



Regional Greenhouse Gas Initiative, Inc.  
90 Church Street, 4th Floor  
New York, NY 10007

**RGGI, Inc. Meeting of the Board of Directors**

**Friday, October 30, 2015**

**11:00 AM – 11:30 AM**

Meeting via Teleconference



## Meeting Materials

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<b>Meeting Agenda and Registration Information</b>	<b>1</b>
<b>Meeting Materials</b>	<b>3</b>
• <b>Executive Committee and Board of Directors Minutes</b> (August 24, 2015 through September 14, 2015)	
• <b>RGGI, Inc. 2016 Proposed Operating Budget</b>	
• <b>2016 RGGI Program Review: Nov. 17<sup>th</sup> Stakeholder Meeting Notice</b>	



**Regional Greenhouse Gas Initiative, Inc.  
Meeting of the Board of Directors**

**Friday, Oct. 30, 2015  
11:00 AM – 11:30 AM**

**AGENDA**

- |              |   |
|--------------|---|
| <b>11:00</b> | <b>Call to Order</b><br><i>Katie Dykes, Chair (CT DEEP)</i>   |
| <b>11:02</b> | <b>Board of Directors Roll &amp; Introduction</b><br><i>Tom Burack, Secretary (NH DES)</i>  |
| <b>11:05</b> | <b>Welcome &amp; Review of Procedures</b><br><i>Katie Dykes, Chair (CT DEEP)</i>  |
| <b>11:07</b> | <b>Review and Approval of Executive Committee and Board of Directors Minutes</b><br>(August 24 through September 14, 2015)<br><i>Tom Burack, Secretary (NH DES)</i> |
| <b>11:10</b> | <b>RGGI, Inc. 2016 Executive Committee Elections</b><br><i>Robert Scott, Nominations (NH PUC)</i>   |
| <b>11:15</b> | <b>RGGI, Inc. 2016 Proposed Operating Budget</b><br><i>Jim Volz, Treasurer (VT PSB)</i>   |
| <b>11:25</b> | <b>2016 RGGI Program Review: Nov. 17<sup>th</sup> Stakeholder Meeting</b><br><i>Nicole Singh, Executive Director</i>  |
| <b>11:30</b> | <b>Adjournment</b>  |



Regional Greenhouse Gas Initiative, Inc.  
90 Church Street, 4th Floor  
New York, NY 10007

**REGIONAL GREENHOUSE GAS INITIATIVE, INC.  
BOARD OF DIRECTORS MEETING**

**Friday, October 30, 2015  
11:00 AM – 11:30 AM**

**Registration/Teleconference Details**

Members of the public are asked to register by Friday, October 30, 2015 at 9:00 AM ET. Please register by selecting the following link to receive the teleconference details:

<https://cc.readytalk.com/r/qgnrherslp6v&eom>

For more information on RGGI, Inc. Board of Directors meeting, please click on [Guidelines on RGGI, Inc. Board of Directors Meetings](#).



**DRAFT-CONFIDENTIAL**  
**Regional Greenhouse Gas Initiative, Inc.**  
**Minutes of Board of Directors Meeting**  
**September 4, 2015**

A Meeting of the Directors of the Regional Greenhouse Gas Initiative, Inc., a Delaware non-profit corporation (the “Corporation”), was held on September 4, 2015 via teleconference, pursuant to written notice sent to each Director.

The meeting was called to order by Chair Katie Dykes at approximately 11:05am.

**Persons in Attendance**

The following Directors, constituting a quorum, were present for the meeting:

Katie Dykes, CT  
John Betkoski, CT  
David Small, DE  
Dallas Winslow, DE  
Carlisle McLean, ME  
Devon Dodson for Ben Grumbles, MD  
Marissa Gillett for Kevin Hughes, MD  
Judith Judson, MA  
Martin Suuberg, MA  
Thomas Burack, NH  
Robert Scott, NH  
Anthony Belsito for Audrey Zibelman, NY  
Barbara Cesaro for Marion Gold, RI  
Doug McVay for Janet Coit, RI  
Deborah Markowitz, VT  
James Volz, VT

Devon Dodson was appointed to serve as an alternate director on behalf of Mr. Grumbles. Tony Belsito was appointed to serve as an alternate director on behalf of Ms. Zibelman. Barbara Cesaro was appointed to serve as an alternate director on behalf of Ms. Gold. Doug McVay was appointed to serve as an alternate director on behalf of Ms. Coit. Marissa Gillett was appointed to serve as an alternate director on behalf of Mr. Hughes. The written designations of the alternates were duly received and are attached to the minutes of this meeting.

