



# Regional Greenhouse Gas Initiative

## Preparing for CO<sub>2</sub> Budget Source 2021 Interim Control Period Compliance

September 28, 2021

# Webinar Outline

- Introduction
- Key Terms
- Compliance Timeline & Milestones
- Interim Compliance Process Checklist: 6 Steps
- Interim Compliance in RGGI COATS: Demonstration
- Question & Answer
- Additional Resources & Contacts

# Introduction

## What is RGGI CO<sub>2</sub> Budget Source Interim Compliance?

- Under each Regional Greenhouse Gas Initiative (RGGI) participating state's CO<sub>2</sub> Budget Trading Program, regulated power plants (**CO<sub>2</sub> budget sources**) are required to provide one CO<sub>2</sub> allowance for each ton of CO<sub>2</sub> emitted during the preceding three-year control period.
- For each interim control period (each of the first two calendar years of each three-year control period), each CO<sub>2</sub> budget source must provide allowances equal to 50 percent of its emissions during each interim control period. (Each CO<sub>2</sub> budget source must hold allowances equal to 100 percent of its emissions for the three-year control period at the end of the control period.)
- A **CO<sub>2</sub> allowance** represents a limited authorization to emit one short ton of CO<sub>2</sub>, as issued by a RGGI state.
- The fifth control period began on January 1, 2021 and extends through December 31, 2023. The **current 2021 interim control period** began on January 1, 2021 and extends through December 31, 2021.

# Introduction

## What is RGGI CO<sub>2</sub> Budget Source Interim Compliance?

- The **RGGI CO<sub>2</sub> Allowance Tracking System (COATS)** is where compliance transactions occur and is used by each RGGI state to determine compliance with each state's CO<sub>2</sub> Budget Trading Program.
- For a list of **current CO<sub>2</sub> budget sources**, please see the Sources Report on the COATS home page: [rggi-coats.org](http://rggi-coats.org).

# Key Terms

*Note that terms may differ between this presentation, COATS, and state CO<sub>2</sub> Budget Trading Programs. If you have any questions on terminology, please contact your state (contact information can be found at the end of this presentation).*

- **CO<sub>2</sub> Budget Source:** A fossil fuel-fired power plant 25 MW\* or greater in size regulated under RGGI.
- **CO<sub>2</sub> Interim Compliance Obligation:** 50 percent of the total tons of CO<sub>2</sub> emitted during the 2021 interim control period by a CO<sub>2</sub> budget source, less any eligible emissions deductions (as determined by each state).
- **Draft True-Up:** The process in COATS which compares the CO<sub>2</sub> Interim Compliance Obligation to the sum of any CO<sub>2</sub> allowances already surrendered and those remaining in the compliance account. (Draft true-up must be run by 11:59 PM ET on March 1, 2022.)

\* New York applicability requirements are 15 MW or greater. See [state statutes and regulations](#) for more information.

# Key Terms

- **Allowance Transfer Deadline:** Midnight of March 1 occurring after the end of the control period or, if that March 1 is not a business day, midnight of the first business day thereafter.
- **Automatic Deduction of CO<sub>2</sub> Allowances:** The process by which CO<sub>2</sub> allowances (the amount as determined by the relevant state) held in a CO<sub>2</sub> budget source's compliance account are transferred for interim compliance to the relevant state's surrender account in COATS upon interim compliance true-up. Interim compliance true-up will occur on March 2, 2022.
- **Surrendering of CO<sub>2</sub> Allowances:** The optional process by which a CO<sub>2</sub> budget source may identify specific CO<sub>2</sub> allowances to be used for compliance by transferring them to the relevant state's surrender account in COATS by using the Compliance Deduction Transaction in COATS (available from January 31, 2022 through March 1, 2022).



# Key Terms

- **Authorized Account Representative (AAR):** For a compliance account (i.e., CO<sub>2</sub> budget source and each CO<sub>2</sub> budget unit at the source), the person who is authorized by the owners and operators of the source and all CO<sub>2</sub> budget units at the source to represent and legally bind each owner and operator in matters pertaining to the CO<sub>2</sub> Budget Trading Program; or, for a general account, the natural person who is authorized to transfer CO<sub>2</sub> allowances held in the general account.
- **Alternate Authorized Account Representative (AAAR):** A person who may act on behalf of the AAR.
- **Electronic Submission Agent (Agent):** A person designated by an AAR or AAAR to act in COATS on their behalf.
- **Reviewer:** A person designated by an AAR or AAAR to review information in COATS on their behalf.

# Compliance Timeline & Milestones

**December 31, 2021**

End of the 2021 interim control period

**March 1, 2022 11:59 PM ET**

Allowance Transfer Deadline: Provide CO<sub>2</sub> allowances for compliance

Last auction to acquire CO<sub>2</sub> allowances for compliance

Submit Q4-2021 CO<sub>2</sub> emissions data to US EPA CAMD

Run draft true-up & provide CO<sub>2</sub> allowances for compliance\*

CO<sub>2</sub> Allowances are deducted for interim compliance (not including previously surrendered allowances)

2021 Interim Compliance Summary Report available

**December 1, 2021**

• **Auction 54**: Last auction to acquire CO<sub>2</sub> allowances in the 2021 interim control period

**January 30, 2022**

• Q4-2021 CO<sub>2</sub> emissions data reporting deadline

**March 2, 2022**

• 2021 interim compliance true-up

\*Note that compliance certification is not required for interim compliance



# Interim Compliance Process Checklist: 6 Steps

- ☐ **Step 1:** Confirm access to the US EPA's CAMD Business System.
- ☐ **Step 2:** Confirm user registration in COATS.
- ☐ **Step 3:** Acquire sufficient CO<sub>2</sub> allowances to meet CO<sub>2</sub> interim compliance obligation.
- ☐ **Step 4:** Submit CO<sub>2</sub> emissions data to the US EPA by January 30, 2022.
- ☐ **Step 5:** Run draft true-up in COATS by March 1, 2022.
- ☐ **Step 6:** Provide sufficient CO<sub>2</sub> allowances in COATS compliance account by the allowance transfer deadline (March 1, 2022).

