



Regional Greenhouse Gas Initiative, Inc.
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RGGI Auction Sells 20.9 Million CO₂ Allowances

Current Control Period Allowances Sold at \$1.93

NEW YORK, NY—20,941,000 carbon dioxide (CO₂) allowances were sold in the Regional Greenhouse Gas Initiative's (RGGI) 16th quarterly auction on Wednesday, announced the nine Northeastern and Mid-Atlantic States participating in the second RGGI control period. The \$40.4 million in funds generated by the auction will be reinvested by the RGGI States in energy efficiency, clean and renewable energy, direct bill assistance, and other consumer benefit programs across the region.

Bids for the CO₂ allowances ranged from \$1.93 to \$6.14 per allowance, with a clearing price of \$1.93, the minimum reserve price for the auction. Allowances sold represent 57 percent of the 36,426,008 allowances offered for sale by the nine states.

According to the independent market monitor's report, electricity generators and their corporate affiliates have won 87 percent of CO₂ allowances sold in RGGI auctions since 2008. Additional details are available in the *Market Monitor Report for Auction 16*, available at: http://www.rrgi.org/docs/Auctions/16/Auction_16_Market_Monitor_Report.pdf

"When you look at the facts, the RGGI region retained more jobs and sustained higher economic growth than any other region of the country through the recent economic downturn—at the same time, power sector CO₂ emissions have dropped to their lowest levels since the early 1980's," said Dan Esty, Commissioner of the Connecticut Department of Energy and Environmental Protection and Vice Chair of RGGI, Inc. "Creating jobs, spurring economic growth, and investing in a smarter energy future are hallmarks of the RGGI program."

"Up and down the east coast, states are demonstrating that we can strengthen our economy and reduce emissions at the same time," said Collin O'Mara, Secretary of the Delaware Department of Natural Resources and Environmental Control and Chair of RGGI, Inc. "By working closely with industry partners, critical energy investments are being made today that are enhancing our economic competitiveness, creating well-paying jobs, and laying a foundation for years of economic expansion."

The RGGI states continue to analyze electricity generation and emissions trends as part of the comprehensive 2012 program review. CO₂ emissions in the ten-state region were 33 percent below the annual pollution cap of 188 million short tons during the first control period.

The next RGGI auction is scheduled for September 5, 2012.

| Auction 16 Results At-A-Glance | |
|---|--------------------|
| Auction Date | June 6, 2012 |
| Allowances Offered for Sale | 36,426,008 |
| Allowances Sold | 20,941,000 |
| Ratio of Bids to Supply | 0.57x |
| Clearing Price | \$1.93 |
| Reserve Price | \$1.93 |
| Proceeds from Auction 16 | \$40,416,130.00 |
| Total Cumulative Proceeds (All Auctions) | \$1,034,168,168.19 |
| Number of Bidders in Auction 16 | 24 |
| Percent of Allowances Purchased by Compliance Entities & their Corporate Affiliates in Auction 16 | 95% |

More data is available at: http://www.rggi.org/market/co2_auctions/results.

About the Regional Greenhouse Gas Initiative

The Northeast and Mid-Atlantic states participating in the second RGGI control period (Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New York, Rhode Island, and Vermont) have implemented the first mandatory market-based regulatory program in the U.S. to reduce greenhouse gas emissions. Power sector CO₂ emissions are capped at 165 million short tons per year through 2014. The cap will then be reduced by 2.5 percent in each of the four years 2015 through 2018, for a total reduction of 10 percent.

RGGI is composed of individual CO₂ budget trading programs in each state, based on each state's independent legal authority. A CO₂ allowance represents a limited authorization to emit one short ton of CO₂, as issued by a respective state. A regulated power plant must hold CO₂ allowances equal to its emissions to demonstrate compliance at the end of each three-year control period. RGGI's second control period began on January 1, 2012 and extends through December 31, 2014. CO₂ allowances issued by any state are usable across all state programs, so that the individual state CO₂ budget trading programs, in aggregate, form one regional compliance market for CO₂ emissions. For more information visit www.rggi.org

About Regional Greenhouse Gas Initiative, Inc.

Regional Greenhouse Gas Initiative, Inc. (RGGI, Inc.) was created to provide technical and administrative services to the states participating in the Regional Greenhouse Gas Initiative. RGGI, Inc. is a 501(c)(3) nonprofit organization. For more information, visit: www.rggi.org/rggi

The RGGI auctions are administered by RGGI, Inc. and run on an on-line platform provided by World Energy Solutions, Inc.

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