MEMORANDUM

TO: Maryland RGGI Stakeholders
FROM: Dan Nees, Environmental Finance Center
       University of Maryland
RE: Update on Stakeholder Process
DATE: October 5, 2006

Introduction
The Maryland Department of the Environment (MDE) has contracted with the University of Maryland, through the Center for Integrative Environmental Research, to conduct an independent study of the economic and environmental impacts related to Maryland’s potential participation in the Regional Greenhouse Gas Initiative (RGGI). This document provides a briefing on the project team’s stakeholder input and engagement process. In addition, we have provided a project timeline, including significant deadlines and events related to the stakeholder process. If there are any questions or comments concerning the study and the stakeholder process, please contact Dan Nees at the Environmental Finance Center at the University of Maryland at (301) 403-4610, ext 25.

Review of Stakeholder Input Process
The University of Maryland RGGI project team recognized the importance of ensuring adequate stakeholder input into the study and modeling process. The Environmental Finance Center (EFC), located at the University of Maryland in College Park has coordinated and managed the Project Outreach Committee and has served as a liaison between stakeholder interests and organizations and the project team leaders. Given the short timeline necessary for completing the study, it was essential that the stakeholder input process be constructed in a way that ensures efficient, accurate, and effective communication between stakeholder organizations and the project team leaders. Given this short timeline, it was also essential that this process incorporate the existing goals and procedures of the RGGI program, including:

- Providing a mechanism for informing the public and stakeholders of the Maryland RGGI project team’s deliberations research process;
- Providing a forum for early input from stakeholders on key elements of the modeling and research process;
- Maintaining an ongoing dialogue between the Maryland RGGI project team and stakeholders; and,
- Establishing opportunities for the public and stakeholders to submit formal comments to the RGGI project team leaders at key decision points in the research and modeling process.

Update on Stakeholder Process
Because of the complexity of the various modeling tools, as well as the truncated project
timeline, it was critical that stakeholder comments related to the research and modeling process itself be accomplished soon enough to allow for effective analysis. The following section provides a description of the tools and methods implemented to engage critical stakeholders.

**Stakeholder contact** The project team recognized that there are many stakeholder organizations, research experts, and advocacy organizations that have a direct and ongoing role to play in the RGGI process. In addition, because of the shortened project timeline, it was essential that the project team engage these critical stakeholder groups early in the process. EFC staff, in partnership with project team members, MDE officials, and project stakeholders, developed a list of key stakeholders that served as primary contacts early in the process. Each organization on the list was contacted directly, both through email and direct phone calls, to explain the process and to answer any questions they might have on the process for submitting comment. A database was developed cataloging input from each stakeholder. The project team also recognized that many of the stakeholders identified would know other individuals, organizations, and institutions that may be interested in providing comment. Therefore, we requested that each person forward the information on the process to his or her peers.

To assist in providing up to date information to interested stakeholders, the project team developed a web site that contained detailed information on the project, the study process, stakeholder engagement, and specific deadlines. Included on the site was specific information related to the modeling assumptions. The web site will continue to serve as a primary tool for disseminating information to interested organizations and experts throughout the study process.

**Stakeholder input**
The project team set an initial deadline for stakeholder comments of September 15, 2006. However, a number of potential stakeholders expressed concern that the September 15 deadline did not allow enough time to provide significant input. Therefore, the project team made the decision to extend the deadline for comment to September 25, 2006 at 9:00 AM EST. The comments were required to be submitted in writing via email to the Environmental Finance Center. Though several stakeholders continued to express concern over the truncated timeline, the project team received 12 comment letters representing 15 different organizations. A complete record of each submission will be available on the CIER web site (www.cier.umd.edu) on October 10, 2006.

All of the comments were reviewed, analyzed, and discussed by the project team. On September 27, 2006, a conference call was conducted with the project modelers and interested stakeholders to discuss the results of the stakeholder process and any resulting refinements to the assumptions. An update description of the assumptions is provided on the CIER web site.

**Additional stakeholder input**
In addition to providing input on the assumptions to be used in the modeling process, many stakeholders also provided comments on alternative modeling scenarios and other research issues and activities. One or two stakeholder organizations also expressed an interest in conducting their own analysis on the RGGI issue and would like for the project team to consider their findings in any possible future model runs. Though the opportunity for conducting further model runs is very limited due to the truncated time line, the project team will consider any comments or suggestions on modeling priorities. Any further comments or suggestions related to alternative scenarios must be received by the project team by October 25, 2006. The project team will compile these comments and discuss the results and plans for possible alternative scenario model
runs on a stakeholder conference call at **9:00 AM on November 1, 2006**. Call instructions will be forwarded within the next week or two.

The final project report will be delivered to MDE in January 2007. The project team’s analysis will provide the State with a comprehensive forecast of all the major impacts of Maryland’s participation in RGGI so that it can make appropriate decisions for the benefit of Maryland and its residents. The project team feels that it is critical for stakeholders to have an opportunity to provide comment on the final analysis prior to delivery of the final report to the State. Though it is not possible to predict when the official review process will begin and end, we anticipate providing stakeholders with a draft report towards the end of the calendar year. A specific date will be provided to you as soon as possible.