# Interim Compliance Process Checklist: 6 Steps

## ❑ Step 1: Confirm access to the US EPA's CAMD Business System

- Facility information including AARs, AAARs, owners, and operators is stored and maintained in the CAMD system, and reflected in COATS.
- Please ensure you have an AAR and AAAR (if applicable) with access to the CAMD system, and that all information about your facility is up-to-date. Updates made in the CAMD system will flow through to COATS periodically.
  - Note: If you need to change your AAR or make changes that cannot be made in the CAMD system, this process will take time and may require the submission of paper documents. **Please plan accordingly.**
  - See <https://camd.epa.gov/CBS/login/auth> for more information about the CAMD Business System.

# Interim Compliance Process Checklist: 6 Steps

## ❑ Step 2: Confirm user registration in COATS

- COATS stores and maintains RGGI accounts and CO<sub>2</sub> allowances, and is where compliance transactions and evaluation are made.
- Please ensure that your facility's AAR, AAAR (if applicable), any Agents (if applicable), and any Reviewers (if applicable) for COATS are current and have access to COATS.
  - Agents, Reviewers, and general accounts are maintained in COATS.
  - Users cannot make changes to compliance account information in COATS; any changes need to be made in the CAMD system.
  - If you cannot make changes to your CAMD system account information (e.g., the existing AAR has left the company), and/or need to create a new user in COATS, this process will take time and may require the submission of paper documents. **Please plan accordingly.**
  - See the COATS [User's Guide](#) for more information about COATS.

# Interim Compliance Process Checklist: 6 Steps

## ❑ Step 3: Acquire sufficient CO<sub>2</sub> allowances to meet CO<sub>2</sub> interim compliance obligation

- CO<sub>2</sub> allowances can be obtained in two ways:
  - CO<sub>2</sub> Allowance Auctions
    - Auction 54, to be held on December 1, 2021 is the final RGGI auction to purchase CO<sub>2</sub> allowances before the end of the 2021 interim control period.
    - The Auction 54 Notice will be released in October 2021.
    - For more information on CO<sub>2</sub> Allowance Auctions, please see: <https://www.rggi.org/auctions/auction-materials>.
  - Secondary Markets
    - CO<sub>2</sub> allowances can also be obtained through the secondary market.
- All CO<sub>2</sub> allowances must be provided for compliance by 11:59 PM ET on March 1, 2022.
  - It is strongly recommended that you obtain all CO<sub>2</sub> allowances necessary for compliance well before the allowance transfer deadline.

# Interim Compliance Process Checklist: 6 Steps

## ☐ **Step 4: Submit CO<sub>2</sub> emissions data to the US EPA by January 30, 2022**

- Emissions for the final quarter of the fourth control period (Q4-2021) must be submitted to US EPA's CAMD Business System by January 30, 2022.
- CO<sub>2</sub> emissions data updates for the 2021 interim control period will continue to flow to COATS from the CAMD system through interim compliance true-up.
- If there are any changes to CO<sub>2</sub> emissions data, the relevant state, AAR, and any AAAR, Agent(s), and/or Reviewer(s) associated with the compliance account will be notified via COATS.

# Interim Compliance Process Checklist: 6 Steps

## ☐ **Step 5: Run draft true-up in COATS by March 1, 2022**

- CO<sub>2</sub> budget sources must run draft true-up in COATS by 11:59 PM ET on March 1, 2022, which will compare their CO<sub>2</sub> interim compliance obligation to the sum of CO<sub>2</sub> allowances surrendered and/or held in their compliance account.
- CO<sub>2</sub> budget sources may run draft true-up in COATS as many times as needed.
- Note that compliance certification is not required for interim compliance.
- Interim compliance true-up will occur on March 2, 2022, and the 2021 Interim Compliance Summary Report will be made available in COATS.



# Interim Compliance Process Checklist: 6 Steps

- ❑ **Step 6: Provide sufficient CO<sub>2</sub> allowances in COATS compliance account by the allowance transfer deadline (March 1, 2022)**
  - All CO<sub>2</sub> budget sources must hold sufficient CO<sub>2</sub> allowances in their compliance account (not including any CO<sub>2</sub> allowances previously surrendered) to meet their CO<sub>2</sub> interim compliance obligation in COATS by 11:59 PM ET on March 1, 2022.
  - Please note the **CO<sub>2</sub> interim compliance obligation will reflect any emissions data updates that may occur after the emissions reporting deadline of January 30**. Therefore, you should consider the potential for such updates when **determining how many CO<sub>2</sub> allowances** to hold in your compliance account for interim compliance.
  - Deduction of CO<sub>2</sub> Allowances: Following the allowance transfer deadline of March 1, 2022, CO<sub>2</sub> allowances will be deducted from each CO<sub>2</sub> budget source's compliance account, and the 2021 Interim Compliance Summary Report will be made available in COATS.

