

The Cap & Invest Experience

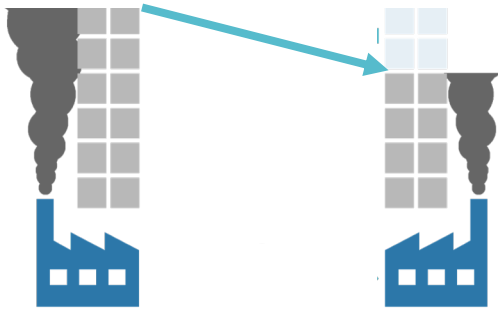
Kevin Tempest, R&D Scientist



Future of Carbon Policy
December 12, 2019

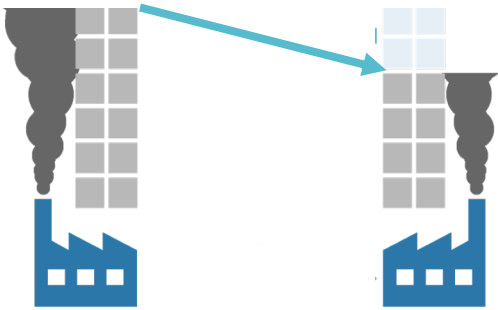
Cap & Invest basics

Declining cap
Sale of permits

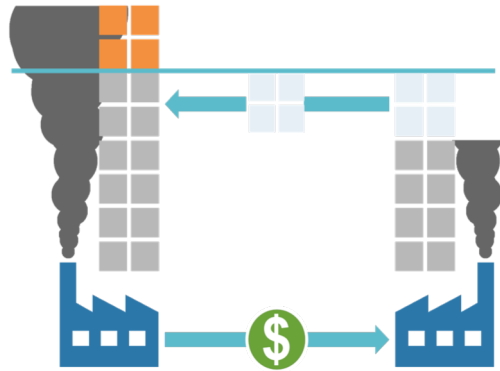


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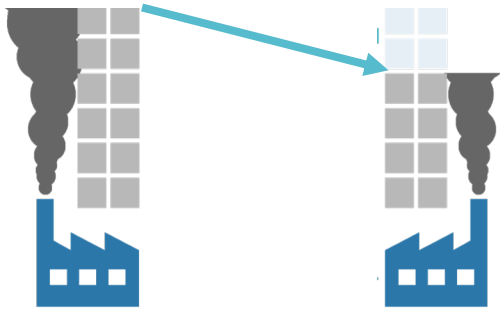


