



Regional Greenhouse Gas Initiative (RGGI) Overview

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Executive Director, RGGI, Inc.

Overview

- Role of RGGI, Inc.
- RGGI structure / overview
- CO₂ allowance auctions
- Independent market monitor
- RGGI CO₂ Allowance Tracking System (COATS) & compliance

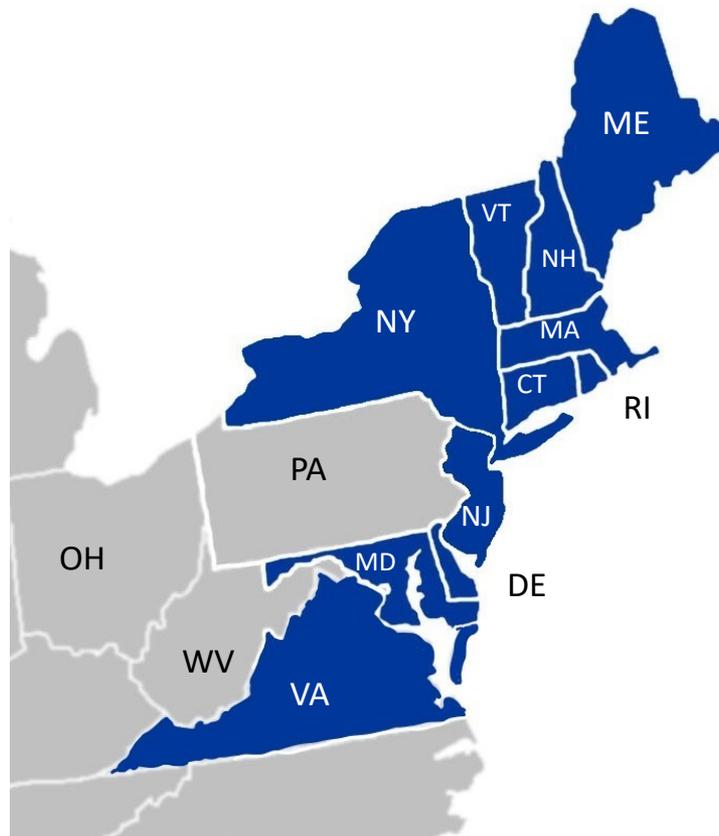
RGGI, Inc.

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*Provides RGGI states with **technical & administrative services** to support implementation of each RGGI state's CO₂ Budget Trading Program*

- Nonprofit corporation
- Separate contracts with each state
- Agent on behalf of states
- RGGI, Inc. Board comprised of two directors from each state

