



RISEP Update for the EC4

Rhode Island Department of
Environmental Management

November 12, 2014

***“Leading Rhode Island to a secure,
cost-effective, and sustainable energy future.”***

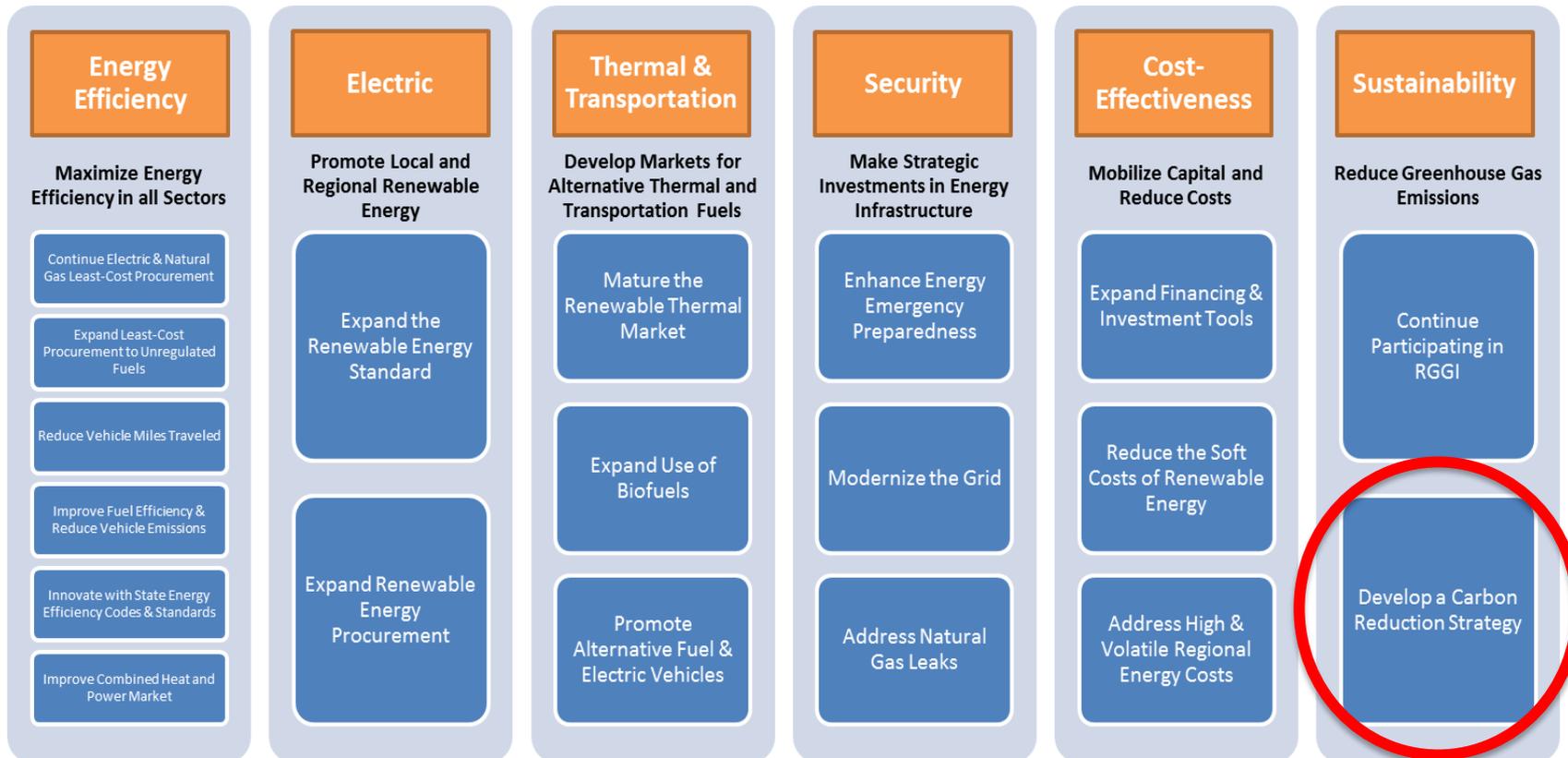
RISEP Status & Update

- Rhode Island statute requires five-year revisions of the RISEP; the last update was in 2002.
- In 2013-14, OER worked with a 20-member Advisory Council, stakeholder groups, and a consultant team to complete a 10-year update, with a planning horizon out to 2035.
- OER completed a “Preliminary Draft Plan” of the RISEP in October 2014.
- At the October RISEP Advisory Council meeting, the Council voted in favor of moving the draft plan to the next stage of State Planning Council review and adoption.
- Statewide Planning is currently adapting the draft plan into the “State Guide Plan” format, which will be reviewed by the State Planning Council Technical Committee and State Planning Council.

RISEP Policy Recommendations

- **Maximize Energy Efficiency in all Sectors**
- **Promote Local and Regional Renewable Energy**
- **Develop Markets for Alternative Thermal and Transportation Fuels**
- **Make Strategic Investments in Energy Infrastructure**
- **Mobilize Capital and Reduce Costs**
- **Reduce Greenhouse Gas Emissions**
- **Lead by Example**

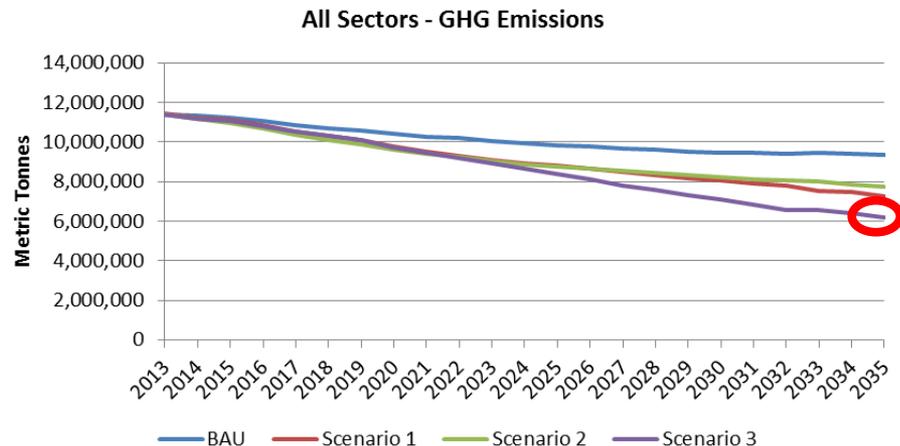
RISEP Policy Recommendations



← Lead by Example →

