New Jersey State House
125 W State St.
Trenton, NJ 08608

March 26, 2018

RE: Business Support for New Jersey Rejoining the Regional Greenhouse Gas Initiative

Dear Members of the New Jersey Legislature:

As businesses with significant operations and investments in New Jersey, we support efforts to reduce greenhouse gas emissions and accelerate clean energy adoption in the Garden State. We applaud efforts to have New Jersey rejoin the Regional Greenhouse Gas Initiative (RGGI), and we encourage the legislature to safeguard against future attempts to withdraw the state from the program.

Businesses and investors understand the importance of addressing the risks of climate change and the need for predictable and stable policies to reduce carbon pollution. Companies are investing in clean energy solutions and committing to reducing their emissions because of the economic benefits these commitments provide. Stronger state-level policies would help build New Jersey’s clean energy economy, increase competitiveness, reduce energy costs, and improve the resiliency of our electrical grid.

RGGI has a successful track record of reducing electric-sector carbon emissions while lowering regional electricity costs and growing the economy. The program has been so successful that in late 2017, the nine RGGI states reached consensus to extend the program through 2030, while also strengthening the emissions cap and making several programmatic adjustments to further reduce emissions. This bipartisan consensus reinforces the importance of RGGI as a successful, multi-state compact to cooperatively reduce emissions while fostering economic growth.

In leaving RGGI, New Jersey has missed out on hundreds of millions of dollars that the state could have used to expand investments in clean energy, safeguard the coast against rising sea levels and future storms, reduce emissions, or other initiatives that benefit our state. States that have used their auction proceeds for renewable energy and energy efficiency programs have reaped the most economic benefits from their participation.

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1 From 2008-2015, the nine RGGI states’ CO2 emissions dropped 16 percent more than the rest of the country, while the region’s economy grew 3.4 percent more and retail electricity prices dropped 3.4% across the region. See: Acadia Center. Regional Greenhouse Gas Initiative Status Report: Part I: Measuring Success. July 2016.
We commend Governor Murphy’s leadership in signing an executive order to begin the process of New Jersey rejoining RGGI, and we are glad to see bills introduced in the legislature that would do the same. Rejoining RGGI will help New Jersey grow its clean energy economy, attract investments, and increase the state’s attractiveness as a place to do business. We encourage New Jersey to once again take a leadership role in regional efforts to combat climate change and promote clean energy.

We also strongly support efforts to require legislative approval for any future attempts to withdraw New Jersey from RGGI. Policy stability and predictability are important factors for the business community, as they provide the clear market signals we need to invest for the future.

Thank you for considering business perspectives as you evaluate New Jersey’s participation in RGGI. We look forward to the Garden State’s renewed leadership on these important issues, and we are happy to be a resource moving forward.

Sincerely,

Calvert Research and Management
Friends Fiduciary Corporation
Hackensack Meridian Health
Impax Asset Management
JLL
L’Oreal
Miller/Howard Investments
Mars Incorporated
Thornton Tomasetti
Tri-State Coalition for Responsible Investment
Unilever

For more information or to contact the signatories of this letter, please contact Brianna Esteves at esteves@ceres.org.

CC:
Governor Phil Murphy