

THE NORTHEAST REGIONAL GREENHOUSE GAS COALITION

The Northeast Regional Greenhouse Gas Coalition (GHG Coalition) is a multi-sector industry coalition formed with the objective of participating in the regional climate change policy dialogue with government representatives and other stakeholders in the northeastern United States. Significant actions to address climate change are taking place both internationally, and within the U.S. at the state and regional levels. The GHG Coalition recognizes that policies to control greenhouse gas (GHG) emissions are under development in the northeast U.S. The GHG Coalition seeks to play a role in shaping developing climate change policies throughout the northeastern U.S. in a manner that will ensure the greatest level of coordination in achieving GHG reductions in order to maximize cost-effectiveness.

The GHG Coalition believes that:

- **A National Approach is Necessary** - Climate change is a global issue that necessitates a global approach closely linked with a comprehensive national program. In lieu of such an approach, a coordinated regional approach, which will allow for more cost-effective and environmentally beneficial results, is preferable to individual state programs.
- **The Climate Change Policy Process Must be Transparent** - As policymakers collaborate to discuss the development of regional climate change policy, all stakeholders should be made fully aware of timetables, plans, and most importantly, opportunities for public participation and feedback.
- **All Economic Sectors Should be Included** - The scope of the climate change issue and the scale of the efforts required to address it all point to the necessary participation of all economic sectors across as broad a geographic region as possible. These sectors include but are not limited to the electric, transportation, commercial, industrial, residential, agricultural, and forestry sectors.
- **Emission Trading and Carbon Offsets Must Play a Major Role** - Reasonable GHG emission trading and carbon offset rules for all six GHGs (CO₂, CH₄, N₂O, HFCs, PFCs, SF₆) from all economic sectors should play a major role in climate change policy. Such an approach will create a strong financial signal for industry to invest in energy efficiency, clean and low carbon technologies such as cogeneration, renewable energy, sustainable agricultural practices, and beneficial land management and use.
- **Centralized Data Collection Infrastructure is Key** - A centralized GHG registry is necessary for the implementation of market based climate change policies. A GHG registry should: be based on standardized protocols that are clearly identified, transparent, and represent best practices, serve as a

repository for GHG emission inventory data as well as carbon offset data, have reciprocity with other GHG registries, and provide baseline protection for reporting entities so as not to penalize early actors under future state, regional, or national climate change policies.

- **The Full Menu of Market Based Policy Options Should be Evaluated** - Because cost-effectiveness and market based flexibility are integral parts of effective climate change policies, the Coalition seeks to encourage rational, market based approaches including, but not limited to, direct economic incentives such as tax credits, emissions trading, and carbon offsets to achieve regional climate change goals and objectives.
- **Climate Change Policies Should Encourage Energy Efficiency and Clean Technologies** – A regional climate change program should include innovative policies to reward energy efficiency and lower GHG emissions per unit of production in order to achieve regional goals and objectives in the most cost effective and efficient manner.