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CO₂ Allowances Sold for \$19.76 in 67th RGGI Auction

First Auction of 2025 raises \$465 Million for Reinvestment

NEW YORK — The participating states in the Regional Greenhouse Gas Initiative (RGGI), the nation's first market-based regulatory effort to reduce greenhouse gas (GHG) pollution, today announced the results of their 67th auction of carbon dioxide (CO₂) allowances.

23,527,000 CO₂ allowances were sold at the auction at a clearing price of \$19.76. This includes an initial offering of 15,392,222 allowances, and 8,134,778 CCR allowances. Bids for the CO₂ allowances ranged from \$2.62 to \$50.00 per allowance. Additional details are available in the [Market Monitor Report for Auction 67](#), which is appended.

The auction generated \$464.9 million for states to reinvest in strategic programs, including energy efficiency, renewable energy, direct bill assistance, beneficial electrification, and GHG abatement programs.

8.13 million cost containment reserve (CCR) allowances were available for sale during Auction 67. The CCR is a fixed additional supply of allowances that are made available for sale if an auction's interim clearing price exceeds a certain price level (\$17.03 in 2025). Of the 23,527,000 CO₂ allowances sold in Auction 67, 8,134,778 were CCR allowances. This represents the full complement of CCR allowances available in 2025. As a result, no further CCR allowances will be available for the three remaining 2025 auctions.

7.55 million emissions containment reserve (ECR) allowances were available for withholding. The ECR is a designated quantity of allowances to be withheld if an auction's interim clearing price is below an established price level (\$7.86 in 2025). No ECR allowances were withheld in Auction 67.

"Since 2008, the RGGI states have invested in programs that help households and communities lower energy bills, improve public health and deliver economic and environmental benefits," said Elizabeth Mahony, Commissioner of the Massachusetts Department of Energy Resources and Chair of the RGGI, Inc. Board of Directors. "Auction 67 marks the start of another successful year for RGGI and we look forward to continued investments that directly benefit the residents, businesses and communities in our states."

"RGGI continues to demonstrate that bipartisan cooperation can deliver effective policy and meaningful results," said Philip Bartlett, Chair of the Maine Public Utilities Commission and Vice-Chair of the RGGI, Inc. Board of Directors. "In the coming year, the RGGI states will invest auction proceeds into our local economies to create further environmental, economic, and health benefits for our constituents."

| Auction 67 Results At-A-Glance | |
|---|--------------------|
| Auction Date | March 12, 2025 |
| Allowances Initially Offered for Sale | 15,392,222 |
| CCR Allowances Available | 8,134,778 |
| CCR Allowances Sold | 8,134,778 |
| Total Allowances Sold | 23,527,000 |
| Ratio of Bids to Initial Supply | 3.7x |
| Clearing Price | \$19.76 |
| Reserve Price | \$2.62 |
| Proceeds from Auction 67 | \$464,893,520.00 |
| Total Cumulative Proceeds (All Auctions) | \$9,081,279,694.45 |
| Number of Bidders in Auction 67 | 57 |
| Percent of Allowances Purchased by Compliance-Oriented Entities in Auction 67 | 52% |
| Percent of Allowances Purchased by Compliance Entities in Auction 67 | 56% |
| Percent of Allowances Purchased by Compliance Entities in Auctions 1 – 67 | 72% |

More auction data is also available at: <https://www.rggi.org/auctions/auction-results>. Market monitor reports are available at: <https://www.rggi.org/auctions/market-monitor-reports>. To receive announcements relating to future auctions and other RGGI news, please join the RGGI, Inc. mailing list at <http://eepurl.com/h2ICM>.

About the Regional Greenhouse Gas Initiative (RGGI)

The Eastern states participating in the sixth RGGI control period have implemented the first mandatory market-based regulatory program in the U.S. to reduce greenhouse gas emissions.

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 provide CO₂ allowances equal to its emissions for each three-year control period. RGGI's sixth control period began on January 1, 2024 and extends through December 31, 2026. For more information visit www.rggi.org.

About the Regional Greenhouse Gas Initiative, Inc.

The 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-inc/contact.

RGGI Inc.