The RGGI States



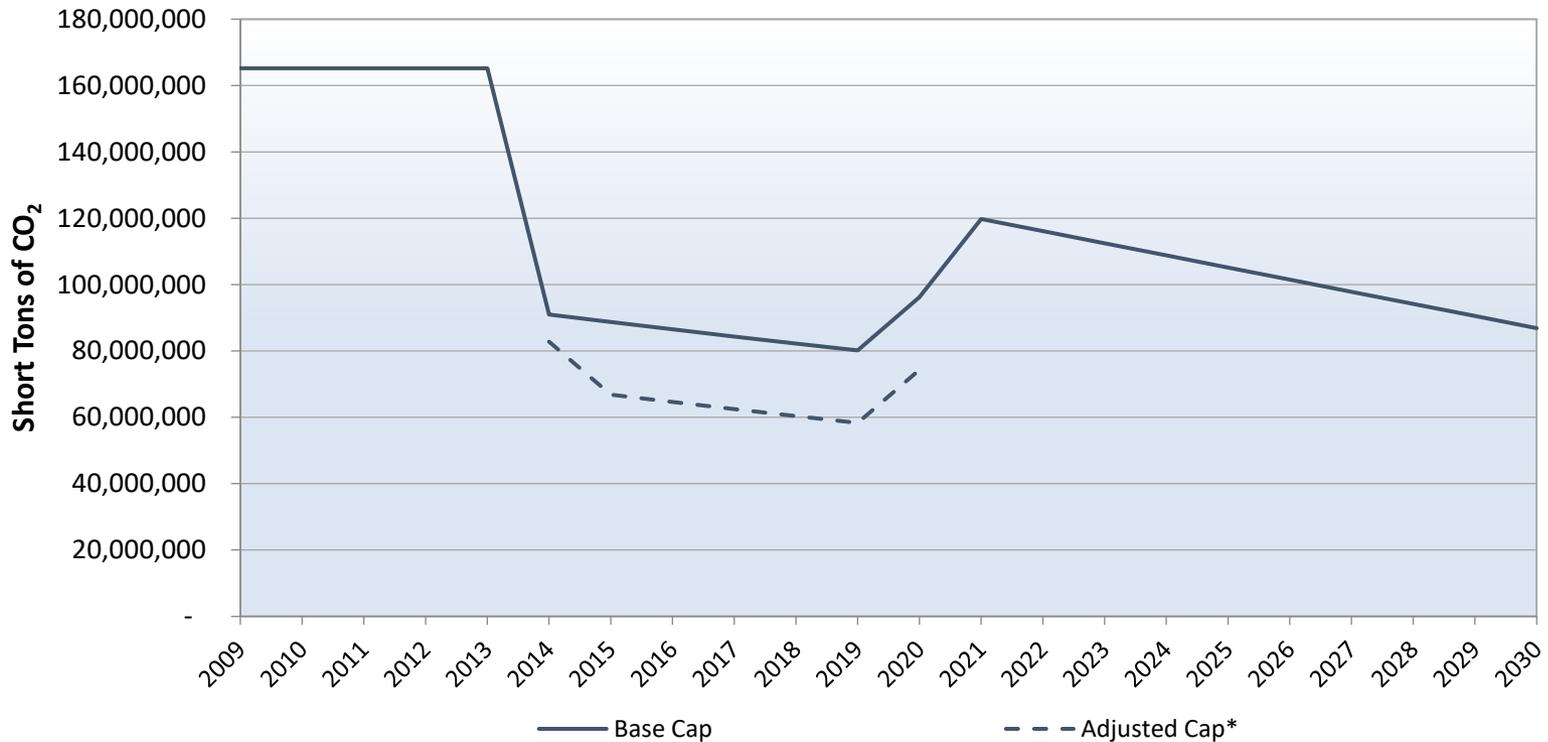
RGGI Structure

- Eastern states cap-and-invest program
 - Power sector
 - Fossil generators 25+ MW
 - State-issued allowances
 - Auction distribution
 - Fungible, bankable, and tradable
- 2020 cap (RGGI-10): 96.2 million tons
- 2021 cap (RGGI-11): 119.8 million tons
- Proceeds reinvested

RGGI First Principles

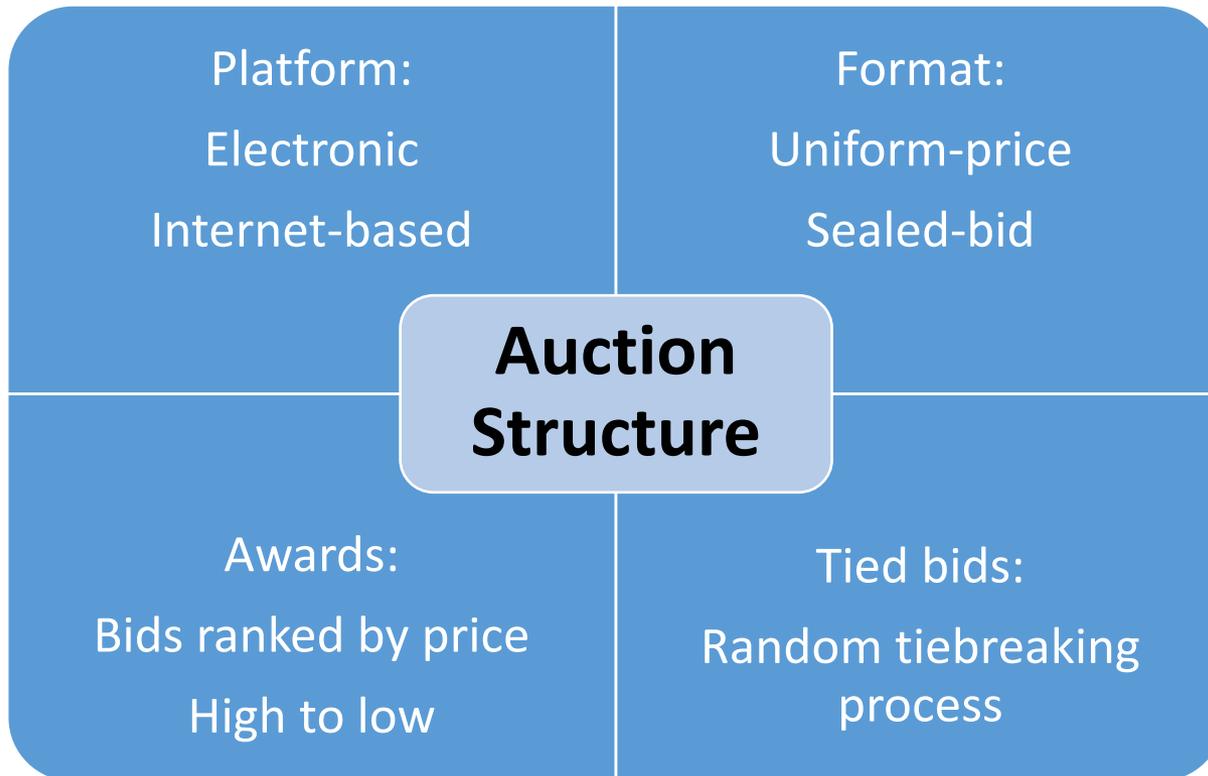
- Individual state CO₂ budget trading programs
 - Independent legal authority
 - Regulations aligned with Model Rule
- Reflects regional nature of electric grid
- Market-based, cost-effective CO₂ reductions
- State agencies provide governance