Also present by invitation were the following people: Bill Lamkin (MA), Marc Cone (ME), Jason Rauch (ME), Joe Fontaine (NH), Jared Snyder (NY), Frank Stevenson (RI), Mary-Jo Krolewski (VT), Heidi Hales (VT); Lisa DeVito (RGGI, Inc.), Anna Ngai (RGGI, Inc.), Nora Vogel (RGGI, Inc.), Jiin Park (RGGI, Inc.); and Nicole Singh as Executive Director.

### **Call to Order and Board of Directors Roll Call**

Chair Dykes opened the meeting. Mr. Burack conducted a roll call and it was confirmed that a quorum of the Directors was present.

### **Welcome and Review of Procedures**

Chair Dykes thanked the Directors and staff for their attendance, as well as members of the public who were invited to listen to the meeting proceedings via teleconference.

### **Approval of Board of Directors Minutes**

Mr. Burack presented the April 9, 2015 Board Meeting Minutes that were distributed prior to the meeting.

Mr. Scott moved to approve the minutes. Mr. Small seconded this motion. The motion was approved.

**RESOLVED**, that the Board Meeting Minutes presented for April 9, 2015 are adopted with abstentions from Ms. Judson and Mr. McVay.

### **RGGI, Inc. Board of Directors – Board of Director Committee Vacancy**

Chair Dykes announced the vacancy for the Finance Committee and nominated Commissioner Carlisle McLean (ME) as the new Director to join the Committee.

Mr. Betkoski moved to elect Ms. McLean to the Finance Committee. Mr. Burack seconded. The motion was approved.

**RESOLVED**, that Commissioner Carlisle McLean (ME) is appointed to the Finance Committee of the RGGI, Inc. with no abstentions.

Chair Dykes thanked Ms. McLean in advance and announced that the current vacancy on the Executive Committee for Vic-Chair would be filled at the next RGGI, Inc. BOD meeting in October as part of the annual Executive Committee elections.

### **RGGI COATS Emissions Report – 2015 Update**

Ms. Singh provided a summary of RGGI COATS emissions and trends for the first half of 2015 (January-June) and also for 2009-2014. RGGI emissions for the first 2 quarters of 2015 are approximately 43 million tons, and when comparing it to the first 2 quarters of 2013 and 2014, 2015 emissions are 3% above and 8 % below those periods, respectively.

### **RGGI, Inc. Q3 Releases**

Ms. Singh briefed the Board on RGGI, Inc. releases for the third quarter of 2015. RGGI, Inc. Q3 releases in July and August included the *CO<sub>2</sub> Allowance Auction 29 Notice*, *CO<sub>2</sub> Emissions from Electricity Generation and Imports in the Regional Greenhouse Gas Initiative: 2013 Monitoring Report* and *Market Monitor Report on the Secondary Market for RGGI CO<sub>2</sub> Allowances – Q2 2015*. Releases in September include *CO<sub>2</sub> Allowance Auction 29 and Market Monitor Auction 29 Report*, *Interim Compliance Informational Webinar* and *Quarterly Updates to the CO<sub>2</sub> Allowance Allocation charts (charts tracking the distribution of allowances by the RGGI states)*.

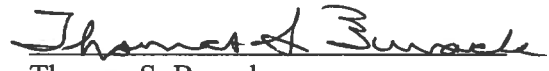
### **2015 RGGI, Inc. Expenses to Budget Update**

Ms. Singh provided an update on how the 2015 expenses are tracking against the 2015 budget and reported that RGGI, Inc. is within budget and tracking 25% below budget. RGGI Inc. anticipates an increase in expenses in the latter half of the year, but still expects to be below or on budget for 2015.

### **Adjournment**

There being no further business of the Board, the Board agreed upon consensus to adjourn at 11:21am.

Respectfully submitted,

  
Thomas S. Burack

**Regional Greenhouse Gas Initiative, Inc.**

**Appointment of Alternate Director**

I, the undersigned, appoint Doug McVay as the Alternate Director to act in my place as a Director of the Regional Greenhouse Gas Initiative, Inc. at the RGGI, Inc. Board of Directors Call on Friday, September 4<sup>th</sup>, 2015.