**MARKET MONITOR REPORT
FOR AUCTION 67**

Prepared for:

RGGI, Inc., on behalf of the RGGI Participating States

Prepared By:

**POTOMAC
ECONOMICS**

March 14, 2025

This report was prepared by Potomac Economics (the contractor) in the course of performing work contracted for and sponsored by RGGI, Inc. on behalf of states participating in RGGI (Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania,¹ Rhode Island, and Vermont). The opinions expressed in this report do not necessarily reflect those of RGGI, Inc. or any of the states participating in RGGI, and reference to any specific product, service, process, or method does not constitute an implied or expressed recommendation or endorsement of it. Further, RGGI, Inc., the states participating in RGGI, and the contractor make no warranties or representations, expressed or implied, as to the fitness for particular purpose or merchantability of any product, apparatus, or service, or the usefulness, completeness, or accuracy of any processes, methods, or other information contained, described, disclosed, or referred to in this report. RGGI, Inc., the states participating in RGGI, and the contractor make no representation that the use of any product, apparatus, process, method, or other information will not infringe privately owned rights and will assume no liability for any loss, injury, or damage resulting from, or occurring in connection with, the use of information contained, described, disclosed, or referred to in this report.

The Regional Greenhouse Gas Initiative (RGGI) is the first mandatory market-based regulatory initiative in the U.S. to reduce greenhouse gas emissions. RGGI is a cooperative effort of New England and Mid-Atlantic states to reduce emissions of carbon dioxide (CO₂) from the power sector.

RGGI, Inc. is a non-profit corporation created to provide technical and administrative services to the states participating in the Regional Greenhouse Gas Initiative.

¹ While technically a RGGI participating state, Pennsylvania is currently awaiting adjudication from the state's Supreme Court as to whether it will be allowed to actively participate in RGGI & RGGI Inc. related activities.

MARKET MONITOR REPORT FOR AUCTION 67

As the Market Monitor for the RGGI CO₂ allowance market, Potomac Economics monitors the conduct of market participants in the auctions and in the secondary market to identify indications of market manipulation or collusion. We also review the administration of the allowance auctions by Enel X. This report summarizes our findings regarding RGGI Auction 67, which was held on March 12, 2025.

We observed the auction as it occurred and have completed our review and analysis of its results. Based on our review of bids in the auction, we find no material evidence of collusion or manipulation by bidders.

Fifty-seven bidders participated in the auction for CO₂ allowances. Bids were submitted to purchase 3.7 times the initial offering of approximately 15.4 million allowances. However, the quantity for which bids were submitted above \$17.03 per ton exceeded the initial offering, so the Cost Containment Reserve (“CRR”) was made available at the CCR Trigger Price of \$17.03 per ton. Over 8.1 million additional allowances were sold as the CCR for 2025 was fully depleted, resulting in a clearing price of \$19.76 per ton in the auction. Compliance-Oriented Entities purchased 52 percent of the allowances in this offering. There was no indication of barriers to participation in the auction.

Based on our review of the administration of the market, we found that:

- The auction was administered in a fair and transparent manner in accordance with the noticed auction procedures and limitations.
- The auction results were consistent with the market rules and the bids received.
- Sensitive information was treated appropriately by the auction administrator.
- There was no indication of issues with the auction platform such as hardware or software problems, communications issues, or security breaches.

In summary, the results of our monitoring of RGGI Auction 67 raise no material concerns regarding the auction process, barriers to participation in the auction, or the competitiveness of the auction results. The appendix provides additional information about the market for RGGI CO₂ allowances and outcomes of the auction.

