CLEM DINSMORE'S QUESTIONS RELATING TO TRANSPORTATION & CLIMATE INITIATIVE [TCI]

1. EQUITY OF BURDEN ON REGULATED ENTITIES
   (a) Is there material variation in the financial capacity of regulated entities? Are some small jobbers or distributors, who will have difficulty financing carbon emission allowances? Does the proposal encourage the creation by proposed regulated entities of shell corporate entities that limit the effectiveness of enforcement actions?
2. INTERPLAY BETWEEN THE TCI AND THE EXISTING RGGI SCHEME REGARDING THE ELECTRIC UTILITY INDUSTRY
   (a) As the electrification of automobiles and light trucks occurs, will not the current RGGI scheme for the electric utility industry become even more important to the regulation of carbon emissions? Are the RGGI States considering potential changes in the current scheme to account for the probable, materially increased generation of electricity?
   (b) What assumptions do the RGGI States make regarding how the proposal will affect the balance between demand and supply of electricity in their States and the related cost of electricity especially as that cost affects low/lower income persons and entities that a lower capacity to absorb an increase in the cost of electricity?
   (c) What actions have the RGGI States taken or what actions are they considering to enable low/lower income persons and smaller, less well capitalized entities to benefit from energy efficiency investments and other actions that would reduce their demand for electricity?
3. FUELS REGULATED
   (a) Is there any transportation fuel source other than gasoline and diesel that emits carbon when used that could become a fuel source for automobiles and trucks? Is it correct to assume that the combustion of hydrogen produces only water vapor? What about fuel cell vehicles that use natural gas as a fuel source? Should not distributors of natural gas and other gases used in fuel cell vehicles be regulated, too?

4. EQUITY OF BURDEN ON USERS OF REGULATED FUELS
   (a) As the cost of carbon emission allowances will be passed by regulated entities on to consumers of regulated fuels, what complementary measures will the RGGI States undertake to mitigate the cost to low/lower income persons and entities that have a lower capacity to absorb the cost?
   (b) Have the RGGI States considered whether public and non-profit entities engaged in public transportation will be able to absorb the increase in the cost of regulated fuels? Have they considered the impact on low/lower income persons of potentially necessary fare increases? How will such increases affect the mode of transportation chosen by such persons and the carbon emissions that result from their choices?
   (c) How do the RGGI States anticipate the response to the TCI proposal by very large consumers of regulated fuels such as Amazon, UPS, FedEx, large trucking companies and other major road users? How might these users avoid or mitigate the cost to them of the carbon emission allowances? Might they move aggressively to the use of fuel cell or hydrogen fueled truck tractors?
5. PROJECTING THE REVENUE TO THE RGGI STATES
   (a) How have the RGGI States projected the revenue to them from the proposal? What assumptions do they make including an assumption regarding the pace at which the electrification of automobiles and light trucks will/may occur or a change in fuel source for trucks will/may occur?