RGGI CO₂ Emissions Cap



*The cap was reduced by an adjustment of 140 million across 2014-2020 to account for a surplus of privately held allowances. An additional adjustment to the cap, to be calculated in March 2021, will be made across 2021-2025.

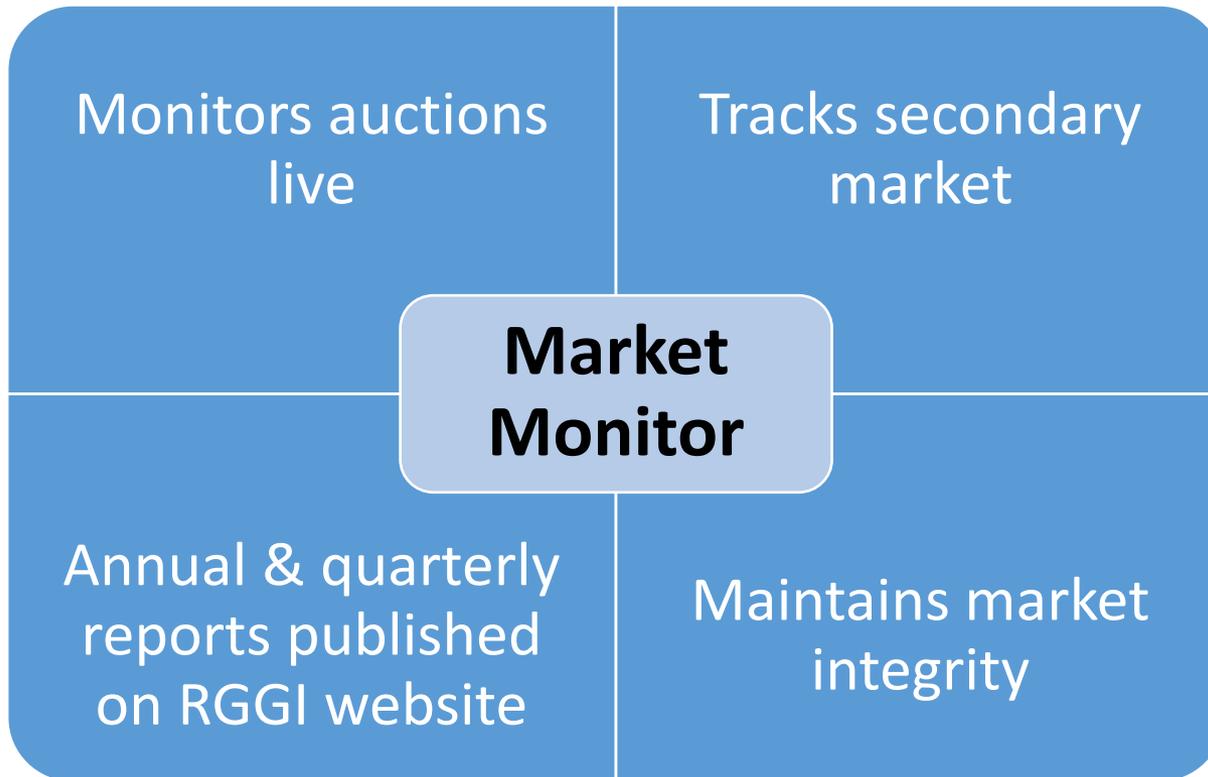
RGGI Auctions



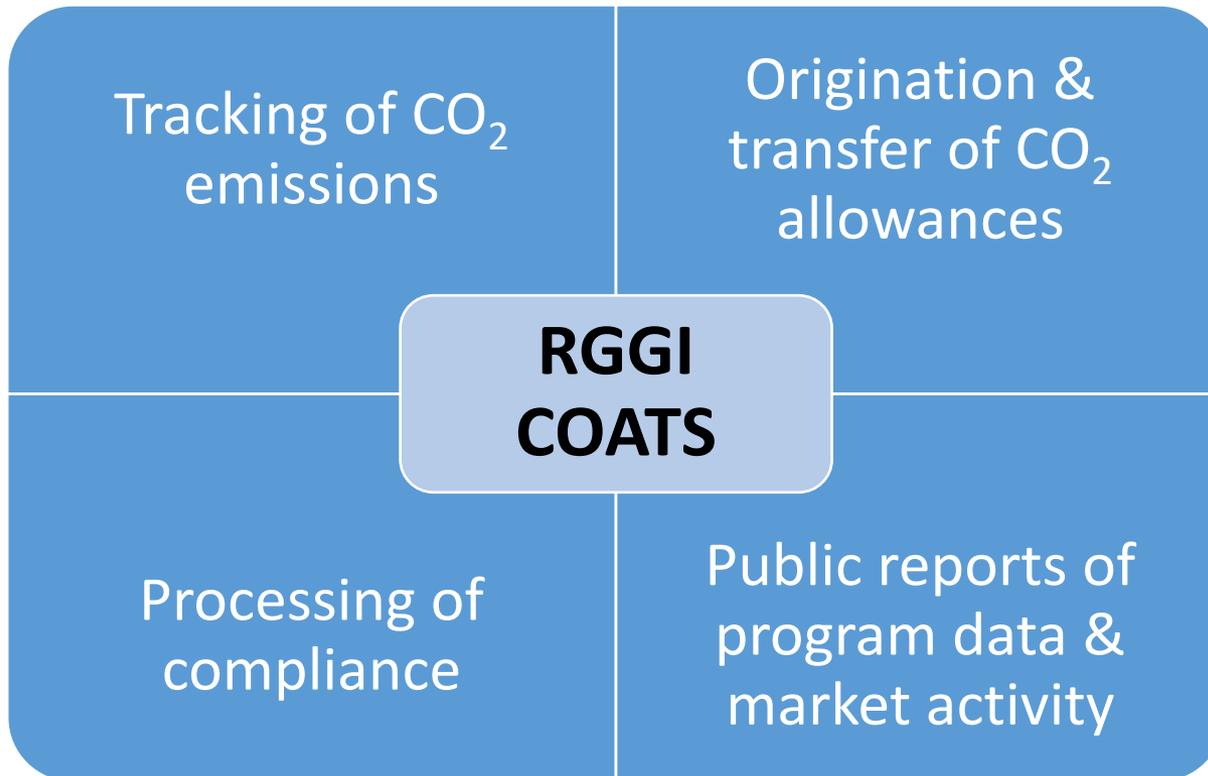
RGGI Auctions

- Market stability mechanisms
 - Minimum reserve price
 - Cost Containment Reserve
 - Emissions Containment Reserve
- Quarterly auction [cycle](#)
 - Auction [materials](#) release for each auction
 - Training videos available on:
 - [RGGI auction participant application portal](#)
 - RGGI auction tutorial (ex: [Auction 49](#))

Independent Market Monitor



REGI COATS



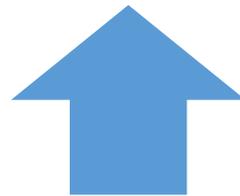
RGGI Market Compliance

Three-Year Control Period Compliance

Three-year control periods

Sources must hold allowances = 100% three-year emissions