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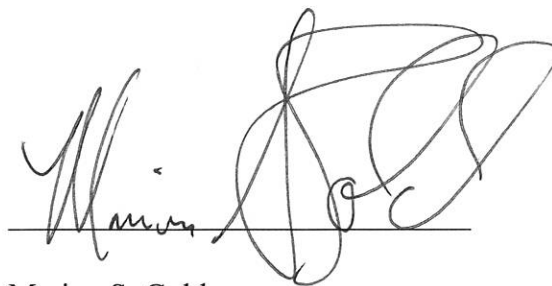
Janet Coit  
Director, Rhode Island Department of  
Environmental Management



**Regional Greenhouse Gas Initiative, Inc.**

**Appointment of Alternate Director**

I, the undersigned, appoint Barbara Cesaro as the alternate director to act in my place as a director of the Regional Greenhouse Gas Initiative, Inc. at the RGGI, Inc. Board of Directors Call on Friday, September 4<sup>th</sup>, 2015.

A handwritten signature in black ink, appearing to read "Marion S. Gold", is written over a horizontal line. The signature is stylized with large, overlapping loops and flourishes.

Marion S. Gold  
Commissioner, Rhode Island Office of  
Energy Resources



# MARYLAND DEPARTMENT OF THE ENVIRONMENT

1800 Washington Boulevard • Baltimore MD 21230

410-537-3000 • 1-800-633-6101 • [www.mde.maryland.gov](http://www.mde.maryland.gov)

Larry Hogan  
Governor

Boyd Rutherford  
Lieutenant Governor

Ben Grumbles  
Secretary

## Regional Greenhouse Gas Initiative, Inc. Appointment of Alternate Director

I, the undersigned, appoint Devon Dodson as the Alternate Director to act in my place as a Director of the Regional Greenhouse Gas Initiative, Inc. at the RGGI, Inc. Board of Directors Call on Friday, September 4<sup>th</sup>, 2015.

9-1-15

Date

Ben Grumbles  
Secretary  
Maryland Department of the Environment



**Regional Greenhouse Gas Initiative, Inc.**

**Appointment of Alternate Director**

I, the undersigned, appoint Marissa Gillett as the Alternate Director to act in my place as a Director of the Regional Greenhouse Gas Initiative, Inc. at the RGGI, Inc. Board of Directors Call on Friday, September 4<sup>th</sup>, 2015.

A handwritten signature in black ink, appearing to read "Kevin Hughes", is written over a horizontal line.

Kevin Hughes  
Chairman, Maryland Public Service  
Commission

**Regional Greenhouse Gas Initiative, Inc.**

**Appointment of Alternate Director**

I, the undersigned, appoint Tony Belsito as the Alternate Director to act in my place as a Director of the Regional Greenhouse Gas Initiative, Inc. at the RGGI, Inc. Board of Directors Call on Friday, September 4<sup>th</sup>, 2015.



Audrey Zibelman  
Chair, New York Public Service  
Commission



Regional Greenhouse Gas Initiative, Inc.  
90 Church Street, 4th Floor  
New York, NY 10007  
[www.rggi.org](http://www.rggi.org)

Executive Committee Meeting by Telephone  
August 24, 2015

Approved -- Minutes

The RGGI, Inc. Executive Committee meeting convened at 4:03 PM by conference call on Monday, August 24, 2015. Participants in the call included: Executive Committee members Katie Dykes, Jim Volz, David Small; Craig Wright was appointed to serve as alternate director on behalf of Thomas Burack; and Nicole Singh as Executive Director.

The Committee approved the minutes of the August 10, 2015 meeting.

The Committee reviewed the September 4<sup>th</sup> Board of Directors Meeting agenda.

The Committee received an update about the RGGI related reports and papers published by the Clean Air Task Force and Duke Nicholas School of Environment/CO School of Mining.

The meeting adjourned at 4:16 PM.

Respectfully submitted,

A handwritten signature in black ink that reads "Thomas A. Burack". The signature is written in a cursive style with a large, stylized 'T' and 'B'.



Executive Committee Meeting by Telephone  
September 14, 2015

Approved -- Minutes

The RGGI, Inc. Executive Committee meeting convened at 4:04 PM by conference call on Monday, September 14, 2015. Participants in the call included: Executive Committee members Katie Dykes, Jim Volz, David Small and Thomas Burack; and Nicole Singh as Executive Director.

The Committee approved the minutes of the August 24, 2015 meeting.

The Committee was updated on the Auction 29 Notification that followed the Auction 29 Results release.

The Committee provided comments on a proposed September 25<sup>th</sup> RGGI Agency Head Meeting agenda.

The Committee was briefed on an upcoming merger between Computer Science Corporation's (CSC) government services unit (CSGov) and SRA (RGGI COATS subcontractor) upon the spin-off of CSGov from CSC.

The Committee was briefed on CTX's announcement that the company was formally launching their RGGI spot exchange and accepting applications.

The Committee discussed possible dates and agenda items for next RGGI, Inc. Board of Directors meeting and was updated on recently appointed representatives to the Board.

