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## Coalition Urges Joint Committee on Telecommunications, Utilities and Energy to Release Carbon Pricing Legislation

### *Members of Massachusetts Campaign for a Clean Energy Future Call on Committee to Move Carbon Fee & Rebate Policies Forward*

**Boston, Mass. (March 17, 2016)** – Members of the Massachusetts Campaign for a Clean Energy Future, a coalition of business, environmental, civic and other organizations supporting carbon pricing, are urging the chairs of the Joint Committee on Telecommunications, Utilities and Energy (TUE) to recommend to the full Senate two pieces of legislation that would implement carbon pricing in the Commonwealth.

In letters sent to the committee chairs, State Senator Benjamin B. Downing (D-Pittsfield) and State Representative Thomas A. Golden, Jr. (D-Lowell), members of the coalition called on the committee to move the legislation that would institute a carbon fee and rebate policy in Massachusetts forward with a favorable recommendation.

“Residents of Massachusetts send approximately \$20 billion a year to places like Saudi Arabia and Texas to import fossil fuels, which are the primary cause of climate change,” members of the coalition wrote in a series of letters. Fossil fuels are the primary cause of climate change, contribute to increases in asthma, allergies and other respiratory diseases, and put residents of Massachusetts at higher risk for sea-level rise and weather-related damage. These costs are not reflected in the price of fossil fuels, but people and businesses are paying for them as well.

“In 2008, the Commonwealth passed the Global Warming Solutions Act to reduce the state’s carbon emissions, and while we’ve made considerable progress in meeting the mandates laid out in that law, we are not on track to meet these required benchmarks,” wrote coalition members in the letters. “With these mandates in mind, we are supporting legislation to implement carbon pricing through a fee-and-rebate policy. Two bills before TUE, Senate 1747 and Senate 1786, would create common sense carbon pricing systems in Massachusetts.”

Ten coalition organizations each sent a letter to the committee co-chairs in support of carbon pricing implementation. They included Clean Water Action, the League of Women Voters of Massachusetts, the Environmental League of Massachusetts, the Acadia Center, Massachusetts Interfaith Power & Light, 350 Massachusetts and Climate XChange.

“Massachusetts has consistently led the nation when it comes to developing innovative policies to address climate change,” said Cindy Luppi, New England Director for Clean Water Action and Chair of the Massachusetts Campaign for a Clean Energy Future. “We are urging the TUE committee chairs to move the carbon fee and rebate policy forward so that Massachusetts can become the first in the nation to implement a policy that has been effective in reducing fuel consumption and strengthening the economy elsewhere.”

In October, more than 200 individuals – including business leaders, clean energy investors, former public officials, members of the clergy, and high school students - came out to support carbon pricing at a TUE hearing held at the State House. In addition, more than 100 businesses and nearly 100 faith leaders across the Commonwealth have expressed support for implementing carbon pricing in Massachusetts.

Two current proposals at the State House would create a common sense carbon pricing system in Massachusetts, similar to the one that has worked well in British Columbia. One bill, S. 1747, would charge fossil fuel importers a fee based on the carbon content of the fuels. To manage any increase in the overall cost of living and doing business, the revenues from those fees would be collected in a special fund and then sent directly on to residents and businesses in the form of rebates. The less residents and businesses spent on fossil fuels, the more of the rebates they would keep.

Each resident would receive an equal rebate from the fund, giving everyone an incentive to reduce their use of fossil fuel in order to keep more of their rebates. Since low- and moderate-income households tend to use less energy than wealthier ones, most would come out ahead, according to a study done for the Commonwealth’s Department of Energy Resources (DOER). Businesses, nonprofit organizations, and municipalities would receive a dividend from the fund based on their share of the state’s employment, and most industries and economic sectors also would come out slightly ahead.

“This kind of carbon pricing will help us to meet the mandates of the Global Warming Solutions Act while also strengthening the economy and producing thousands of jobs,” said Marc Breslow, Co-Director of Climate XChange, an economist, and the lead author of the Commonwealth's Clean Energy and Climate Plan for 2020

Another developing proposal – S. 1786 - follows a similar model but would invest a small portion of the funds in the clean energy sector. In both cases, Massachusetts would be implementing a policy that encourages residents and businesses to use less fossil fuel, thus reducing carbon emissions while building a more solid, less volatile energy foundation for the economy.

“The carbon fee and rebate model has been demonstrated as successful around the world. For example, in British Columbia, fuel consumption declined 16 percent after the policy was established, compared with a 1 percent increase in the rest of Canada. BC’s economy did better than Canada’s as a whole, and the province is both attracting and growing new businesses for its clean energy sector at an accelerated rate,” said Launa Zimmaro, Member of the Board of Directors and Energy and Conservation Resources Specialist with the League of Women Voters of Massachusetts. “This kind of success is one

reason that this year, more than half of the world's GDP will be produced in places that have carbon pricing.”

In a 2014 study commissioned by the Massachusetts Department of Energy Resources (DOER), the nonpartisan consulting firm Regional Economic Models Inc., estimated that a carbon fee and rebate policy could produce thousands of jobs across the Commonwealth. The DOER study also found that by 2035, this policy could reduce our greenhouse gas emissions to 20 percent below the 1990 level, a substantial improvement from the current 11 percent.

“There is no reason we need to continue sending \$20 billion out of state to pay for fossil fuels when we have much better alternatives,” said Roger Freeman, Chair of the Energy and Environment Task Force of the Alliance for Business Leadership. “Shifting more of those dollars to local renewable energy will help us avoid the annual energy price and supply shocks, grow our local businesses and create jobs.”

“Pope Francis expressed what a growing number of leaders from all faith traditions have recognized, that there is a moral and social obligation to combat climate change, especially because its impact on vulnerable communities will be the most severe,” said Vincent Maraventano, executive director of Massachusetts Interfaith Power & Light, Inc. “Faith leaders are advocating for effective policies, such as the carbon fee and rebate policy, that can make a real and positive difference in people’s lives.

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