

RGGI Stakeholder Workshop on Allowance Apportionment and Allocation

Options for Allocating Allowances

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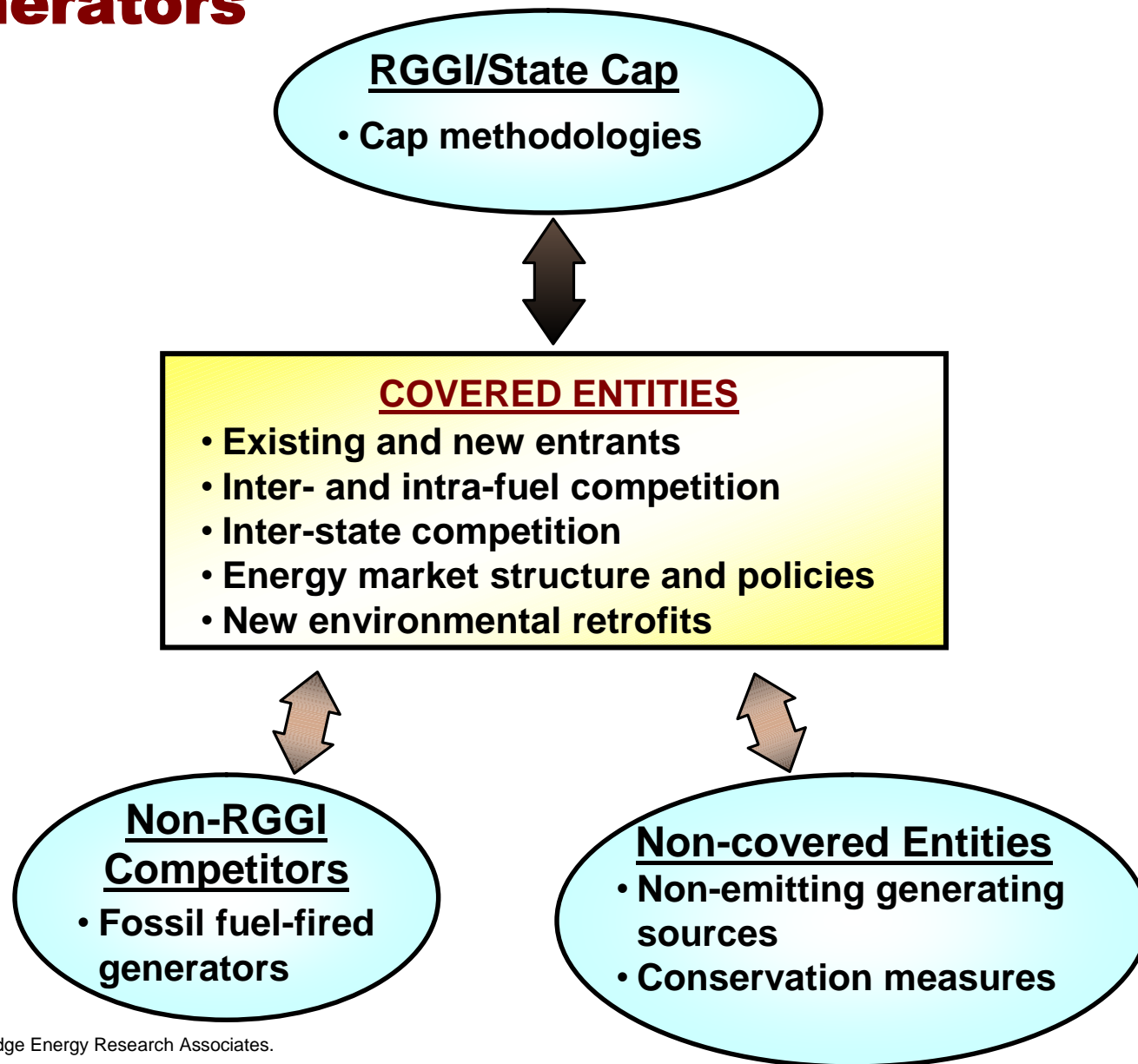
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RGGI Guiding Principles for Program Design - Excerpt