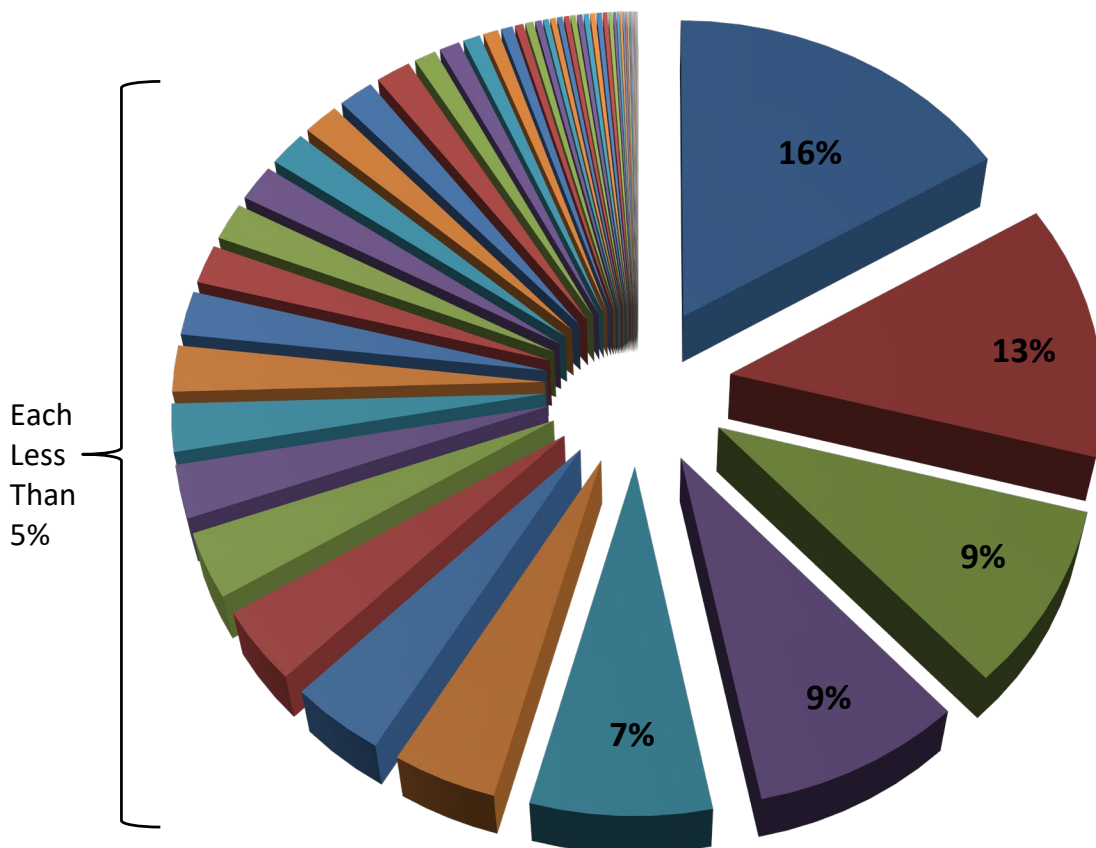
APPENDIX

A. DISPERSION OF PROJECTED DEMAND

The wide dispersion of projected demand for RGGI allowances across compliance entities facilitates the competitive performance of the auction.

The demand for CO₂ allowances is based on the requirement for each compliance entity in the RGGI footprint to obtain one CO₂ allowance for each short ton of CO₂ that it emits from the sale of electricity. The following figure shows the relative shares of projected demand for RGGI allowances by compliance entity in the sixth control period. The largest compliance entity represents 16 percent of the total projected demand for allowances. Nearly half of the projected demand is composed of entities that each account for less than 5 percent of the total demand. Participation by a large number of entities facilitates the competitive performance of the auction.

Figure 1: Projected Demand for RGGI Allowances Shares by Compliance Entity

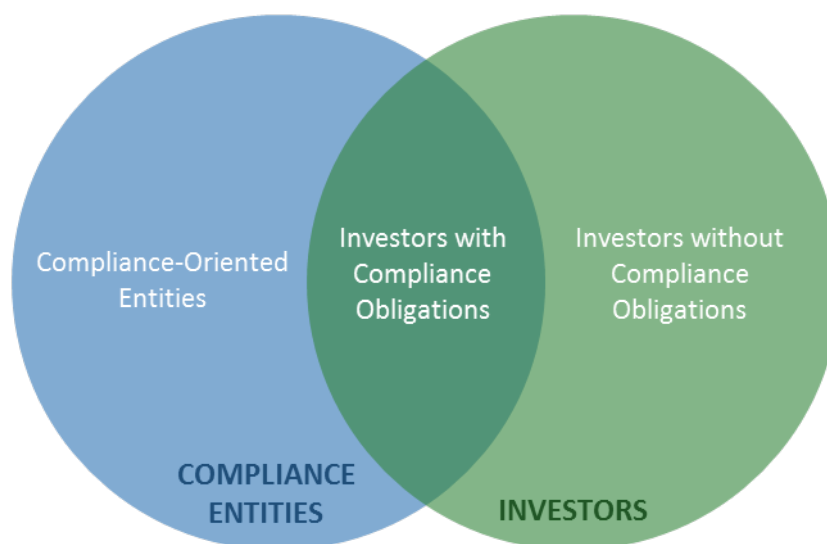


B. SUMMARY OF PURCHASES OF ALLOWANCES IN AUCTION 67

Awards were distributed across 50 bidders with eight bidders purchasing one million tons or more and 27 bidders purchasing 200,000 tons or more.