The meeting adjourned at 5:08 PM.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Thomas A. Burack".

To: Board of Directors  
From: RGGI, Inc.  
Re: **Proposed RGGI, Inc. 2016 Operating Budget**

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## 1. **Introduction**

The following presents the proposed *RGGI, Inc. 2016 Operating Budget* for review and approval by the RGGI, Inc. Board of Directors. The proposed *RGGI, Inc. 2016 Operating Budget* was developed by RGGI, Inc. in consultation with BTQ Financial, the RGGI, Inc. fiscal operations service provider, the Finance Committee and the Executive Committee.

The proposed *RGGI, Inc. 2016 Operating Budget* is shaped by two main factors. First, the need to budget for appropriate contingencies so the Participating States have reliable not to exceed numbers for contracting purposes. Second, any savings in expenses at the end of each year are credited towards state payments to RGGI, Inc. for the subsequent year.

## 2. **2016 Budget and 2015 Year End Forecast Summary**

The *2016 RGGI, Inc. Operating Budget* is divided into two major categories of expenses including:

- Indirect Contractor Expenses
- Direct Operating Expenses

Direct contracting expenses is then further subdivided into Personnel (PC) and Other than Personnel Costs (OTPC).

As show in Table 1, RGGI, Inc. is proposing a *2016 Operating Budget* of \$2,210,875.

Table 1. PROPOSED 2016 RGGI, INC. OPERATING BUDGET		
Indirect Contractor Expenses		\$1,057,500
Direct Operating Expenses		\$1,153,375
PC	\$729,383	
OTPC	\$423,992	
2016 Operating Budget		<b>\$2,210,875</b>

The proposed *RGGI, Inc. 2016 Operating Budget* is comparable to the *RGGI, Inc. 2015 Operating Budget* of \$2,365,591<sup>1</sup>.

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<sup>1</sup> Prior RGGI, Inc. Operating Budgets are available at <http://www.rggi.org/rggi/documents>.

As shown in Table 2, RGGI, Inc. is projecting a 2015 Year-End Forecast (projected total expenses) of \$1,954,216. The projected 2015 savings will be applied to state payment obligations for 2016.

TABLE 2. PROJECTED 2015 RGGI, INC. YEAR END FORECAST		
Indirect Contractor Expenses		\$994,250
Direct Operating Expenses		\$959,966
PC	\$707,378	
OTPC	\$252,588	
2015 Year End Forecast		<b>\$1,954,216</b>

### 3. 2016 RGGI, Inc. Operating Budget Detail

The following provides additional details on the *RGGI, Inc. 2016 Operating Budget* for Indirect Contractor Expenses and Direct Operating Expenses.

#### A. Indirect Contractor Expenses

TABLE 3: 2016 OPERATING BUDGET INDIRECT CONTRACTOR EXPENSES	
RGGI COATS	\$235,000
Auctions	\$340,000
Marketing Monitor	\$182,500
Marketing Monitor - Consulting	\$30,000
Technical Analysis and Evaluation	\$270,000
2016 Operating Budget-Indirect Contractor	<b>\$1,057,500</b>

Indirect contractor expenses include projected costs for RGGI, Inc. contractors to support implementation and administration of:

- The regional CO<sub>2</sub> allowance and emissions tracking system (RGGI COATS);
- The regional quarterly CO<sub>2</sub> allowance auctions;
- The implementation of the offsets program; and
- The independent market monitoring of the performance and efficiency of the CO<sub>2</sub> allowance auctions and the secondary CO<sub>2</sub> allowance market.

The *Technical Analysis and Evaluation* category includes costs to support ongoing RGGI programs and the comprehensive, periodic, program reviews.

The Indirect Contractor Expenses budget for 2016 allows for the continued implementation of robust and secure platforms for the CO<sub>2</sub> allowance auctions and RGGI COATS.



## B. Direct Operating Expenses

TABLE 4: 2016 OPERATING BUDGET- DIRECT OPERATING EXPENSES	
Personnel	<b>\$729,383</b>
Salaries & Wages	\$554,000
Fringe Benefits	\$175,383
% of Fringe Benefits to Salary	32%
Other than Personnel Costs (OTPC)	<b>\$423,992</b>
Legal Fees	\$40,000
Professional Services Reserve	\$100,000
Finance and Accounting	\$74,275
Audit	\$26,500
Information Technology	\$22,510
Occupancy Expenses	\$63,955
Furniture and Fixtures - Equipment	\$1,800
Travel	\$3,000
Office Supplies (Includes Postage)	\$2,200
Telephone, Web Hosting & Service Contracts	\$28,566
Outreach and Communications	\$8,000
Insurance and Fees	\$21,592
HR Administrative & Other	\$14,500
Stakeholder Meetings	\$15,000
Depreciation	\$2,104
Direct Operating Expenses	<b>\$1,153,375</b>

Direct Operating Expenses includes Personnel Costs (salaries and fringe) for six full time employment positions at RGGI, Inc. including:

- Executive Director;
- Director of Program Implementation;
- Business Manger;
- Program Manager;
- Communications Manager; and
- Program Coordinator.