# Interim Compliance Process Checklist: 6 Steps

- ❑ **Step 6: Provide sufficient CO<sub>2</sub> allowances in COATS compliance account by the allowance transfer deadline (March 1, 2022)**
- Surrendering of CO<sub>2</sub> Allowances (optional): If you wish to identify specific CO<sub>2</sub> allowances to use for interim compliance, you may do so by using the Compliance Deduction Transaction in COATS between January 31, 2022 and March 1, 2022.
  - Any identified CO<sub>2</sub> allowances will be transferred from your compliance account to your relevant state's surrender account for compliance at the point of the transaction.
  - Any remaining balance of CO<sub>2</sub> allowances to meet your CO<sub>2</sub> interim compliance obligation will be automatically deducted pursuant to the regulations of the state in which the CO<sub>2</sub> budget source resides.
- For additional information on COATS transactions, see the COATS [User's Guide](#).

A decorative header bar with a blue background and a pattern of white dots and hexagons.

# Compliance in RGGI COATS: A How-To Guide

# Compliance in RGGI COATS: A How-To Guide

**Step 1:** How to determine your total CO<sub>2</sub> interim compliance obligation

**Step 2:** How to provide CO<sub>2</sub> allowances for interim compliance

**Step 3:** How to conduct draft true-up

**Step 4:** How to view compliance reports

***Note:*** Screenshots serve as examples only and do not represent any real data or accounts. Screenshots may not represent exact screens in COATS. Please see the COATS [User's Guide](#) for additional information.

# Compliance in RGGI COATS: A How-To Guide

## Step 1: How to determine your total CO<sub>2</sub> interim compliance obligation

1. In COATS ([rggi-coats.org](http://rggi-coats.org)), click on the Emissions link in the menu navigation bar. This will bring you to the Emissions page, which displays all sources (units) with which you have been associated as an AAR, AAAR, Agent, or Reviewer.



# Compliance in RGGI COATS: A How-To Guide

## Step 1: How to determine your total CO<sub>2</sub> interim compliance obligation

- You can choose to view your emissions Quarterly, Annually, or for the Control Period (Note: Only the Annual view is shown below).

### Emissions - Annual View

Use the filter criteria to find a specific source or unit.

Use this page and the views below the grid to verify CO<sub>2</sub> emissions data for the affected RGGI sources and units for which you serve as an AAR, AAAR or agent. Clicking on the hyperlinked quarter in the Quarter column (see: Quarterly view) navigates one to the Emissions Record Detail page, which displays the data associated with the unit for the selected quarter, as well as any Quarterly Emissions Record documents related to Eligible Biomass and Eligible CHP Thermal Output. The columns Eligible Biomass (Tons) (State Value) and Eligible CHP Thermal Output (Tons) (State Value) contain the deductions to be applied, if any.

Filter Criteria ▾

Control Period

Year  to

State

Source Name

ORIS Code

State Identifier

Unit

Year	State	ORIS Code	Source Name	State Identifier	Unit ID	Control Period	Op Time	Op Hours	Heat Input (mmBtu)	CO2 Mass (Tons)	Eligible Biomass (Tons) (EPA Value)	Eligible Biomass (Tons) (State Value)	Eligible CHP Thermal Output (Tons) (State Value)
2021	VT	1234	Demo 1	5678	A	01/01/2021 - 12/31/2023	28.90	32	8,977	726			
2021	VT	1234	Demo 1	5678	B	01/01/2021 - 12/31/2023	33.20	35	6,396	517			
2021	VT	1234	Demo 1	5678	C	01/01/2021 - 12/31/2023	10.00	16	1,376	111			
2021	VT	1234	Demo 1	5678	D	01/01/2021 - 12/31/2023	10.00	16	1,376	111			
2021	VT	1234	Demo 1	5678	E	01/01/2021 - 12/31/2023	0.00	0	0	0	0		
2021	VT					01/01/2021 -	0.00	0	0	0	0		

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☐ Show Control Period Data

Annual page view

☒ Show Annual Data

☐ Show Quarterly Data

Click the Export Data button to download the grid as a .csv file to your local drive.



# Compliance in RGGI COATS: A How-To Guide

## Step 2: How to provide CO<sub>2</sub> allowances for compliance

- The **Allowance Transfer Transaction** in COATS:
  - Allows you to transfer CO<sub>2</sub> allowances to your compliance account.
  - Allows you to select CO<sub>2</sub> allowances to transfer either automatically or manually by CO<sub>2</sub> allowance serial block.

# Compliance in RGGI COATS: A How-To Guide

## Step 2: How to provide CO<sub>2</sub> allowances for compliance

- To transfer CO<sub>2</sub> allowances to your compliance account:
  1. In COATS, click on the **Transfer Allowances** sub-menu under the **Allowance Transactions** menu.

The screenshot displays the RGGI CO<sub>2</sub> Allowance Tracking System interface. At the top, the title "RGGI CO<sub>2</sub> ALLOWANCE TRACKING SYSTEM" is visible. Below it, a navigation bar contains the following menu items: Accounts, Sources, Special Approvals, Offset Projects, Emissions, Compliance, Allowance Transactions, Public Reports, and Reference. The "Allowance Transactions" menu is expanded, showing two sub-options: "Transfer Allowances" and "Compliance Deduction". A red arrow points from the text "Click on Transfer Allowances to move CO2 allowances between accounts (general and compliance)." to the "Transfer Allowances" sub-option. Below the navigation bar, there is a section titled "RGGI CO<sub>2</sub> BUDGET TRADING PROGRAMS" which includes a description of the RGGI and an "Announcements" link.

**RGGI CO<sub>2</sub> ALLOWANCE TRACKING SYSTEM**

**RGGI CO<sub>2</sub> BUDGET TRADING PROGRAMS**

Accounts | Sources | Special Approvals | Offset Projects | Emissions | Compliance | Allowance Transactions | Public Reports | Reference

Click on Transfer Allowances to move CO<sub>2</sub> allowances between accounts (general and compliance).

