

August 7, 2026

Via electronic filing: climate.strategies@mass.gov

Commissioner Bonnie Heiple
Massachusetts Department of Environmental Protection
Attn: Climate Strategies Division
100 Cambridge Street, STE 900
Boston, MA 02114

Re: CLF Comments on the MassDEP's Proposed Amendments to
310 CMR 7.70, *Massachusetts CO₂ Budget Trading Program*

Dear Commissioner Heiple:

Conservation Law Foundation ("CLF")¹ appreciates the opportunity to provide comments on the Massachusetts Department of Environmental Protection's ("MassDEP") proposed amendments to 310 CMR 7.70, *Massachusetts CO₂ Budget Trading Program*.

Reduction of RGGI Cap for 2027-2037

The proposed amendments to 310 CMR 7.70 that reduce the regional CO₂ budget between 2027 and 2037 will create significant reduction in emissions through 2033. While in alignment with RGGI's third program review, these amendments will ensure that the power sector will continue to make meaningful progress toward achievement of net-zero greenhouse gas ("GHG") emissions consistent with evolving climate science, regional decarbonization goals, and Massachusetts' statutory GHG emissions reductions requirements. Strengthening of the RGGI cap is environmentally necessary as well as economically reasonable. As a Commonwealth, we have committed to achievement of increasingly stringent GHG reduction targets under the Global Warming Solutions Act ("GWSA")² and subsequent climate legislation. Our Massachusetts economy emits significant sources of carbon emissions, especially during peak periods when energy generation is dispatched to meet increased demand. Through these amendments, MassDEP ensures that the emissions cap reflects the pace of decarbonization necessary to meet long-term climate mandates. A declining allowance budget sends a predictable market signal encouraging investments into cleaner sources of generation, energy efficiency, energy storage, and other clean technologies that reduce reliance on fossil fuel combustion.

¹ CLF is a non-profit, member-supported environmental advocacy organization working in Massachusetts and across New England to protect our environment for the benefit of all people, to build healthy communities, and to sustain a vibrant economy. CLF is working throughout New England to advance policies and decision-making that reduce greenhouse gas ("GHG") emissions and incentivize clean energy sources.

² G.L. c. 21N.

These amendments will also generate important public health and environmental benefits. Reductions in GHG emissions will occur alongside decreased emissions of co-pollutants associated with combustion, including nitrogen oxides, particulate matter, and other pollutants that contribute to poor air quality and harm Massachusetts communities. By accelerating the transition away from higher-emitting resources, these proposed amendments advance both climate objectives and broader environmental justice goals.

Implementation of an additional Cost Containment Reserve (CCR)

While we strongly support the declining emissions budget as it strengthens emissions reductions and aligns with both RGGI and Massachusetts climate obligations, we recognize that limited cost-containment mechanisms can play a role in preserving grid reliability and maintaining long-term regulatory support for climate periods, especially during periods of market volatility. To that end, CLF urges the MassDEP to ensure that the expanded CCR functions more as a narrowly tailored backstop to stabilize markets and support energy affordability instead of a routine pathway for managing compliance obligations. Activation of CCR should thus only occur during limited circumstances where genuine concerns exist surrounding grid reliability or market volatility.

Elimination of the Emissions Containment Reserve (ECR)

CLF supports the elimination of the ECR, which will help ensure that carbon allowances retain value and incentivize the pursuit of cleaner alternatives in lieu of reliance on inexpensive allowances. This proposed amendment will prevent allowances from being sold at prices that fail to reflect the environmental and public health costs of carbon pollution, which strengthens the market signal necessary to drive continued investment in renewable energy, energy efficiency, energy storage, and other clean resources that are critical to our state's achievement of its Massachusetts climate goals. Elimination of the ECR will better preserve the environmental integrity of the program overall, as it will help ensure that emissions continue to decline in a manner consistent with our GHG reduction and environmental justice objectives.

CLF appreciates the MassDEP's commitment to meeting the Commonwealth's GHG emission reduction goals and aligning with regional RGGI commitments. Thank you for your attention to this matter and for your consideration of these comments.

Sincerely,

Katherine Lee Goyette
Senior Attorney, Conservation Law Foundation