investments, and impacts.
 - For 2030 prices ranging from \$30 to \$64, 2030 revenue is estimated to be \$6–12 billion per year with \$4–8 billion available for investments.
 - The analysis estimates that the investments reduce emissions by an additional 10 percent in 2030 and 14% in 2035 for the highest price ceiling scenario (\$64 in 2030).



Summary of Example NY Investment Strategy



■ % Split

This allocation is intended to estimate the impact of investment for the purpose of evaluating the market effects and does not represent any decision regarding investment allocation.

Source: NYSERDA & DEC preliminary analysis presentation (2024)

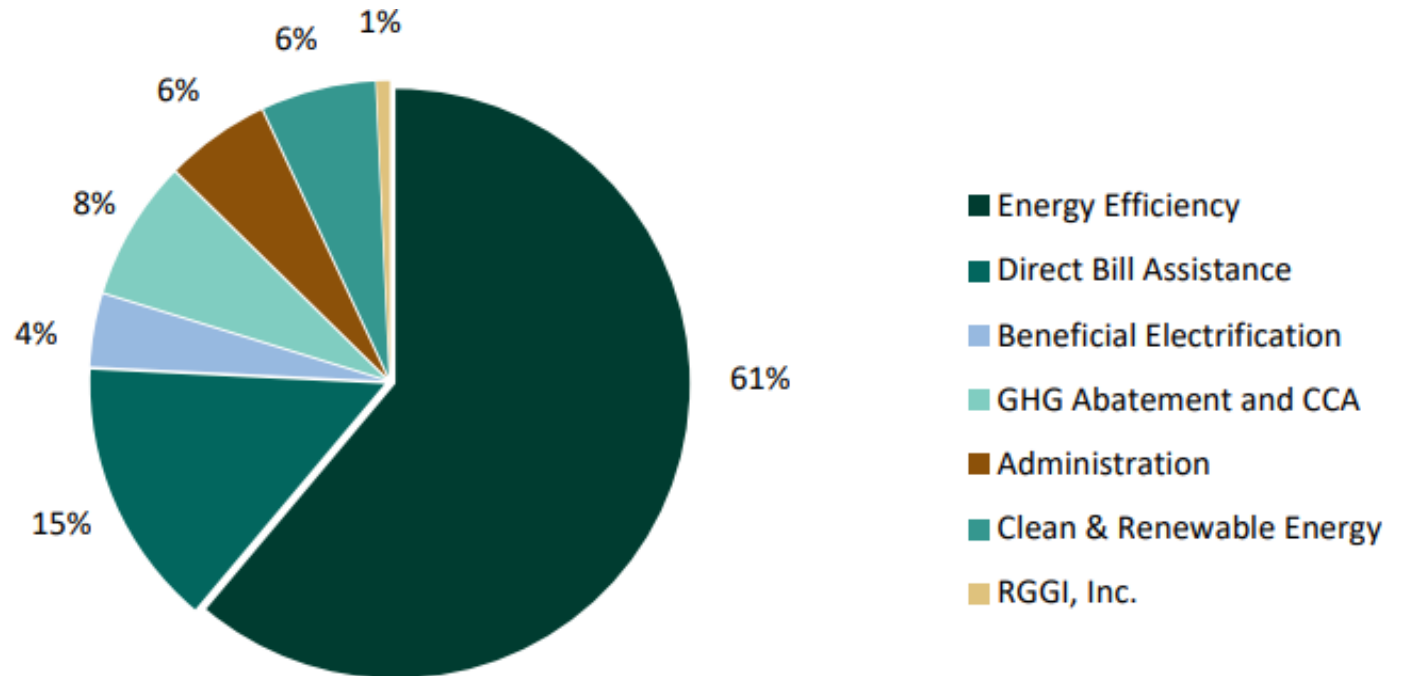


RGGI Investments

- Almost all RGGI allowances are distributed through auction.

Cumulative investments total \$4 billion through 2022

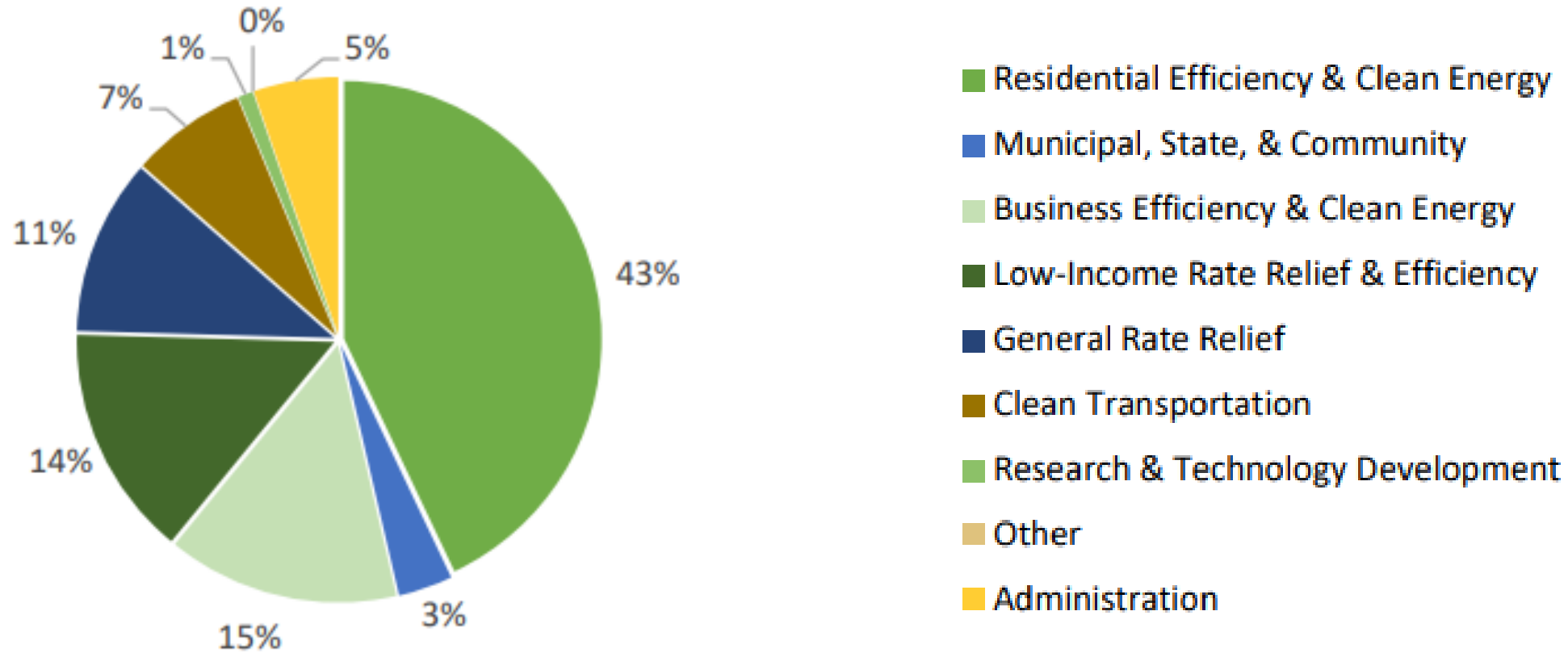
Source: *Investment of RGGI Proceeds 2022*



The *Analysis Group (2023)* finds through 2020, investments produced \$5.7 billion in net economic benefits and added 48,000 job-years.



RGGI Investments by Recipient Type in 2022



2022 investments yielded \$1.8 billion in energy bill savings; 7.5 million tons CO₂.

Source: *Investment of RGGI Proceeds 2022*