The Regional Greenhouse Gas Initiative (RGGI) is a cooperative effort by participating states to reduce emissions

Announcements

# Compliance in RGGI COATS: A How-To Guide

## Step 2: How to provide CO<sub>2</sub> allowances for compliance

2. Select the Transferring Account from which you will transfer CO<sub>2</sub> allowances.

### Transfer Allowances: Step 1 - Select Transferring Account

Use filter criteria to find a specific transferring account.

Click the radio button to select a transferring account and view the Allowance Holdings available in that account.

Filter Criteria ▼

Representative Name

Account Number

Account Name

	Account Number	Account Name	Authorized Account Representative	State	Allowances can be Transferred
<input checked="" type="radio"/>	CT10788	ABC Source Compliance Account	Reilly, Megan	CT	Yes
<input type="radio"/>	GN10787	ABC Manufacturing General Account	Reilly, Megan	All States	Yes

1 - 2 of 2

Allowance Holdings

Allocation Year	Type	Originating State	Serial Range	Date Acquired	Frozen	Quantity
2008	Standard	NY	1185174 - 1185183	09/03/2008	No	10
2008	Long Term Contract	NY	1188862 - 1188864	09/03/2008	No	3

Next

View the Allowance Holding grid for details on the allowances held in the account, including the Total Allowances Available in the lower right hand corner.

Total Allowances Available: 13

# Compliance in RGGI COATS: A How-To Guide

## Step 2: How to provide CO<sub>2</sub> allowances for compliance

3. Select the Acquiring Account which will receive the CO<sub>2</sub> allowances.

**RGGI CO<sub>2</sub> ALLOWANCE TRACKING SYSTEM**

**RGGI CO<sub>2</sub> BUDGET TRADING PROGRAMS**

Accounts Sources Special Approvals Offset Projects Allowance Transactions Reports Reference [Help](#)

**Transfer Allowances: Step 2 - Select Acquiring Account**

Review that the correct Transferring Account has been selected in the previous step. Click the Back button to go back to Step 1 – Select Transferring Account.

Use filter criteria to find a specific acquiring account.

Filter Criteria ▼

Representative Name

Account Number

Account Name

Allowances to be Transferred From

Account Number CT10788

Account Name ABC Source Compliance Account

State CT

	Account Number	Account Name	Authorized Account Representative	State	Allowances can be Acquired
<input checked="" type="radio"/>	CT10722	New CT Source Compliance Account	Allen, John	CT	Yes

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Click the radio button to select an acquiring account.



# Compliance in RGGI COATS: A How-To Guide

## Step 2: How to provide CO<sub>2</sub> allowances for compliance

**4a. Select Allowances to Transfer (Automatic Selection Method):** By choosing “Automatic Selection”, COATS will automatically select the CO<sub>2</sub> allowances to be transferred based on the allocation year(s) and serial number.

### Transfer Allowances: Step 3 - Select Allowances to Transfer

**Allowances to be Transferred From**

Account Number: CT10788  
Account Name: ABC Source Compliance Account  
State: CT

**Allowances to be Transferred To**

Account Number: CT10722  
Account Name: New CT Source Compliance Account  
State: CT

Choose Selection Method: **Automatic** ← Automatic Selection

**Available Allowances**

Allocation Year	Allowance Type	Originating State	Serial Range	Allowance(s)	Frozen	Date Acquired
2008	Standard	NY	1185174-1185183	10	No	08/28/2008
2008	Long Term Contract	NY	1188862-1188864	3	No	08/28/2008

**Amount to Transfer**: 4 ← Enter the quantity of allowances.

**Select Allocation Year(s) \***: 2008, 2009, 2010, 2011 ← Select the Allocation Year of the allowances COATS will select from the Available Allowances grid.

**Deduction Method**: ☐ Begin with last acquired ☒ Begin with first acquired ← Choose deduction method.

**Calculate** ← After entering the above criteria and clicking Calculate, COATS will automatically select the allowance serial numbers to transfer.

**Allowances to be Transferred**

Allowance Year	Allowance Type	Serial Range	Originating State	Date Acquired	Allowance(s)
2008	Standard	1185174-1185177	NY	08/28/2008	4

Back Next

# Compliance in RGGI COATS: A How-To Guide

## Step 2: How to provide CO<sub>2</sub> allowances for compliance

**4b. Select Allowances to Transfer (Serial Block Selection Method):** As an alternative to the automatic selection method (described in the previous slide), you may select CO<sub>2</sub> allowances from a specific serial block range.

### Transfer Allowances: Step 3 - Select Allowances to Transfer

Help

#### Allowances to be Transferred From

Account Number CT10788  
Account Name ABC Source Compliance Account  
State CT

#### Allowances to be Transferred To

Account Number CT10722  
Account Name New CT Source Compliance Account  
State CT

Choose Selection Method: **Serial Block** Serial Block selection

Available Allowances Use the Select All checkbox if all allowances held in the Transferring Account will be transferred. ☐ Select All

	Allocation Year	Type	Originating State	Serial Range	Frozen	Total Allowances Available	Quantity
<input checked="" type="checkbox"/>	2009	Standard	NJ	<a href="#">4532905 - 5667048</a>	No	1134144	<input type="text" value="10"/>
<input type="checkbox"/>	2009	Standard	CT	<a href="#">157144247 - 157490790</a>	No	346544	<input type="text" value="0"/>

Total to be Transferred: 10

**Back** **Next**

Check the serial block of allowances you would like to transfer from the Transferring Account to the Acquiring Account.

Enter the Quantity of each checked serial block to be transferred.