This report summarizes participation in Auction 67. Participation in the RGGI market involves many different firms with various interests in RGGI allowances. Some participate in order to satisfy compliance obligations, others have investment interests, and still others participate for both purposes. To more effectively track the activity of different participants, we use several classifications for participant firms. Figure 2 summarizes the relationship between these classifications.

Figure 2: Classifications of Participant Firms in the RGGI Marketplace



- *Compliance-Oriented Entities* are compliance entities that appear to acquire and hold allowances primarily to satisfy their compliance obligations.
- *Investors with Compliance Obligations* are firms that have compliance obligations but which hold a number of allowances that exceeds their estimated compliance obligations by a margin suggesting they also buy for re-sale or some other investment purpose. These firms often transfer significant quantities of allowances to unaffiliated firms.²

² The assessment of whether a compliance entity holds a number of allowances that exceeds its compliance obligations by a margin that suggests they are also buying for re-sale or some other investment purpose is based on: (a) the entity’s forecasted share of the total compliance obligations in the RGGI footprint through 2026, (b) the total number of allowances in circulation, and (c) consideration of the pattern of the entity’s allowance transfers to unaffiliated firms versus affiliated firms. Since the designation of a compliance entity as an investor is based on a review of its transactions and holdings, the designation of a particular firm may change over time as more information becomes available.

- *Investors without Compliance Obligations* are firms without any compliance obligations.

These three categories form the basis for two overlapping groups.

- *Compliance Entities* – All firms with compliance obligations and their affiliates.³ Combines the first and second of the above categories.
- *Investors* – All firms which are assessed to be purchasing for investment rather than compliance purposes. Combines the second and third of the above categories.

In Auction 67, Compliance Entities purchased 56 percent of the allowances sold. In the first 67 RGGI auctions, Compliance Entities purchased 72 percent of the allowances sold. In Auction 67, Compliance-Oriented Entities purchased 52 percent of the allowances sold.

After settlement of allowances sold in Auction 67:

- Fifty percent of the allowances in circulation will be held by Compliance-Oriented Entities.
- Fifty-four percent of the allowances in circulation are believed to be held for compliance purposes. The number of allowances that are believed to be held for compliance purposes includes 100 percent of the allowances held by Compliance-Oriented Entities and a portion of allowances held by Investors with Compliance Obligations.

The following table shows the quantity of allowances purchased by each bidder. The identity of each bidder is masked, and the bidders are ranked according to the amount of allowances awarded, from largest to smallest.

³ Affiliates are firms that: (i) have a parent-subsidiary relationship with a compliance entity, (ii) are subsidiaries of a parent company that has a large interest in a compliance entity, (iii) have substantial control over the operation of a budget source and/or responsibility for acquiring RGGI allowances to satisfy its compliance obligations.

Table 1: Quantity of Allowances Awarded by Bidder

| Bidder | Number of Allowances Awarded | Bidder | Number of Allowances Awarded |
|---------------|-------------------------------------|---------------|-------------------------------------|
| Bidder 1 | 3,350,000 | Bidder 26 | 200,000 |
| Bidder 2 | 2,348,000 | Bidder 27 | 200,000 |
| Bidder 3 | 2,000,000 | Bidder 28 | 172,000 |
| Bidder 4 | 1,523,000 | Bidder 29 | 165,000 |
| Bidder 5 | 1,253,000 | Bidder 30 | 140,000 |
| Bidder 6 | 1,200,000 | Bidder 31 | 125,000 |
| Bidder 7 | 1,070,000 | Bidder 32 | 101,000 |
| Bidder 8 | 1,000,000 | Bidder 33 | 100,000 |
| Bidder 9 | 964,000 | Bidder 34 | 100,000 |
| Bidder 10 | 855,000 | Bidder 35 | 98,000 |
| Bidder 11 | 680,000 | Bidder 36 | 95,000 |
| Bidder 12 | 652,000 | Bidder 37 | 69,000 |
| Bidder 13 | 525,000 | Bidder 38 | 53,000 |
| Bidder 14 | 500,000 | Bidder 39 | 35,000 |
| Bidder 15 | 500,000 | Bidder 40 | 32,000 |
| Bidder 16 | 450,000 | Bidder 41 | 27,000 |
| Bidder 17 | 433,000 | Bidder 42 | 26,000 |
| Bidder 18 | 414,000 | Bidder 43 | 25,000 |
| Bidder 19 | 400,000 | Bidder 44 | 25,000 |
| Bidder 20 | 325,000 | Bidder 45 | 24,000 |
| Bidder 21 | 300,000 | Bidder 46 | 13,000 |
| Bidder 22 | 275,000 | Bidder 47 | 12,000 |
| Bidder 23 | 261,000 | Bidder 48 | 10,000 |
| Bidder 24 | 200,000 | Bidder 49 | 1,000 |
| Bidder 25 | 200,000 | Bidder 50 | 1,000 |

