In 2009, the six New England states, New York, New Jersey, Maryland and Delaware enacted the Regional Greenhouse Gas Initiative (RGGI), the nation’s first market-based carbon trading program, which requires power plant owners to purchase allowances at auction for the carbon dioxide they emit. In 2011, several private foundations asked the independent economic consulting firm Analysis Group to analyze the economic impacts of RGGI's first three years using actual data and rigorous fact-based analysis.

The first-of-its-kind report, “The Economic Impacts of the Regional Greenhouse Gas Initiative on Ten Northeast and Mid-Atlantic States,” tracks the path of RGGI-related dollars as they leave the pockets of electricity generators, show up in electricity prices and customer bills, make their way into state expenditure accounts and then roll out into the economy. It was released on November 15, 2011. This analysis is the first to focus on the actual economic impacts of RGGI on both electricity markets as well as the general economy.

Background

Coverage

The report garnered widespread coverage with stories in top national news outlets including *New York Times*, *Reuters* and *Bloomberg Businessweek*, and leading state publications including *Baltimore Sun*, *Boston Herald* and *Concord Monitor*. Stories also appeared in business journals, and on local radio stations and influential blogs. Following extensive coverage during the week of the report’s release, the results are now being used to frame other stories related to carbon control policies.

By the Numbers

- The Analysis Group report was directly covered in all 10 RGGI states
- The press release was posted on more than 80 news sites
- It has reached national and local audiences with more than 13 million impressions in traditional and online media as well as more than 38,000 Twitter impressions (impressions are a measurement of likely readers or listeners)

This represents a significant reach and breath of the coverage in top publications throughout the Northeast and nationwide.

National News Outlets

---“...a new study says the program has saved money for consumers, stimulated job growth and kept money in local economies in the states that signed up.”

---“The report….was the first to attempt to track how money from the electric sector cap-and-trade scheme was spent and invested in RGGI’s 10 member states during its first three years.”

---“...”

Produced by CATER Communications
Overall, coverage was uniformly and uniquely positive. The stories were fact based and followed the press release frame.

- Almost every story noted Governor Christie’s decision to pull out of RGGI within the context of RGGI’s positive economic benefits for New Jersey and other states. The popular New Jersey political blog – NJSpotlight – headlined their coverage, “Pulling Out of Greenhouse Gas Initiative an Expensive Mistake, Study Suggests.”

- National coverage tended to focus on positive benefits and debunk naysayers claims. The International Business Times wrote that the study is, “refuting claims from opponents who insist it would be burdensome and financially unfeasible to require companies to cap greenhouse gas emissions.”

- State media and business press focused on comparisons of state data, and the benefits of investing in energy efficiency. The Boston Herald wrote, “...(RGGI) has contributed nearly $500 million to the Massachusetts economy and created almost 3,800 in-state jobs.” And the Concord Monitor reported: “…(RGGI) has boosted New Hampshire’s economy by $17 million and created 458 jobs in the state.” Business Journals provided similar coverage.

- Radio focused primarily on the general positive benefits of RGGI as well as New Jersey’s decision to pull out. New Hampshire Public Radio reported, “....a new analysis shows the carbon dioxide cap and trade program has saved consumers money and created jobs.” And WNYC in New York reported, “New Jersey could be losing jobs and other economic benefits by pulling out of the Regional Greenhouse Gas Initiative, according to a new study.”

- All 10 RGGI member states published and broadcast stories about the report.

- Blogs were more likely to focus on the subjective aspects of RGGI, including the political dynamic between Americans For Prosperity, Koch Brothers, and calls to action.

- Two editorials have run to date: Baltimore Sun and Bloomberg Businessweek. Both were positive, repeated report findings and refuted arguments by RGGI critics. The Baltimore Sun editorial board opined, “Cap-and-trade isn’t the jobs killer that the naysayers claimed but a boost to the economy at a time when jobs are at a premium.”

- The large majority of stories mentioned the authors of the report, framing the firm as an independent, economic consulting firm, based in Boston. A handful of stories mentioned the fact that the study was funded by a group of foundations.

A multi-state compact aimed at reducing greenhouse gas emissions through a cap-and-trade system has contributed nearly $500 million to the Massachusetts economy and created almost 3,800 in-state jobs over the past three years, according to a new report.

The numbers speak for themselves.

...a new analysis shows the carbon dioxide cap and trade program has saved consumers money and created jobs.

Critics had argued that the Regional Greenhouse Gas Initiative -- which links New York, Connecticut and eight other Northeastern states -- would increase energy costs for consumers. Based on its first three years, RGGI (pronounced Reggie) will actually do the opposite, producing $1.3 billion in consumer savings over the next decade, according to the study by the Analysis Group, an economic consulting firm.

One can only hope that Congress might be paying attention to this. A similar program — even one that allows states to determine how proceeds are spent to address future energy needs — could work on a national level.

The report continues to be highly relevant to both clean energy and traditional business groups. Analysis Group has been invited to brief business groups, state legislators and officials as each considers energy programs that serve the needs of their states.

Analysis Group has briefed the New England Electricity Roundtable, the California Business and Climate Network, economists throughout the US, and lawmakers in the New England and Mid-Atlantic states.