# Compliance in RGGI COATS: A How-To Guide

## 5. Review and approve the transaction

### Transfer Allowances: Step 4 - Review and Approve Transaction

#### Allowances to be Transferred From

Account Number CT10788  
Account Name ABC Source Compliance Account  
State CT  
Authorized Account Representative Reilly, Megan

#### Allowances to be Transferred To

Account Number CT10722  
Account Name New CT Source Compliance Account  
State CT  
Authorized Account Representative Allen, John

#### Allowances to be Transferred

Allocation Year	Type	Originating State	Serial Range	Date Acquired	Quantity
2008	Standard	NY	1185174-1185177	08/28/2008	4

Total to be Transferred: 4

The CO<sub>2</sub> allowance transfer must include a transaction date, which is the date of the completion of the sale or purchase transaction for the CO<sub>2</sub> allowance(s), if any, and must include the sale or purchase price of the CO<sub>2</sub> allowance that is the subject of a sale or purchase transaction. The "sale or purchase transaction" is the financial transaction associated with the current allowance transfer. Note that the "sale or purchase transaction" may have occurred prior to the date that the allowance transfer is recorded in COAT S, and that RGGI COATS will automatically record today's date as the transaction date if you do not report a transaction date.

If the CO<sub>2</sub> allowance transfer is the result of a settlement on a futures exchange, the exchange settlement box below should be checked and the sale or purchase transaction price reported to RGGI COATS should be consistent with the payment instructions to the respective buyer clearing member for the full contract value based upon the expiration day's settlement price in a means and manner prescribed by the clearing service provider.

Click the Submit button to finalize the allowance transfer.

Transaction Date

02/08/2019

Price per allowance of associated sale or purchase transaction (\$)

Check here if there is no associated sale or purchase transaction

☒

Check here if an exchange settlement transaction

☐

Comment

Click the "Check here if an exchange settlement transaction" checkbox if the transaction is the result of a settlement on a futures exchange.

Enter Session PIN \*

..... Generate Session PIN

Enter your COATS Password as your electronic signature to indicate that you agree to the terms of the certification statement.

Password \*

Back Submit

Click the Submit button to complete the transaction.

Use the Back button to navigate back to make a change.

If the allowance transfer is a sale or purchase transaction, then the "Price per allowance of associated sale or purchase transaction (\$)" field must be completed. If it is not, the "Check here if there is no associated sale or purchase transaction" checkbox must be clicked.

I am authorized to make this submission on behalf of the owners and operators of the CO<sub>2</sub> budget sources or CO<sub>2</sub> budget units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting material statements and information, including the possibility of fines, imprisonment, or civil penalties.

# Compliance in RGGI COATS: A How-To Guide

## Step 2: How to provide CO<sub>2</sub> allowances for compliance

6. **Confirmation of Allowance Transaction.** We recommend that you print the page for your records. Check your email for a system-generated confirmation of the allowance transfer.

**Transfer Allowances: Confirmation of Allowance Transaction** [Print](#) [Help](#)

Print this page using the Print button for your records.

Your allowance transfer has been completed. Please print this page for your records. Email confirmation regarding this transaction will be forwarded shortly.

Check your email inbox for a system-generated email confirmation of the transaction.

Recorded Date	08/22/2018
Transaction Date	08/22/2018
Transaction ID	rggi163818
Transaction Status	Complete
State	All States
Price per allowance of associated sale or purchase transaction (\$)	
Exchange Settlement Transaction	No

Allowances Transferred From		Allowances Transferred To	
Account Number	CT10788	Account Number	CT10722
Account Name	ABC Source Compliance Account	Account Name	New CT Source Compliance Account
State	CT	State	CT
Authorized Account Representative	Reilly, Megan	Authorized Account Representative	Allen, John

Allowances Transferred

Allocation Year	Type	Originating State	Serial Range	Quantity
2009	Standard	NY	511152127 - 511152130	4

Total Allowances Transferred 4

Transaction Status History

Date	Transaction Status
08/22/2018	Complete

[Continue](#) Click on the Continue button to proceed to the Allowance Transactions page.

# Compliance in RGGI COATS: A How-To Guide

## Step 2: How to provide CO<sub>2</sub> allowances for compliance

### The **Compliance Deduction Transaction** in COATS:

- Is **optional** (you are only required to transfer sufficient CO<sub>2</sub> allowances to your compliance account).
- Will be available in COATS from January 31 to March 1, 2022.
- Will transfer selected CO<sub>2</sub> allowances for surrender from your compliance account to your state's surrender account for compliance.
- Allows you to select CO<sub>2</sub> allowances to surrender either automatically or manually by CO<sub>2</sub> allowance serial block.

# Compliance in RGGI COATS: A How-To Guide

## Step 2: How to provide CO<sub>2</sub> allowances for compliance

### To conduct a Compliance Deduction Transaction:

1. You must already have transferred CO<sub>2</sub> allowances to your compliance account (as described in previous slides).
2. In COATS, click on the **Compliance Deduction** sub-menu under the **Allowance Transactions** Menu.



# Compliance in RGGI COATS: A How-To Guide

## Step 2: How to provide CO<sub>2</sub> allowances for compliance

Select the Surrendering Account from which you will transfer CO<sub>2</sub> allowances.

### Surrender Allowances: Step 1 - Select Surrendering Account

Surrendering allowances permanently withdraws COATS allowances from compliance accounts for the purpose of compliance.

Use the radio button to select a transferring account and view the Allowance Holdings available in that account.

Use the filter criteria to find a specific transferring account.