RISEP: Achievable GHG Reductions

- RISEP modeling shows that 45% GHG reductions below 2013 levels by 2035 is achievable at reasonable costs.
 - This is equivalent to the 2014 Resilient Rhode Island Act that uses a 1990 emissions level baseline
 - Rhode Island’s economy-wide GHG emissions in 2013 nearly match 1990 emission levels (a common baseline)*.
- 45% reductions by 2035 corresponds to a 2-2.5% reduction per year, and sets Rhode Island on pace to achieve ~80% reductions by 2050.



“Develop a Carbon Reduction Strategy”

- The Resilient Rhode Island Act was enacted in 2014, institutionalizing the RISEP GHG reduction target of 45% by 2035 in law.
- The Act helps bring a long-needed comprehensive view to the state’s policies on energy efficiency, renewable energy, thermal, and transportation, and firmly establishes climate adaptation and mitigation as a mandatory guide for policy and regulatory decision-making.
- With clear greenhouse gas emissions reductions goals now institutionalized in state law, the next step for Rhode Island is to develop an implementation strategy to achieve the ambitious reduction targets.
- RISEP Policy Recommendation #19 “Develop a Carbon Reduction Strategy” recommends that policymakers evaluate a cost-effective portfolio of policies to meet statutory near- and long-term greenhouse gas emissions targets
- Many policies proposed in the RISEP will work towards meeting these targets.

