

# US Federal Climate Policy Update

CPLC All Members Presentation 4/15

Michael Green

[Mgreen@climate-xchange.org](mailto:Mgreen@climate-xchange.org)

Noa Dalzell

[ndalzell@climate-xchange.org](mailto:ndalzell@climate-xchange.org)

CLIMATE  CHANGE

# New Administration Generates New Commitment

- Early Action: Executive Orders
  - Reestablished Climate Change at Center of Foreign and Security Policy
  - Climate Finance Plan
  - Oil and Gas Leasing on Federal Land & Keystone XL Pipeline

# Working with Congress

- American Jobs Act
  - \$2 Trillion investment into American Infrastructure
    - Fossil Fuel Site Remediation
    - R+D Investments into Climate Solutions
    - Housing and Critical Infrastructure Investments

# US Climate Leadership Summit

- Looking to Increase Ambition Before Glasgow Climate Summit
- Announcement of the US NDC
  - Business Endorse Ambitious NDC
  - Report Shows that NDC Needs to be 50% by 2030

# Pathways to Deep Decarbonization

- Presidential Authority Under Clean Air Act
- Learning from States Experience
  - Emissions Reductions Being Driven By State Policy

# Regional Policy Update

- Success of Subnational Collaboration:  
California and Quebec
- Regional Greenhouse Gas Initiative
  - Expansion into Virginia and Pennsylvania
- Transportation Climate Initiative
  - States Introduce Draft Rule

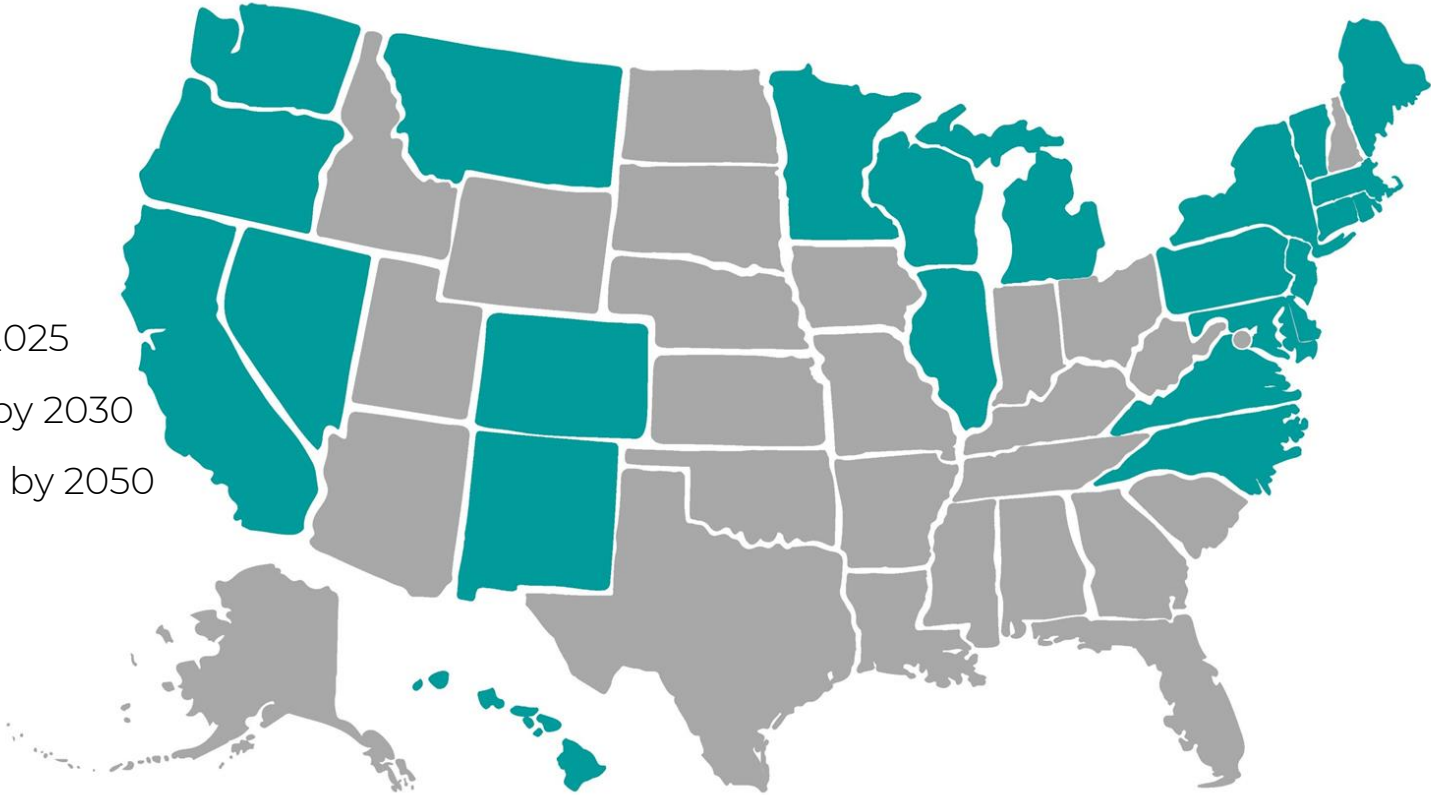
# States Climate Policy Update

# State Climate Policy Network

- Network of 15,000 policymakers, advocates, business leaders and experts pushing for effective and equitable climate policies in their states
- Host monthly national calls and webinars
- Share updates, research, and analysis on the latest climate policy developments in their states