Filter Criteria ▼

Representative Name

Account Number

Account Name

Account Number	Account Name	Authorized Account Representative	State	Allowances can be Transferred
<input checked="" type="radio"/> VT10236	DEMO 1 Compliance Account	AAR, Vermont	VT	Yes
<input type="radio"/> VT10257	DEMO 2 Compliance Account	AAR, Vermont	VT	Yes
<input type="radio"/> VT80967	October Compliance Account	AAR, Vermont	VT	Yes

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#### Allowance Holdings

Allocation Year	Type	Originating State	Serial Range	Date Acquired	Frozen	Quantity
2009	Standard	New Jersey	359855107 - 359856106	09/18/2017	No	1000
2010	Standard	New Jersey	382747913 - 382747913	09/18/2017	No	1
2011	Standard	Vermont	607239225 - 607246985	04/28/2017	No	7761

Total Allowances Available: 8763

View the Allowance Holdings grid for details on the allowances held in the account, including the Total Allowances Available in the lower right hand corner.



# Compliance in RGGI COATS: A How-To Guide

## Step 2: How to provide CO<sub>2</sub> allowances for compliance

Select the **Surrender Account** which will receive the transferred CO<sub>2</sub> allowances (e.g., a Surrender Account for the regulating state)

[Help](#)

### Surrender Allowances: Step 2 - Select Surrender Account

Filter Criteria ▼	
Authorized Account Representative	<input type="text"/>
Account Number	<input type="text"/>
Account Name	<input type="text"/>
<input type="button" value="Filter"/>	<input type="button" value="Clear"/>

#### Allowances to be Surrendered From

Account Number	VT10236
Account Name	DEMO 1 Compliance Account
State	VT

	Account Number	Account Name	Authorized Account Representative	State	Allowances can be Acquired
<input type="radio"/>	VT10342	Control Period 5 Surrender Account		VT	Yes
	VT10218	Control Period 1 Surrender Account		VT	No
	VT10261	Control Period 2 Surrender Account		VT	No
	VT10270	Control Period 3 Surrender Account		VT	No
	VT10315	Control Period 4 Surrender Account		VT	No

1 - 5 of 5

Use the radio button to select the Surrender Account. Only the Surrender Accounts associated with the state in which the Compliance Account Selected in Step 1 is located will appear in the grid for selection.



# Compliance in RGGI COATS: A How-To Guide

## Step 2: How to provide CO<sub>2</sub> allowances for compliance

### 4a. Select Allowances to Surrender – Automatic Selection Method

[Help](#)

#### Surrender Allowances: Step 3 - Select Allowances to Surrender

Allowances to be Surrendered From

Account Number VT10236  
Account Name DEMO 1 Compliance Account  
State VT

Allowances to be Surrendered To

Account Number VT10342  
Account Name Control Period 5 Surrender Account  
State VT

Choose Selection Method: Automatic

Automatic Selection

Available Allowances

Allocation Year	Allowance Type	Originating State	Serial Range	Allowance(s)	Frozen	Date Acquired
2009	Standard	NJ	359855107 - 359856106	1000	No	09/18/2017
2010	Standard	NJ	382747913 - 382747913	1	No	09/18/2017
2011	Standard	VT	607239225 - 607246985	7761	No	04/28/2017
2014	Standard	ME	613248376 - 613248376	1	No	09/18/2017

Amount to Surrender

100

Enter the quantity of allowances.

Select Allocation Year(s) \*

2009  
2010  
2011  
2014

Select the Allocation Year of the allowances COATS will select from the Available Allowances grid.

Deduction Method

☒ Begin with last acquired ☐ Begin with first acquired

Choose the deduction method.

[Calculate](#)

After entering the above criteria and clicking Calculate, COATS will automatically select the allowance serial numbers to transfer.

Allowances to be Surrendered

Originating State	Allowance Year	Allowance Type	Serial Range	Date Acquired	Allowance(s)
NJ	2009	Standard	359856007 - 359856106	09/18/2017	100

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# Compliance in RGGI COATS: A How-To Guide

## Step 2: How to provide CO<sub>2</sub> allowances for compliance

**4b. Select Allowances to Surrender – Manual Selection Method.** As an alternative to the automatic selection method (described on the previous slide), you may manually select CO<sub>2</sub> allowances to transfer choosing from a specific serial block range and selecting the receiving account.

[Help](#)

### Surrender Allowances: Step 3 - Select Allowances to Surrender

Allowances to be Surrendered From

Account Number VT10236  
Account Name DEMO 1 Compliance Account  
State VT

Allowances to be Surrendered To

Account Number VT10342  
Account Name Control Period 5 Surrender Account  
State VT

Choose Selection Method: Serial Block

Serial Block Selection

Use the Select All checkbox if all allowances held in the Transferring Account will be transferred.

☐ Select All

Available Allowances

	Allocation Year	Type	Originating State	Serial Range	Frozen	Total Allowances Available	Quantity
<input checked="" type="checkbox"/>	2009	Standard	NJ	359855107 - 359856106	No	1000	100
<input type="checkbox"/>	2010	Standard	NJ	382747913 - 382747913	No	1	0
<input type="checkbox"/>	2011	Standard	VT	607239225 - 607246985	No	7761	0
<input type="checkbox"/>	2014	Standard	ME	613248376 - 613248376	No	1	0

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Check the serial block of allowances you would like to transfer from the Transferring Account to the Acquiring Account.

Enter the Quantity of each checked serial block to be transferred.

Total Allowances to be Surrendered 100

# Compliance in RGGI COATS: A How-To Guide

## Step 2: How to provide CO<sub>2</sub> allowances for compliance

### 5. Review and approve the transaction.

#### Surrender Allowances: Step 4 - Review and Approve Transaction

##### Allowances to be Surrendered From

Account Number VT10236  
Account Name DEMO 1 Compliance Account  
State VT  
Authorized Account Representative AAR, Vermont

##### Allowances to be Surrendered To

Account Number VT10342  
Account Name Control Period 5 Surrender Account  
State VT

##### Allowances to be Surrendered

Allocation Year	Type	Originating State	Serial Range	Date Acquired	Quantity
2009	Standard	NJ	359855107 - 359855206	09/18/2017	100

Total Allowances to be Surrendered 100

Allowances that were selected for transfer in Step 3 via the Automatic or Serial Block Method.