Next Steps for the EC4

- **The Resilient Rhode Island Act tasks the EC4 with developing a plan by December 31, 2016 to meet GHG emissions reduction targets of:**
 - 10% below 1990 levels by 2020
 - 45% below 1990 levels by 2035
 - 80% below 1990 levels by 2050
- **Questions for the EC4 to consider for developing the plan:**
 - What 1990 baseline will be used?
 - What business-as-usual emissions forecast will be used?
 - How will economy-wide emissions be treated (e.g. consumption-based vs. generation-based)?
 - How prescriptive will the plan be regarding plans for GHG emissions among sectors and technologies?
 - How will existing data and analysis support the plan and what new analysis is needed?

Massachusetts's Experience

- MA developed GHG emissions reduction “wedges” for policies in different sectors to achieve a 2020 target

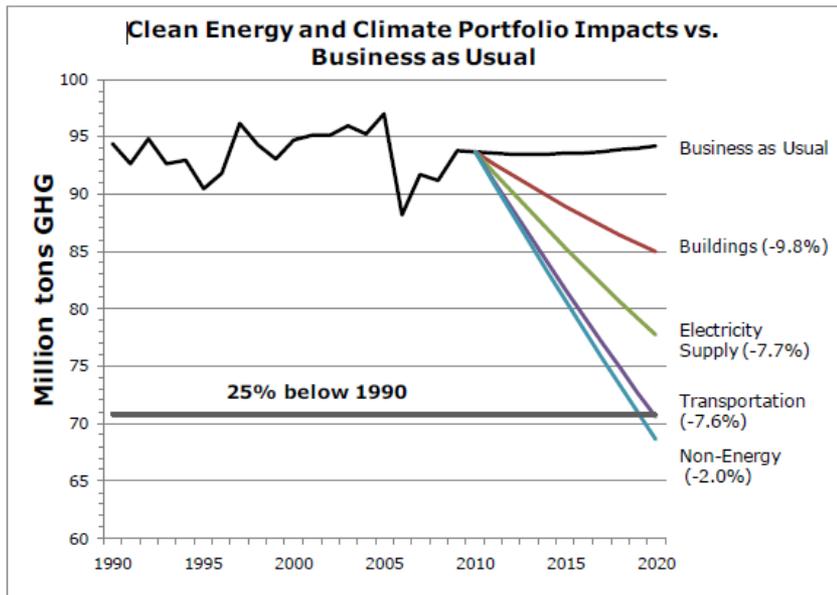


Table ES-2. The Portfolio of Policies	middle estimate % reduction below 1990
Buildings	9.8%
All cost-effective energy efficiency/RGGI	7.1%
Advanced building energy codes	1.6%
Building energy rating and labeling	---
"Deep" energy efficiency improvements for buildings	0.2%
Expanding energy efficiency programs to C/I heating oil	0.1%
Developing a mature market for solar thermal water/space heating	0.1%
Tree retention and planting to reduce heating and cooling loads	0.1%
Federal appliance and product standards	0.6%
Electricity	7.7%
Expanded Renewable Portfolio Standard (RPS)	1.2%
More stringent EPA power plant rules	1.2%
Clean energy imports	5.4%
Clean energy performance standard (CPS)	---
Transportation	7.6%
Federal and California vehicle efficiency and GHG standards	2.6%
Federal emissions and fuel efficiency standards for medium and heavy duty vehicles	0.3%
Federal renewable fuel standard and regional low carbon fuel standard	1.6%
Clean car consumer incentives	0.5%
Pay As You Drive (PAYD) auto insurance (pilot program, possible expansion later)	1.1%
Sustainable Development Principles	0.1%
GreenDOT	1.2%
Smart growth policy package	0.4%
Non-Energy Emissions	2.0%
Reducing GHG emissions from motor vehicle air conditioning	0.3%
Stationary equipment refrigerant management	1.3%
Reducing SF ₆ emissions from gas-insulated switchgear	0.2%
Reducing GHG emissions from plastics	0.3%
Cross-cutting Policies	---
MEPA GHG policy and protocol	---
Leading by Example	---
Green Communities Division	---
Consideration of GHG emissions in State permitting, licensing and administrative approvals	---
Overall reductions versus 1990 (adjusted for uncertainty in Business as Usual (BAU) emissions, policy designs, and impacts of individual policies)	
High BAU emissions and low policy impacts	18%
Middle BAU emissions and policy impacts	27%
Low BAU emissions and high policy impacts	33%