The Direct Operating Expenses budget for 2016 is very similar to the Direct Operating Expenses for 2015. Increases in *Occupancy Expenses*, *Information Technology*, *Stakeholder Meetings*, and *Personnel*, are offset by decreases in other areas, such as *Telephone, Web Hosting and Service Contract fees*, *HR Administrative & Other*, and *Insurance*.

#### 4. Participating States Payment Obligations for 2016

If the RGGI, Inc. Board of Directors approves the proposed *RGGI, Inc. 2016 Operating Budget*, Table 5 lists the 2016 payment obligations for each of the Participating States (Connecticut, Delaware, Maine, Massachusetts, Maryland, New Hampshire, New York, Rhode Island, and Vermont).

The proposed *RGGI, Inc. 2016 Operating Budget* is apportioned proportionally amongst the Participating States according to the regional CO<sub>2</sub> allowance budget allocation.

The following proposed 2016 payment obligations incorporate:

- 2015 payments made to RGGI, Inc.
- Savings from the projected RGGI, Inc. 2015 Year-End Forecast; and
- Any additional savings from final RGGI, Inc. 2014 year end expenses (12/31/14 expense) from the 2014 projected year end expenses (10/17/14 projected expenses).

TABLE 5: PROPOSED 2016 PARTICIPATING STATE RGGI, INC. PAYMENT OBLIGATIONS			
Participating State	2016 Proposed Budget Allocation	2016 Proposed Budget \$ Amount	2016 State Payments to RGGI, Inc.
CT	6.47%	\$143,043.61	\$97,285.30
DE	4.47%	\$98,826.11	\$67,212.56
ME	3.60%	\$79,591.50	\$54,130.93
MD	22.38%	\$494,793.83	\$336,513.91
MA	15.92%	\$351,971.30	\$239,378.96
NH	5.22%	\$115,407.68	\$78,489.82
NY	38.71%	\$855,829.71	\$722,506.16
RI	2.51%	\$55,492.96	\$37,741.29
VT	0.72%	\$15,918.30	\$10,826.19
<b>Total Payments</b>	<b>100.00%</b>	<b>\$2,210,875.00</b>	<b>\$1,644,085.10</b>

# Regional Greenhouse Gas Initiative

an Initiative of the Northeast and Mid-Atlantic States of the U.S.

## **STAKEHOLDER MEETING: NOVEMBER 17, 2015**

### **SAVE THE DATE**

On behalf of the states participating in the Regional Greenhouse Gas Initiative (RGGI), RGGI, Inc. will facilitate a meeting to gather stakeholder input for the states' program review on November 17, 2015.

**WHEN:** Tuesday, November 17, 2015, 10:00 AM ET.

**WHERE:** 90 Church St., 4<sup>th</sup> Floor  
New York, NY 10007  
(Teleconference and webinar will also be available.)

**PURPOSE:** As part of the 2012 Program Review, the RGGI participating states released a [Summary of Recommendations to Accompany Model Rule Amendments](#) which included a statement that *"The Participating States will conduct ongoing program evaluation to continually improve RGGI. The Participating States commit to commencing comprehensive program review no later than 2016 to consider program successes, impacts, potential additional reductions to the cap post-2020, and other program design elements."*

The RGGI participating states will also use the regional 2016 Program Review stakeholder meetings as an opportunity to receive comments from stakeholders and experts on potential compliance with the EPA Clean Power Plan. More information on the EPA Clean Power Plan is available at <http://www2.epa.gov/cleanpowerplan/clean-power-plan-existing-power-plants>.

This meeting will solicit stakeholder input on RGGI program design elements, including considerations for potential compliance under the EPA Clean Power Plan.

This, along with other information gathered throughout program review, would be considered to support evaluation of any potential modifications to the RGGI program.

Additional information, including meeting logistics, agenda, and materials, will be available at [www.rggi.org](http://www.rggi.org) prior to the meeting.

**TO REGISTER:** For both teleconference and in-person attendance, please pre-register at: <https://cc.readytalk.com/r/i2a52hkpiq8&eom>.  
Please pre-register no later than 5:00 PM ET on November 16, 2015.