

Submitted via: [debra.morrell@ct.gov](mailto:debra.morrell@ct.gov)

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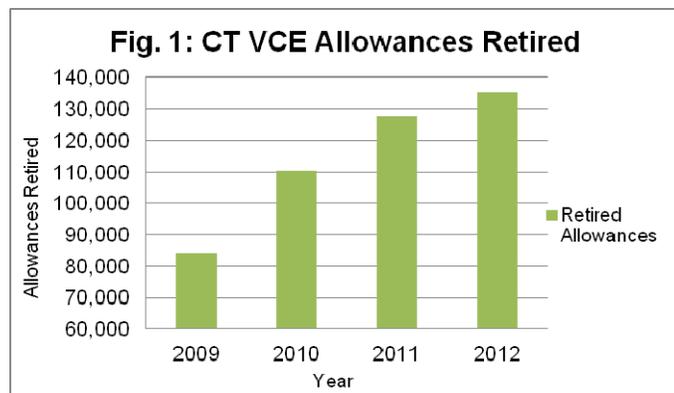
**RE: Comments from the Renewable Energy Markets on Retaining the RGGI Voluntary Clean Energy Purchase Set-aside Account**

Dear Commissioner Esty:

The Renewable Energy Markets Association (REMA) appreciates the opportunity to provide comments on Connecticut’s revision of the RGGI Model Rule, an effort conducted by the Department of Energy and Environmental Protection (DEEP). REMA represents the collective interests of both for-profit and nonprofit organizations that sell or promote renewable energy products through voluntary markets, including renewable technology, renewable electricity, and renewable energy certificates (RECs), to individuals, companies and institutions throughout North America.

It has come to REMA’s attention that DEEP does not intend to maintain the Voluntary Clean Energy (VCE) Purchase Set-aside account in its latest adoption of the RGGI Model Rule. This is a stark departure from the state’s past support of a provision that RGGI and nearly all RGGI participating states view as a significant element of the emissions program.

REMA finds this development concerning, as a voluntary clean energy set-aside is crucial to supporting renewable energy growth in a Cap-and-Trade program like RGGI. Programs like RGGI reduce the incentive to voluntarily procure renewable energy and reduce GHG emissions, because such voluntary actions do not result in a comparable reduction in allowances. The *set-aside overcomes this obstacle* by reserving some allowances for retirement, ensuring that GHG reductions actually occur from the voluntary procurement of renewable electricity.



Connecticut residents are successfully taking advantage of the VCE set-aside. As seen in Figure 1 above, the number of allowances retired through the VCE has increased since reporting began in 2009. In fact, **VCE retirements have increased approximately 60% from 2009 to 2012** (the most recent year data is available)<sup>1</sup>. Absent a set-aside, these consumers will not have the opportunity to meaningfully go above and beyond state mandates to reduce GHG emissions and promote clean energy. Removing the set-aside will effectively assist polluters by allowing them to reap the benefits of increased renewables from voluntary purchases. Additionally, voluntary purchasers would be robbed of the ability to state that their decisions help reduce Connecticut’s carbon emissions.

The overall national voluntary renewable energy market is strong and growing: in 2010, U.S. consumers made voluntary purchases of renewable energy totaling in excess of 35 million mega-watt hours (MWh), continuing the year-upon-year positive growth rate.<sup>2</sup> These data, combined with Connecticut’s recent trends, demonstrate that the voluntary market for renewable energy is larger than many people recognize

<sup>1</sup> Analysis of reported CT RGGI 2009 – 2012 retirements of VRECs. Note: 2012 data does not include the non-CCEO portion. Source: RGGI Public: Special Approvals, <https://rggi-coats.org/eats/rggi/index.cfm?hc=ISkwICAK>. Accessed 15 Aug. 2013.

<sup>2</sup> J. Heeter, L. Bird, *Green Power Marketing in the United States: A Status Report (2010 Data)*, Golden, CO: National Renewable Energy Laboratory, pg. v, Oct.. 2011, <http://apps3.eere.energy.gov/greenpower/pdfs/52925.pdf>.

and capable of meeting continually increasing voluntary demand. Options like a set-aside allow consumers in capped markets to accelerate renewable energy use ahead of mandates. And millions are pursuing that path annually.

Again, REMA appreciates the opportunity to share its comments on the state's retention of the VCE set-aside. Based on consumer participation and sound energy policy, REMA strongly recommends that DEEP maintain the set-aside as it moves to adopt the RGGI Model Rule. Should you have any questions on REMA's comments, please do not hesitate to contact me with the information provided below.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Josh Lieberman".

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