Please review the transaction. Click the Submit button to finalize the surrender.

Control Period \*

Select the appropriate control period for which you would like the allowance transfer to be credited.

Comment

Enter Session PIN \*

Generate Session PIN

I am authorized to make this submission on behalf of the owners and operators of the CO<sub>2</sub> budget sources or CO<sub>2</sub> budget units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or

Password \*

Enter COATS password.

[Back](#) [Submit](#)

# Compliance in RGGI COATS: A How-To Guide

## Step 2: How to provide CO<sub>2</sub> allowances for compliance

6. **Confirmation of Allowance Transaction.** We recommend that you print the page for your records. Check your email inbox for a system-generated confirmation of the allowance transfer.

**Surrender Allowances: Confirmation of Surrender Transaction** Print Help

Your allowance surrender has been completed. Please print this page for your records. Email confirmation regarding this transaction will be forwarded shortly.

**Date of Allowance Surrender** 08/22/2018  
**Transaction Date** 08/22/2018  
**Transaction ID** rgg163819  
**Transaction Status** Complete  
**State** VT

Check your email for a system-generated email confirmation of the transaction.

Print this page for your records by using the Print button.

**Allowances to be Surrendered From**

**Account Number** VT10236  
**Account Name** DEMO 1 Compliance Account  
**State** VT  
**Authorized Account Representative** AAR, Vermont

**Allowances to be Surrendered To**

**Account Number** VT10342  
**Account Name** Control Period 5 Surrender Account  
**State** VT

**Allowances Transferred**

Allowance Year	Allowance Type	Serial Range	Allowance(s)
2009	Standard	359855107 - 359855206	100

Total Allowances to be Surrendered 100

**Transaction Status History**

Date	Transaction Status
08/22/2018	Complete

Continue Click the Continue button to proceed to the Allowance Transactions page.

# Compliance in RGGI COATS: A How-To Guide

## Step 3: How to conduct draft true-up

1. **View the Compliance Homepage** by clicking the **Compliance** link in the menu **navigation bar**. This displays the state(s) (in which you have a compliance account) by control period currently available for true-up processing, as indicated by the "Open" Status in the grid.

### Compliance

The control periods by state available below are those with which you have a compliance account. In order to Process True-Up (perform a draft compliance assessment), select a control period in the grid via radio button and click the Process True-Up button.

Use the filter criteria to find a specific Control Period for a State.

Filter Criteria ▼

State	MA ▼
Control Period	2021 (Interim) ▼
Control Period Type	▼

Select a Control Period for a State from the grid via radio button.

	State	Control Period Type	Control Period	Status	Compliance Begin Date	Compliance End Date
<input type="radio"/>	MA	Interim Control Period	2021 (Interim)	Open	01/01/2021	12/31/2021

1 - 1 of 1

Click the Process True-Up button once you have selected a Control Period for a State and are ready to proceed to the Select Sources for True-Up Processing page.

The Status indicates whether the Control Period for the State is available for true-up processing.



# Compliance in RGGI COATS: A How-To Guide

## Step 3: How to conduct draft true-up

2. **Select Sources for True-Up Processing.** This page displays the sources for which you are affiliated as an AAR, AAAR, Agent, or Reviewer and the results of the last draft (or final) true-up processing performed.

### Select Sources for True-Up Processing for MA 2021 (Interim)

Use the filter criteria to find a specific source.

To select the source(s) for true-up processing, click the box next to each source in the grid, or check the "Select All" box. Next, click the "Process True-Up" button, which will lead to the "Compliance Processing" page.

Draft true-up may be run multiple times. The "Last Update" column in the grid displays the date true-up was last processed for the source. The "Total Allowances Pending Deduction" column displays the sum of allowances surrendered and remaining allowances available for deduction at that time.

After processing draft true-up, click on the ORIS Code hyperlink to navigate to the source's Compliance Account Detail page.

The Processing Log hyperlink leads to the Compliance Log page.

[Processing Log](#)

Filter Criteria ▼

Source Name	<input type="text" value="Demo 1"/>
ORIS Code	<input type="text"/>
State Identifier	<input type="text"/>
Authorized Account Representative	<input type="text"/>
Processing Status	<input type="text" value=""/>
<input type="button" value="Filter"/> <input type="button" value="Clear"/>	

Select the source for Process True-Up via the check box.

☐ Select All

	ORIS Code	Source Name	State Identifier	Authorized Account Representative	CO <sub>2</sub> Interim Compliance Obligation	Total Allowances Pending Deduction	Last Update	Processing Status
<input type="checkbox"/>	1234	Demo 1	5678	AAR, MA				

[Back](#)

[Process True-Up](#)

[Export Data](#)

Click the Process True-Up button once you have selected a source and are ready to proceed to the Compliance Processing page.



# Compliance in RGGI COATS: A How-To Guide

## Step 3: How to conduct draft true-up

3. **Compliance Processing.** This page displays the results of the current draft true-up processing based on previously surrendered CO<sub>2</sub> allowances and CO<sub>2</sub> allowances held in the compliance account at the time of processing.

### Compliance Processing

Processing Complete.

The processing box displays the unit by unit processing statuses for the source(s) selected, including any warning messages.

Demo 1 Compliance Account: Account is out of compliance. It does not have sufficient allowances for the quantity of emissions reported.  
Demo 1 Compliance Account: Warning: Emissions have not been reported for every period of the compliance period for which a unit was operational.

