

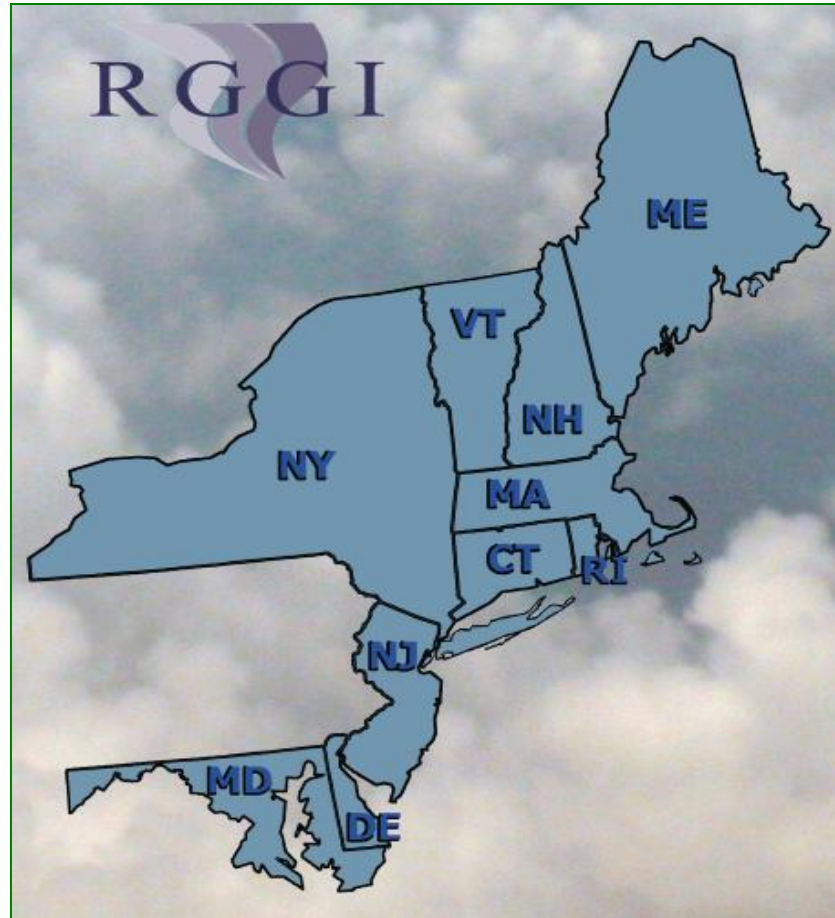
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# Regional Greenhouse Gas Initiative (RGGI; “Reggie”)

Will Space  
Shenzhen, China  
March 12, 2012

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# Regional Greenhouse Gas Initiative



- Cap and trade for carbon dioxide emissions from power plants in 10\* US states
- First compliance deadline: March 1, 2012 (for 2009 – 2011 emissions)

\*NJ is not participating in the second compliance period

# RGGI: History and Timeline

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- 2005: States agree on RGGI design features
- 2006 – 2007: Model rule development
- 2008: State rulemaking processes
- 2009 – 2011: First compliance period
- 2012 – 2014: Second compliance period
- 2012: Program review

# RGGI: Key Program Features

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- Stabilize then reduce emissions:
  - 2009 – 2014: 188 million short tons per year
  - 2015 – 2018: reduce by 2.5% per year
- Coverage and scope: power plants 25 MW+
- Offsets:
  - Five protocols
  - Limits on use; price triggers
- Allowance auctions
- Unlimited allowance banking by facilities

# RGGI: First Compliance Period

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- Emissions:
  - 2009: 124 million short tons
  - 2010: 138 million short tons
  - 2011: 124 million short tons
- Auctions:
  - Clearing prices: \$1.86 – \$3.51 per short ton
  - Over 400 million allowances sold; nearly \$1 billion
  - Most revenue used for efficiency and renewable energy
  - Unsold allowances to be retired
- No offset allowances created

# RGGI: Program Review

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- Comprehensive review covering:
  - Program impacts
  - Additional reductions
  - Imports and emissions leakage
  - Offsets
- Economic modeling underway to evaluate:
  - Adjustments to cap level
  - Cost containment allowance reserves
- Information: [www.rggi.org](http://www.rggi.org)