- **“The program will emphasize uniformity to facilitate interstate trading in GHG allowances and will build on successful cap and trade programs and mechanisms already in place.”**
- **“The program will be expandable and flexible, permitting other states to seamlessly join in the initiative when they deem it appropriate.”**
- **“The program shall start simply and develop over time.”**

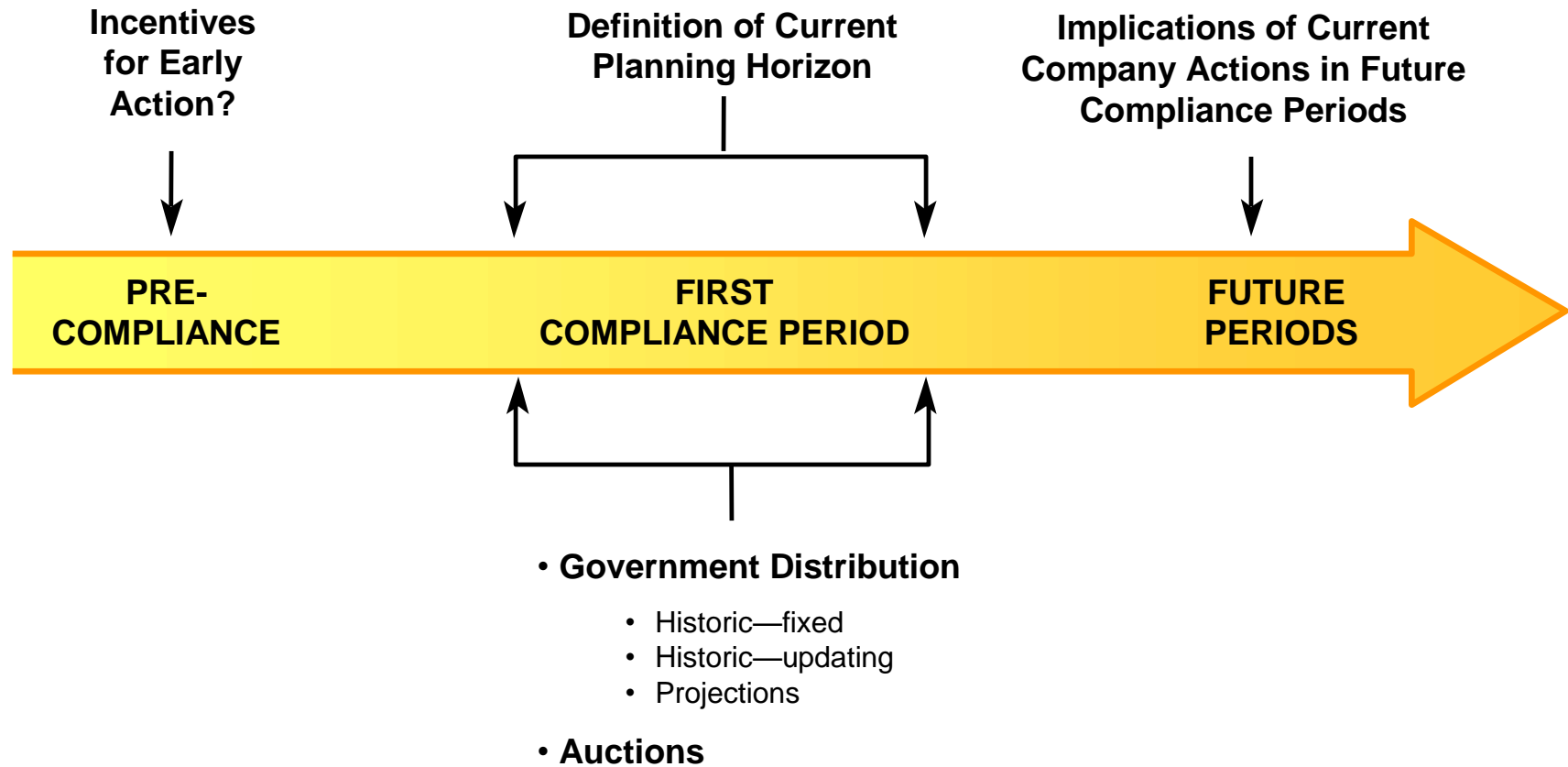
Key Players for Allocations to Electric Generators



Source: Cambridge Energy Research Associates.

