

# The Regional Greenhouse Gas Initiative

an initiative of Eastern States of the US

## CO<sub>2</sub> Budget Source 2025 Interim Control Period Compliance Process: Checklist

Under each RGGI participating state's CO<sub>2</sub> Budget Trading Program, each "CO<sub>2</sub> budget source" is required to hold one CO<sub>2</sub> allowance for each ton of CO<sub>2</sub> emitted during the preceding three-year control period. The sixth three-year control period began on January 1, 2024 and extends through December 31, 2026 for the states of Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, and Vermont.

Starting in the third control period, each CO<sub>2</sub> 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 CO<sub>2</sub> 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 2025 interim control period began on January 1, 2025 and each CO<sub>2</sub> budget source must hold allowances available in their compliance account for compliance deduction equal to 50 percent of their emissions by March 2, 2026.

### □ 1. Confirm your access to the U.S. EPA's CAMD Business System.

Facility information for CO<sub>2</sub> budget sources is stored and maintained in the U.S. Environmental Protection Agency's (U.S. EPA's) CAMD Business System and reflected in the RGGI CO<sub>2</sub> Allowance Tracking System (COATS). Please make sure you have an Authorized Account Representative (AAR) and Alternate Authorized Account Representative (AAAR) (if applicable) with access to the CAMD Business System. Please also make sure all information about your facility (including AAR, AAAR, facility, and owner/operator) is up to date in the CAMD Business System. Updates made in the CAMD Business System flow to COATS periodically. If you need to change your AAR or make changes that cannot be made in the CAMD Business System, this may take additional time and may require paper forms to be sent to the EPA and to the state in which your CO<sub>2</sub> budget source is located. Please plan accordingly.

### □ 2. Confirm your user registration in RGGI COATS.

COATS stores and maintains RGGI accounts and CO<sub>2</sub> allowances, and is the platform on which compliance transactions and evaluations will be made. Please ensure that your organization's AAR, AAAR (if applicable), and Electronic Submission Agent(s) (Agent(s)) (if applicable) for COATS are up-to-date and have access to COATS. Note that AAR, AAAR, and facility data is managed in the CAMD Business System, and transferred to COATS (i.e., this data is not managed in COATS). For more information on COATS, please see the RGGI COATS [User's Guide](#).

### □ 3. Acquire sufficient CO<sub>2</sub> allowances to meet your CO<sub>2</sub> interim compliance obligation.

CO<sub>2</sub> allowances can be obtained in two ways:

- **RGGI CO<sub>2</sub> Allowance Auctions:** Auctions are held quarterly. Auction 70, to be held on December 3, 2025, is the last CO<sub>2</sub> Allowance Auction before the end of the 2025 interim control period. The Auction 70 Notice will be released in October 2025. For more information on CO<sub>2</sub> Allowance

Auctions, including requirements and procedures to participate in the auctions, please see the [Auctions](#) section of the RGGI website.

- **Secondary Markets:** CO<sub>2</sub> allowances can also be obtained through secondary markets. All CO<sub>2</sub> allowances for the 2025 interim control period must be provided for compliance by the allowance transfer deadline of 11:59 PM ET on March 2, 2026 (see item 6 below). It is strongly recommended that you obtain all CO<sub>2</sub> allowances necessary for compliance *well before* the allowance transfer deadline.

□ **4. Submit your CO<sub>2</sub> emissions data to the U.S. EPA by January 30, 2026.**

CO<sub>2</sub> emissions data for Q4-2025 (the final quarter of the 2025 interim control period) must be submitted to the CAMD Business System no later than January 30, 2025. Please note that CO<sub>2</sub> emissions data updates for 2025 will continue to flow to COATS from the CAMD Business System through final interim compliance true-up. If there are any changes to CO<sub>2</sub> emissions data, the relevant state, AAR, AAAR (if applicable), any Agent(s) (if applicable), and any Reviewers (if applicable) associated with the compliance account will be notified via COATS. Any data updates and potential effects on a CO<sub>2</sub> budget source's "CO<sub>2</sub> Interim Compliance Obligation" (50 percent of the tons of CO<sub>2</sub> emitted during the preceding one-year interim control period, less any exempted emissions deductions) will be reviewed by the relevant state.

□ **5. Run Draft True-Up in RGGI COATS by March 2, 2026.**

CO<sub>2</sub> budget sources must run draft "true-up" in RGGI COATS by 11:59 PM ET on March 2, 2026; it is recommended that CO<sub>2</sub> budget sources run draft true-up well ahead of the March 2 deadline. This 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 for automatic deduction at the time that the most recent draft true-up is run. CO<sub>2</sub> budget sources may run draft true-up as many times as needed.