Compliance flexibility
Managed market

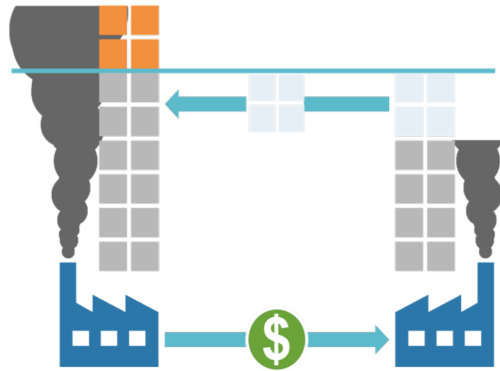


Cap & Invest basics

Declining cap
Sale of permits



Compliance flexibility
Managed market



Auction revenue
funds investments

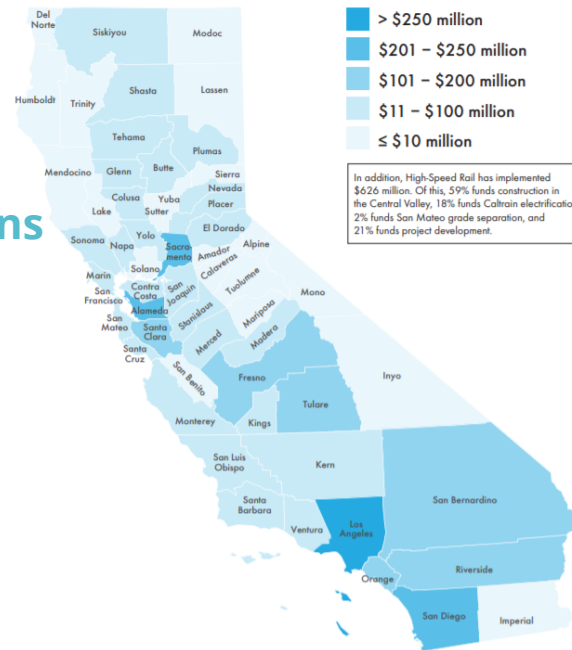




~400k projects implemented

61% benefitting priority populations

~100 million tonnes avoided





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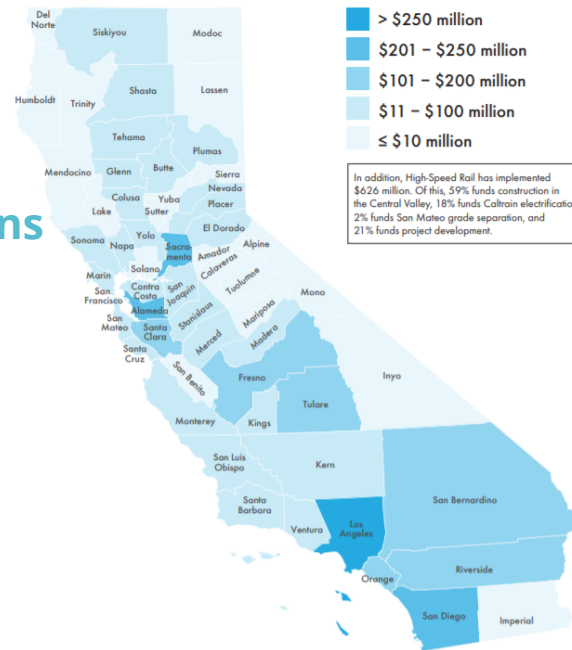
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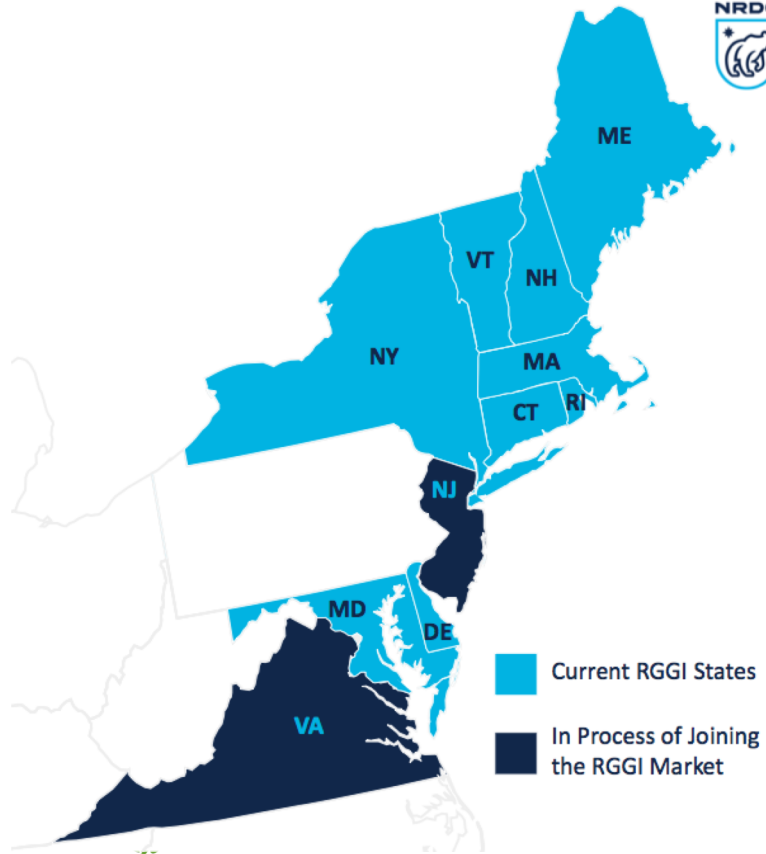
Overall Trends in CA since 2012

2020 emissions target met in 2016

2.6x faster emissions reduction rate

2x economic growth vs USA





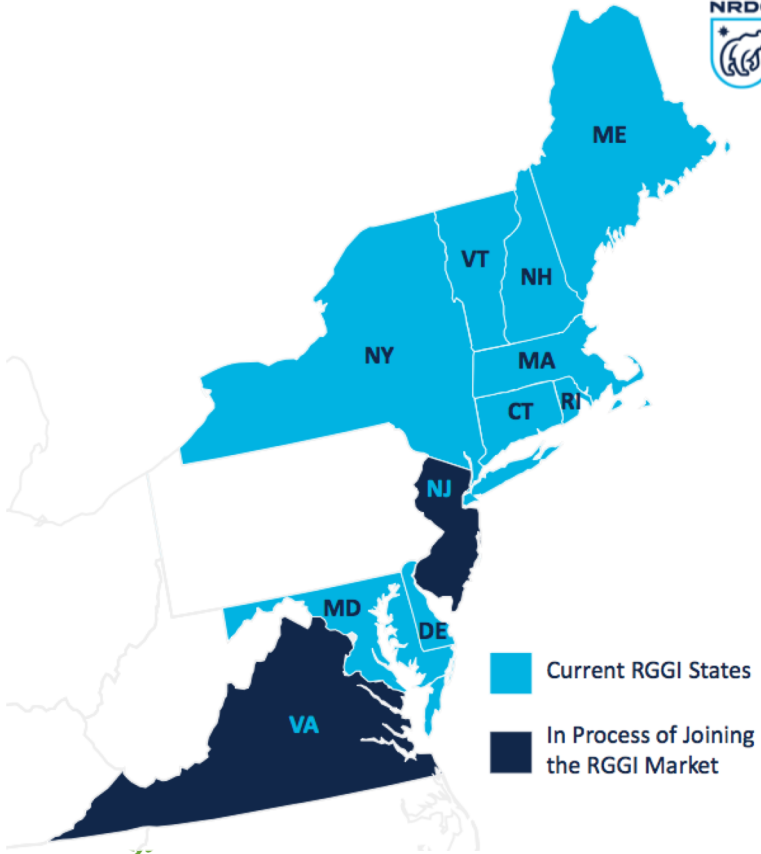
\$2.5B invested, focus on energy efficiency



\$9.3B energy bill savings

30 million tonnes avoided



Data sources : RGGI: [The Investment of RGGI Proceeds in 2017](#), Acadia Center [Outpacing the Nation](#)



 Current RGGI States
 In Process of Joining the RGGI Market

\$2.5B invested, focus on energy efficiency

\$9.3B energy bill savings

30 million tonnes avoided

Power Sector Emissions

GDP Growth

-15%

+4.3%

Relative to Other US States, 2008-2016





TRANSPORTATION & CLIMATE INITIATIVE

Of the Northeast and Mid-Atlantic States

1/4 Of USA GDP





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40% Emissions from transport





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Cap & Invest

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2022 Starting Date



LCPI

Cap & Invest Lessons

Part of a balanced, full-system strategy



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Part of a balanced, full-system strategy

Investments delivering tangible & popular benefits with equity nexus



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Periodic review to evaluate competing priorities and tradeoffs



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Programs are being extended, expanded and replicated → 40% of US GDP



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Economic growth and emissions declines outpacing other states