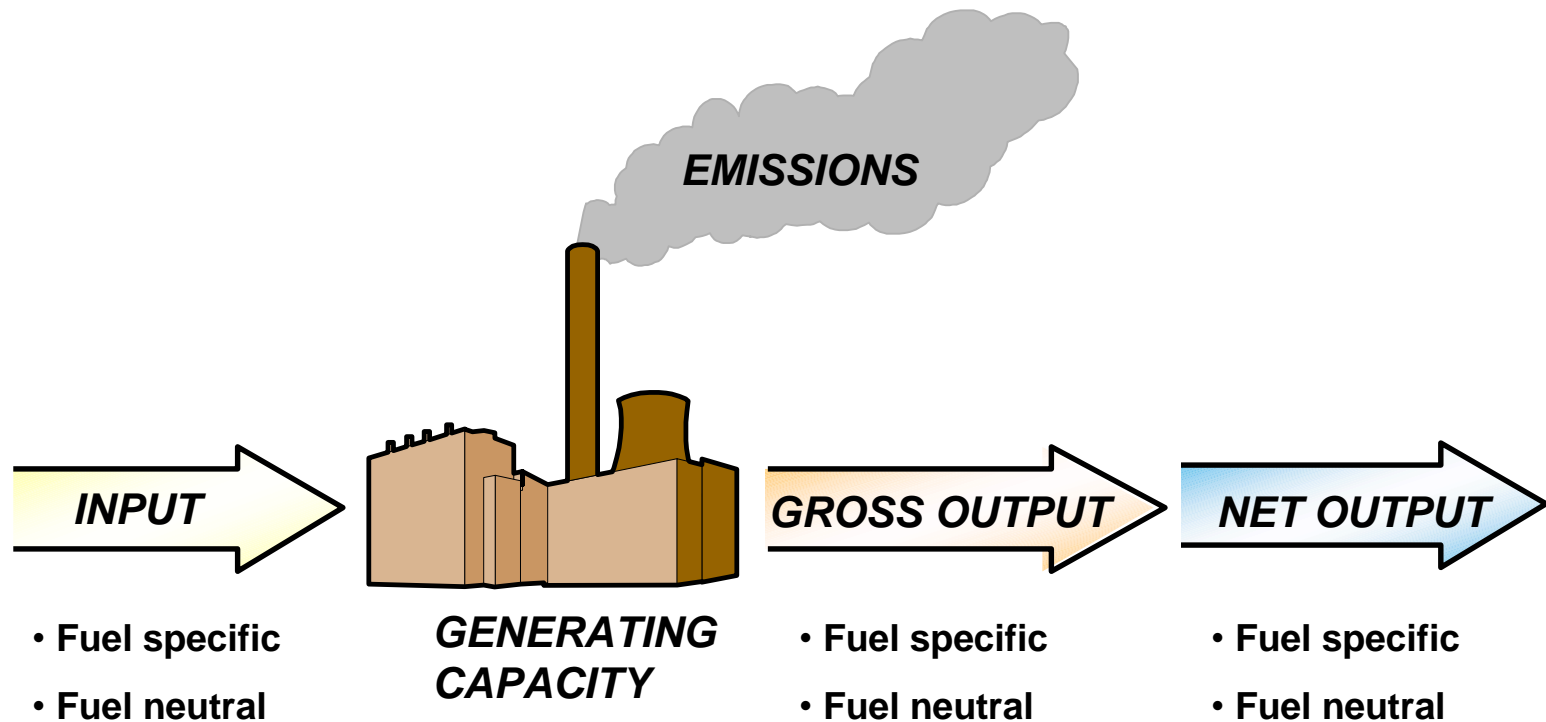
Temporal Issues

The Compliance Planning Horizon



The Trade-off of Regulatory Certainty versus Program Flexibility.

Metrics for Allocating to Power Generators



Summary

- **Many options are available for allocations**
- **The challenge is to prioritize goals and then select best options to achieve goals**
- **Simplicity and transparency are good starting points**

**If you have any questions about this presentation or
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Robert LaCount

800 TRY CERA

+1 617 866 5000

rlacount@cera.com



55 Cambridge Parkway
Cambridge, Massachusetts 02142, USA

www.cera.com