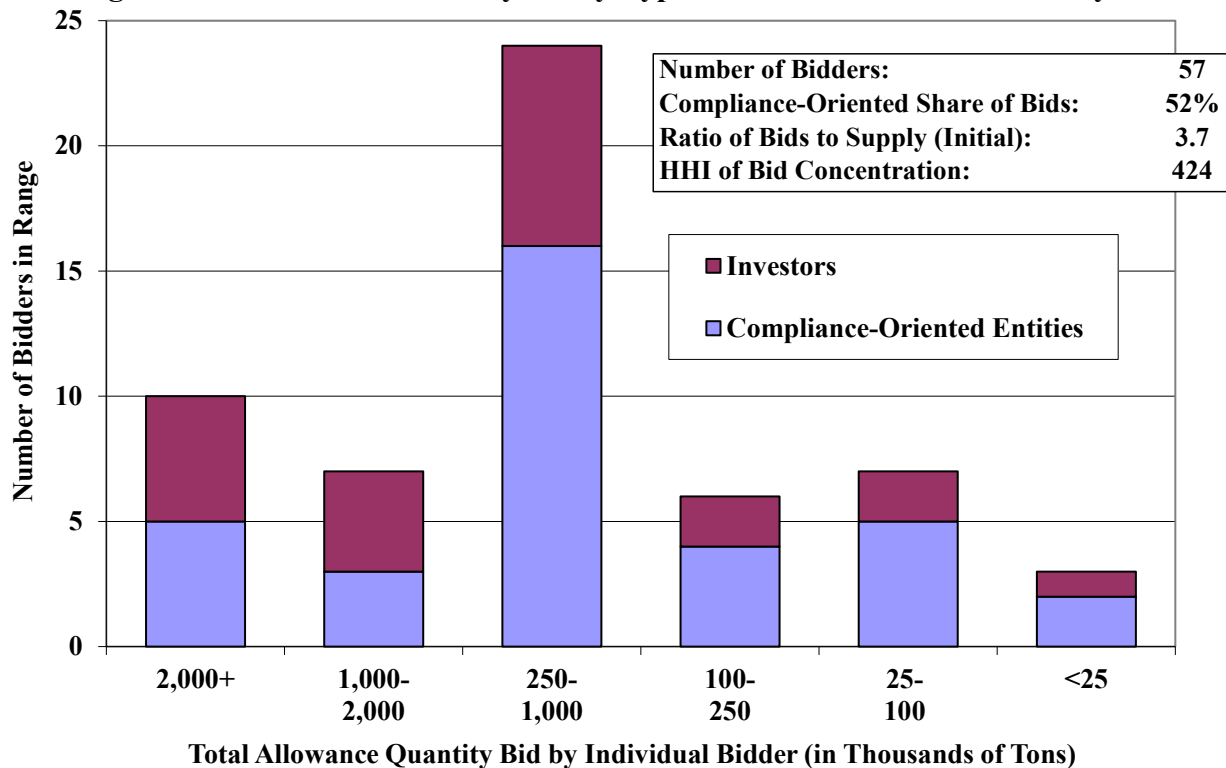
C. DISPERSION OF BIDS IN AUCTION 67

Bids were submitted by 35 Compliance-Oriented Entities and 22 Investors. In our review of the bids and the qualification process, we found no material evidence of anti-competitive conduct or inappropriate barriers to participation.

The following figure summarizes the quantity of allowances for which bids were submitted by each bidder. Eight Compliance-Oriented Entities and nine Investors submitted bids for a large quantity of allowances (i.e., at least 1 million tons). Overall, Compliance-Oriented Entities accounted for 52 percent of the quantity of allowances for which bids were submitted. The quantity of allowances for which bids were submitted was 3.7 times the Initial Offering. In the previous auction, the quantity of allowances for which bids were submitted was 2.4 times the Initial Offering.

