



A Price on Carbon: Path to Clean Energy Future

Well-designed carbon pricing reduces emissions now, supports innovative technology to cut or eliminate future emissions, maintains reliability and ensures proceeds go to affected communities, households and businesses.

The Natural Gas Supply Association supports a price on carbon as a critical solution to reducing carbon emissions in power markets now and drastically cutting or eliminating them in the future by spurring the development of innovative technologies.

The most effective approach to carbon-pricing is a uniform, broad-based one that is national or global and includes all emitting sectors. However, with many individual states currently designing plans to reduce emissions, NGSA urges state policymakers to adopt a price on carbon, ideally as part of a coordinated regional approach to power markets in order to make the biggest impact and reduce complexity in implementation. The proceeds from carbon-pricing should be directed to affected communities, households and businesses.

While aggressively reducing total emissions, well-structured, even-handed carbon pricing in power markets can also maintain grid reliability by limiting the regulatory uncertainty that can adversely impact continued energy investment.

ADOPTING A PRICE ON CARBON EMPOWERS STATES TO ACHIEVE CARBON REDUCTIONS WITHOUT COMPROMISING COMPETITIVE ENERGY MARKETS AND THE COST-SAVINGS THEY HAVE DELIVERED TO CONSUMERS .

As leaders in the natural gas industry, NGSA and its members want to reduce carbon emissions and protect our environment while ensuring energy remains affordable for hardworking families. We support innovative market solutions and technologies to reduce emissions and are dedicated to achieving a cleaner planet through strong partnerships with renewables.

Carbon pricing can maintain grid reliability, complement renewables, reduce total emissions, and keep costs lower for consumers.

NGSA RECOMMENDATIONS FOR STATE POLICYMAKERS

Adopt carbon pricing in power markets as the best pathway to achieving lower energy emissions, maintaining grid reliability and saving consumer costs.

The more broad-based the approach to implementing carbon pricing, the better.

Choose market-based solutions that do not distort or compromise competitive energy markets.

State measures enacted to reduce carbon emissions, such as government-led procurement programs and subsidies, should be considered transitional mechanisms relied upon only when a market-based carbon pricing program is not yet in place but such measures should not be long-term.

All resources and technologies should compete fairly on their carbon intensity.