Account Name	Account Number	ORIS Code	Unit ID(s)	Total CO <sub>2</sub> Emissions	Biomass Emissions Deducted	CHP Thermal Output Emissions Deducted	CO <sub>2</sub> Interim Compliance Obligation	AAR Surrendered Allowances	Default Deductions	Total Allowances Deducted	Status	Result
Demo 1 Compliance Account	MA1234	1234	11, 12, 13, 14, 15, 16, 17, 18	2,282	0	0	1,141	0	1,141	1,141	Complete	CO2 Interim Compliance Obligation = Allowances

[Return to Grid](#)

The Result column will display "CO2 Interim Compliance Obligation = Allowances" if the draft true-up was successful. If not, it will display "CO2 Interim Compliance Obligation > Allowances," meaning CO2 Interim Compliance Obligation is greater than Total Allowances Deducted.

# Compliance in RGGI COATS: A How-To Guide

## Step 4: How to view compliance reports

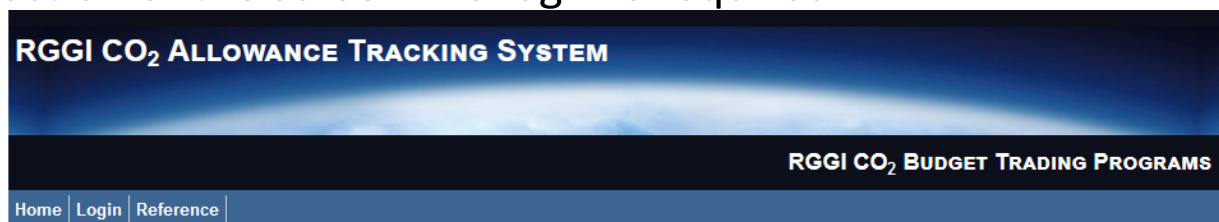
### **The 2021 Interim Compliance Summary Report**

- This report will be publicly available in COATS and will show data regarding CO<sub>2</sub> allowances provided by CO<sub>2</sub> budget sources to meet their interim compliance obligation for that interim control period.
- This report will be available to the public following interim compliance true-up.

# Compliance in RGGI COATS: A How-To Guide

## Step 4: How to view compliance reports

- Go to the COATS homepage and click on the desired report category in the "Public Reports" section of the screen. No login is required.



The RGGI CO<sub>2</sub> Allowance Tracking System (RGGI COATS) is the platform that records and tracks data for each state's CO<sub>2</sub> Budget Trading Program.

Public Reports	RGGI COATS Accounts
<p>RGGI COATS enables the public to view, customize, and download reports of RGGI program data and CO<sub>2</sub> allowance market activity.</p> <p>Access reports here:</p> <ul style="list-style-type: none"><li><a href="#">Summary Level Emissions</a></li><li><a href="#">Quarterly Emissions</a></li><li><a href="#">Annual Emissions</a></li><li><a href="#">Control Period Emissions</a></li><li><a href="#">Sources</a></li><li><a href="#">Owner/Operator</a></li><li><a href="#">Accounts</a></li><li><a href="#">Account Representatives</a></li><li><a href="#">Transaction Price Report</a></li><li><a href="#">Special Approvals</a></li><li><a href="#">Offset Projects</a></li><li><a href="#">Compliance Summary</a></li><li><a href="#">2021 Interim Compliance Summary Report</a></li></ul> <p><a href="#">Access archived reports here.</a></p>	<p>RGGI COATS enables market participants to receive and transfer CO<sub>2</sub> allowances, register offset projects, and submit offset project Consistency Applications and Monitoring and Verification Reports.</p> <p>A login is required only for authorized account representatives (AARs), alternate account representatives (AAARs), electronic submission agents, or reviewers to access compliance or general accounts.</p> <p><a href="#">Click here to log in to RGGI COATS</a></p> <p><a href="#">Register to use RGGI COATS</a></p> <p>RGGI COATS is compatible with the following web browsers: Internet Explorer 11 and later, and the latest versions of Firefox, Safari, Chrome, Edge, and Opera.</p>

# Question & Answer

- **To ask a question during the webinar:** Send your question via the “**Q&A**” function to the presenters on your webinar screen.
- **To ask a question after the webinar:** If you have additional questions following the webinar, you can email them to Anna Ngai at RGGI, Inc.:  
[anna.ngai@rggi.org](mailto:anna.ngai@rggi.org).

# Additional Resources

- **State CO<sub>2</sub> Budget Trading Programs**

- The compliance process for RGGI CO<sub>2</sub> budget sources is governed by the applicable of the state in which the facility is located. For more information, see <https://www.rggi.org/program-overview-and-design/state-regulations>.

- **RGGI Website**

- Additional information related to compliance can be found at: <https://www.rggi.org/allowance-tracking/compliance>.

- **RGGI COATS:**

- RGGI COATS can be accessed at: [rggi-coats.org](https://rggi-coats.org).
- For more information, see the RGGI COATS [User's Guide](#).

- **US EPA's Emissions Reporting Requirements**

- See the US EPA CAMD website at <https://www.epa.gov/airmarkets>.

# Contacts

- For questions related to COATS, please email [rggi-coats@gdit.com](mailto:rggi-coats@gdit.com).
- For other questions related to compliance, please contact the relevant state contact person below.

State	Contact Person	Email	Phone
CT	Mike LaFleur	<a href="mailto:Michael.LaFleur@ct.gov">Michael.LaFleur@ct.gov</a>	(860) 424-3462
DE	Christian Wisniewski	<a href="mailto:Christian.Wisniewski@delaware.gov">Christian.Wisniewski@delaware.gov</a>	(302) 324-2090
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# Thank You!

A recording of this presentation will be made  
available on the RGGI website at:

<https://www.rggi.org/allowance-tracking/compliance>.