The bid quantities were widely distributed among the 57 bidders. The concentration of bids, using the Herfindahl-Hirschman Index (“HHI”), was relatively low at 424. The HHI is a standard measure of concentration calculated by squaring each entity’s percent share and then summing the squares across all entities (i.e., the index ranges from 0 to 10,000).

Figure 3: Number of Bidders by Entity Type and Total Allowance Quantity Bid



D. SUMMARY OF BID PRICES IN AUCTION 67

Bids were submitted across a wide range of prices in the auction and the clearing price of \$19.76 was relatively consistent with average bid prices submitted.

The following table reports several statistics regarding the bid prices for bids submitted in Auction 67. The median and mean bid prices are weighted by the quantity of each bid.

| | |
|-------------------------|----------------|
| Bid Prices: | |
| Minimum | \$2.62 |
| Maximum | \$50.00 |
| Average (Median) | \$19.14 |
| Average (Mean) | \$19.31 |
| Clearing Price: | \$19.76 |

E. NAMES OF POTENTIAL BIDDERS IN AUCTION 67

In accordance with Sections 2.8 and 3 of the Auction Notice for CO₂ Allowance Auction 67, the Participating States are releasing the names of Potential Bidders in Auction 67. The states defined potential bidders as: “Each Applicant that has been qualified and submitted a complete *Intent to Bid*.” The list of 74 Potential Bidders is as follows:

| | |
|--|--|
| Abatement Capital LLC | Hartree Partners, LP |
| Aetos Capital Global Carbon Fund LP | Hawkeye Energy Greenport |
| Astoria Energy, LLC | Indeck-Corinth Limited Partnership |
| ATNV Energy, LP | J. Aron & Company |
| Braeswood Climate Partners, LP | Kendall Green Energy LLC |
| Braintree Electric Light Department | Kleen Energy Systems, LLC |
| Caithness Long Island, LLC | LMR Multi-Strategy Master Fund Limited |
| Calpine Energy Services, LP | Lockport Energy Associates, L.P. |
| Canadian Imperial Bank of Commerce | Macquarie Energy, LLC |
| Carbon Lighthouse Association | Massachusetts Muni. Wholesale Elec. Co. |
| Castleton Commodities Merchant Trading, LP | Mercuria Energy America, LLC |
| City of Vineland | Morgan Stanley Capital Group, Inc. |
| Cogen Technologies Linden Venture, L.P. | MV Global Carbon Fund LP |
| Consolidated Edison Comp. of NY, Inc. | National Grid Generation LLC dba National Grid |
| Constellation Energy Generation, LLC | Nautilus Power, LLC |
| Cooler, Inc. | Newark Energy Center |
| CPV Maryland, LLC | NextEra Energy Marketing, LLC |
| CPV Shore, LLC | NRG Business Marketing LLC |
| CPV Towantic, LLC | Old Dominion Electric Cooperative |
| CPV Valley, LLC | Pacific Summit Energy LLC |
| Cricket Valley Energy Center, LLC | Parkway Generation, LLC |
| Delaware City Refining Company, LLC | Pegasus Development Corporation |
| Delaware Municipal Electric Corp. | PetroChina International (America), Inc. |
| DRW Investments LLC | Power Authority of the State of New York |
| DTE Energy Trading, Inc. | RBC |
| Dynegy Marketing and Trade, LLC | Red Oak Power, LLC |
| East Coast Environmental, LLC | Revere Power, LLC |
| ECP Capital LP | Selkirk Cogen Partners, LP |
| ECP Capital Parallel Fund LP | Shell Energy North America (US), LP |
| Empire Generating Co., LLC | Statkraft US, LLC |
| Energy Center Dover | Taunton Municipal Lighting Plant |
| Fortistar North Tonawanda Inc | Trafigura Trading LLC |
| Francisco del Villar | Trailstone Commodity Trading US, LLC |
| Freepoint Commodities LLC | Uniper Global Commodities North America LLC |
| Global Carbon Opportunity (SPV) Fund LLC | Virginia Electric and Power Company |
| Global Emission Fund LP | Vitol Inc. |
| Granite Shore Power LLC | West Coast Environmental, LLC |