Under each RGGI participating state’s CO₂ Budget Trading Program, each “CO₂ budget source” is required to hold one CO₂ allowance for each ton of CO₂ emitted during the preceding three-year control period. The fourth three-year control period began on January 1, 2018 and extends through December 31, 2020 for the states of Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New York, Rhode Island, and Vermont.

Starting in the third control period, each CO₂ budget source must hold allowances equal to 50 percent of their emissions during each interim control period (the first two calendar years of each three-year control period). Each CO₂ budget source must hold allowances equal to 100 percent of their remaining emissions for the three-year control period at the end of the three-year control period.

The 2019 interim control period began on January 1, 2019 and each CO₂ budget source must hold allowances available in their compliance account for compliance deduction equal to 50 percent of their emissions by March 2, 2020.

The CO₂ budget source interim compliance process occurs in three stages: CO₂ emissions reporting, compliance activities in the RGGI CO₂ Allowance Tracking System (RGGI COATS), and public reporting.

1. **CO₂ Emissions Reporting (CO₂ Budget Sources)**

CO₂ budget sources are required to report quarterly CO₂ emissions data to RGGI participating states through the U.S. Environmental Protection Agency’s (U.S. EPA’s) Clean Air Markets Division (CAMD) Business System.
(CBS) in accordance with state CO2 Budget Trading Program regulations and U.S. EPA regulations at 40 CFR Part 75. Updates made in the CAMD Business System flow directly into RGGI COATS periodically. For more information on U.S. EPA’s emissions reporting requirements, please see: https://www.epa.gov/airmarkets.

The final quarter of the 2019 interim control period is Q4-2019 (October 1, 2019 – December 31, 2019). The deadline to submit CO2 emissions data to the U.S. EPA for Q4-2019 is January 30, 2020.

2. Interim Compliance Activities in RGGI COATS: Acquire & Provide CO2 Allowances and Run Draft True-Up (CO2 Budget Sources)

CO2 budget sources are required to acquire and transfer sufficient CO2 allowances in RGGI COATS into their compliance accounts to meet their CO2 Interim Compliance Obligation (50 percent of the tons of CO2 emitted during the preceding one-year interim control period, less any exempted emissions deductions) by the allowance transfer deadline of 11:59 PM ET on March 2, 2020. Market participants can obtain CO2 allowances in quarterly CO2 allowance auctions or through various secondary markets. Auction 46, to be held on December 4, 2019, is the last CO2 allowance auction before the end of the 2019 interim control period. For more information on CO2 allowance auctions, see: https://rggi.org/auctions/about-auctions.

CO2 budget sources must transfer and hold sufficient CO2 allowances in their Compliance Account in RGGI COATS by 11:59 PM ET on March 2, 2020. A CO2 budget source may also optionally identify specific CO2 allowances to be used for interim compliance (or “surrender” CO2 allowances) by using the Compliance Deduction Surrender Transaction in RGGI COATS between January 31, 2020 and March 2, 2020.

CO2 budget sources must run draft “true-up” in RGGI COATS by 11:59 PM ET on March 2, 2020. This will compare their CO2 Interim Compliance Obligation to the sum of the CO2 allowances surrendered and those remaining in the Compliance Account.

Following the allowance transfer deadline, on March 3, 2020 CO2 allowances will be automatically deducted from the CO2 budget source’s Compliance Account and transferred to the states’ Surrender Accounts for interim compliance in accordance with the rules specified in each state’s CO2 Budget Trading Program.

3. Public Reporting (Public)

On March 3, 2020, the 2019 Interim Compliance Summary Report will be publicly available in RGGI COATS.

At the end of the three-year control period, in March 2021, the 2019 Interim Compliance Summary Report will be archived and replaced by the fourth control period Source-Submitted Compliance Report. Following the states’ evaluation of compliance, the fourth control period Source-Submitted Compliance Report will be archived and an updated Compliance Summary Report will be available.

To view public reports in RGGI COATS, go to rggi-coats.org and click on the desired report category in the "Public Reports" section. No login is required.

Additional Information:

- The interim compliance process for CO2 budget sources is governed by the applicable CO2 Budget Trading Program of the participating state in which the facility is located. For more information, see: https://www.rggi.org/program-overview-and-design/state-regulations.
- To learn more about CO2 Budget Source (RGGI) Compliance, see the RGGI website: https://www.rggi.org/allowance-tracking/compliance and the CO2 Budget Source Interim Compliance Checklist.