# The US Climate Alliance



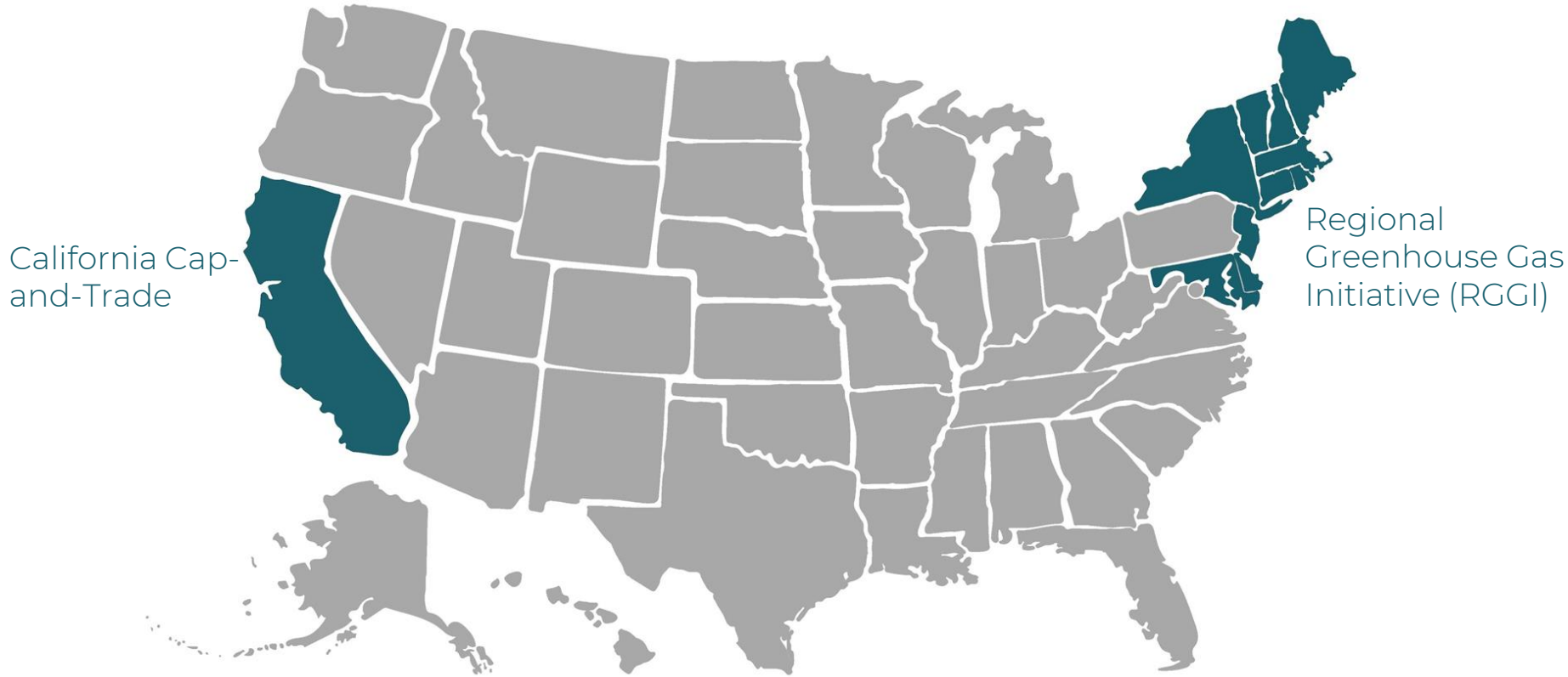
- 26% by 2025
- 45-50% by 2030
- 80-100% by 2050

# States Falling Short

Most states face critical gaps between their commitments and the reductions that will be delivered by current policy measures

- By 2025, 25 states projected to reduce emissions by 11% from 2010 levels, rather than the 45% needed to meet 2030 target
- Projected to reduce emissions by 18% below 2005 levels by 2025, when reduction of 26-28% is needed

# States Putting a Price on Pollution



# Regional Greenhouse Gas Initiative (RGGI)

- **Eleven states** participate in electric sector cap-and-trade program: Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, Vermont, Virginia
- Record-high clearing price of **\$7.80 per carbon ton**
- Record of **\$178 million raised in allowance revenue** → proceeds from Virginia included for the first time
- Pennsylvania on track to join by 2022

# Transportation and Climate Initiative (TCI)

- Transportation sector cap-and-trade program
- Connecticut, Rhode Island, Massachusetts and Washington DC have all signed draft Model Rule
- Introduced legislation at the state level works to ensure at least 50% of money is allocated to frontline communities

# States to Watch

# California

- **Western Climate Initiative** → both current and advance auction sold out, meaning that cap-and-invest program will generate revenue for related climate programming
- Clearing-price of \$17.80 per carbon ton
- CA raised almost \$650 million for Greenhouse Gas Reduction Fund
- Still has a ways to go to achieving emissions goals

# Washington State

- **Climate Commitment Act** passed Senate - would establish an economy-wide cap-and-invest system
- Cap declines annually
- Auction proceeds will prioritize needs of environmental justice communities



# Oregon

- No real talk of cap-and-invest right now
- Executive Order in 2020 updated GHG reduction goals - at least 45% below 1990 levels by 2035, at least 80% below 1990 levels by 2050
- Unclear if Climate Action Plan will lead to goals

# Massachusetts

- Newly-passed climate bill → net zero by 2050, codifies environmental justice, among other provisions
- On carbon pricing → makes clear that Governor has **power to establish price** on carbon pollution
- No plans to price carbon in heating or industrial sectors