EPA CAMD data
COATS tracks compliance



Interim Control Period Compliance

First two years of three-year control period

Sources must hold allowances = 50% annual emissions

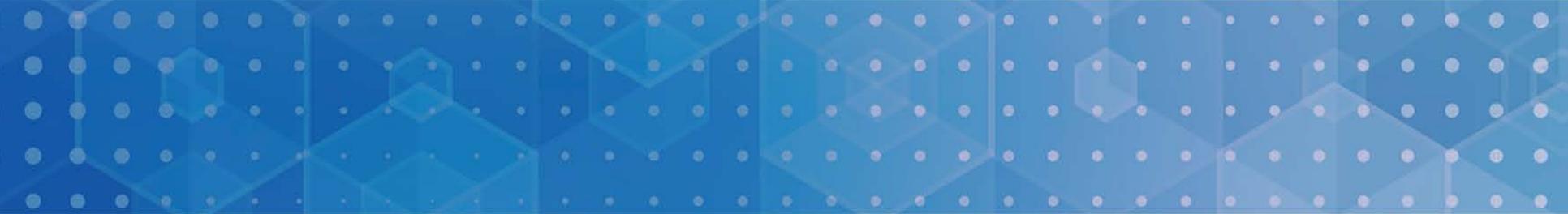
EPA CAMD data
COATS tracks compliance

RGGI COATS

- Access to [RGGI COATS](#)
 - Update data in US EPA [CAMD Business System](#)
 - COATS compliance account
 - [Register](#) for COATS login
- Interim and three-year compliance processes
 - Guidance [materials](#) release for each compliance period
 - Instructional webinar held

RGGI Reinvestment

- RGGI states receive proceeds directly once auction results have been approved by the states
- RGGI invest proceeds in strategic programs
 - Over \$2.5 billion invested through 2018
 - Generating billions in consumer savings
 - Avoiding millions of tons of additional CO₂ emissions



Thank you!

Contact: info@rggi.org