□ **6. Provide sufficient CO<sub>2</sub> allowances in a COATS compliance account by the allowance transfer deadline (11:59 PM ET on March 2, 2026).**

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 surrendered) to meet their CO<sub>2</sub> Interim Compliance Obligation in COATS by 11:59 PM ET on March 2, 2026. Following the allowance transfer deadline, on March 3, 2026, CO<sub>2</sub> allowances will be automatically deducted from the CO<sub>2</sub> budget source's compliance account and transferred to the relevant state's surrender account in order of increasing serial number, with the following exceptions:

- **For CO<sub>2</sub> budget sources located in Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, or Vermont:** CO<sub>2</sub> offset allowances, up to the 3.3 percent offset limit, will be deducted in chronological order (CO<sub>2</sub> offset allowances from earlier allocation years shall be deducted before CO<sub>2</sub> offset allowances from later allocation years), in order of increasing serial number for each year. CO<sub>2</sub> allowances, other than CO<sub>2</sub> offset allowances, will then be deducted in chronological order (CO<sub>2</sub> allowances from earlier allocation years will be deducted before CO<sub>2</sub> allowances of later allocation years), in order of increasing serial number for each year.
- **For CO<sub>2</sub> budget sources located in Maryland:** CO<sub>2</sub> allowances that were allocated to units at the source will be deducted before other CO<sub>2</sub> allowances, in order of increasing serial number. CO<sub>2</sub> allowances that were allocated to units at the source include: CO<sub>2</sub> allowances allocated from the state of Maryland's Long Term Contract Set-aside Account or Clean Generation Set-

aside Account. CO<sub>2</sub> offset allowances, up to the 3.3 percent offset limit, will then be deducted in chronological order (CO<sub>2</sub> offset allowances from earlier allocation years shall be deducted before CO<sub>2</sub> offset allowances from later allocation years), in order of increasing serial number for each year. Then CO<sub>2</sub> allowances, other than CO<sub>2</sub> offset allowances, will be deducted in chronological order (CO<sub>2</sub> allowances from earlier allocation years will be deducted before CO<sub>2</sub> allowances of later allocation years), in order of increasing serial number for each year.

As an optional step, if you wish to identify specific CO<sub>2</sub> allowances to use (“surrender”) for interim compliance, you may do so by using the Compliance Deduction Transaction in RGGI COATS between February 2, 2026 and March 2, 2026. Any CO<sub>2</sub> allowances identified by a CO<sub>2</sub> budget source will be transferred from your compliance account to the relevant state’s surrender account for interim compliance at the point of the transaction, prior to the March 2, 2026 allowance transfer deadline. Any remaining balance of CO<sub>2</sub> allowances needed to meet your CO<sub>2</sub> Interim Compliance Obligation (as determined by your state) will be automatically deducted as described above following the allowance transfer deadline, on March 3, 2026.

Note that a **compliance certification report is not required** as part of the compliance obligation during an interim control period. (Compliance certification will be required for final compliance at the end of the three-year control period.)

For more information on COATS transactions, please see the RGGI COATS [User’s Guide](#) For more information on state CO<sub>2</sub> Budget Trading Programs, see: <https://www.rggi.org/program-overview-and-design/state-regulations>.

• **Additional Information:**

- The compliance process for CO<sub>2</sub> budget sources is governed by the applicable CO<sub>2</sub> 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>.
- For a list of current CO<sub>2</sub> budget sources, see the public Sources Report on the RGGI COATS homepage: [rggi-coats.org](http://rggi-coats.org).
- To learn more about RGGI CO<sub>2</sub> Budget Source Compliance, see the RGGI website: <https://www.rggi.org/allowance-tracking/compliance>.
- For questions related to using COATS please email [rggi-coats@gdit.com](mailto:rggi-coats@gdit.com). For other questions related to compliance, please contact the appropriate state representative below:

State	Contact Person	Email	Phone
Connecticut	Mike LaFleur	<a href="mailto:Michael.LaFleur@ct.gov">Michael.LaFleur@ct.gov</a>	(860) 424-3462
Delaware	Yagna Shah	<a href="mailto:yagna.shah@delaware.gov">yagna.shah@delaware.gov</a>	(302) 739-9402
Maine	Eric Kennedy	<a href="mailto:Eric.Kennedy@maine.gov">Eric.Kennedy@maine.gov</a>	(207) 530-3139
Maryland	Roland Gorschboth	<a href="mailto:roland.gorschboth@maryland.gov">roland.gorschboth@maryland.gov</a>	(410) 537-4130
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New Hampshire	Michael Rieger	<a href="mailto:michael.r.rieger@des.nh.gov">michael.r.rieger@des.nh.gov</a>	(603) 271-6794
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