

RGGI Compliance: CO₂ Budget Source Frequently Asked Questions

Under each RGGI participating state's CO₂ Budget Trading Program, each regulated power plant (a "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 RGGI control period began on January 1, 2018 and extends through December 31, 2020.

This document provides some frequently asked questions for CO₂ budget sources regarding the compliance process in the RGGI CO₂ Allowance Tracking System (COATS). To learn more about RGGI compliance, please see the RGGI website: <https://www.rggi.org/allowance-tracking/compliance>.

1. *What are the steps I need to take for compliance?*

Please see the [CO₂ Budget Source Checklist](#) which serves as a guide to help CO₂ budget sources understand the compliance process.

2. *Can I run draft true-up multiple times?*

An Authorized Account Representative (AAR), Alternate Authorized Account Representative (AAAR), or Electronic Submission Agent (Agent) may run draft true-up as many times as needed until 11:59 PM ET on March 1, 2021.

3. *Can I run draft true-up for multiple sources at a time?*

Yes, the AAR, AAAR, or Agent of a CO₂ budget source can run draft true-up for multiple sources at a time.

4. *Who can certify compliance for my CO₂ budget source?*

Only the AAR or AAAR for a CO₂ budget source can certify compliance for a source. Agents for a CO₂ budget source cannot certify compliance for that source.

5. *Should I re-certify compliance if I run draft true-up multiple times?*

Yes, you should certify compliance following the final time you run draft true-up prior to the Compliance Certification Deadline of 11:59 PM ET on March 1, 2021. The AAR or AAAR for a CO₂ budget source can certify compliance electronically as many times as needed but it must be submitted by the Compliance Certification Deadline.

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6. *Can I certify compliance for multiple sources at a time?*

No, the AAR or AAAR of a CO₂ budget source can only certify compliance for one source at a time.

7. *How do I know when I have completed the compliance certification process in RGGI COATS?*

The process is complete once you have submitted the CO₂ Budget Trading Program Compliance Certification Report, either electronically in COATS and/or by submitting a signed paper copy of the CO₂ Budget Trading Program Compliance Certification Report as required by each state. In COATS, the final screen you will see for electronic certification will be the CO₂ Budget Trading Program Compliance Certification Report. If you have certified electronically, you should see your name at the bottom of the screen next to the “Certified By” field. If you are submitting a paper CO₂ Budget Trading Program Compliance Certification Report, print this page, sign it, and mail it to your relevant state contact.

Please follow the guidelines below for the Compliance Certification process of the state in which your facility resides:

- **For CO₂ budget sources located in Connecticut or Maryland:** CO₂ budget sources must print, sign, and send a paper copy of the electronic Compliance Certification Report from COATS and any attachments to the relevant state agency. Paper materials must be received by the relevant state by 5:00 PM ET on March 1, 2021. Electronic certification may also be submitted but is not required.
- **For CO₂ budget sources located in Vermont:** Compliance must be certified electronically in COATS, and a paper copy of the electronic Compliance Certification Report must also be printed from COATS, signed, and sent with any attachments to the relevant state agency. All materials must be received by the relevant state by March 1, 2021.
- **For CO₂ budget sources located in Delaware, Maine, Massachusetts, New Hampshire, New Jersey, or New York:** Compliance must be certified electronically, and any relevant attachments must be uploaded into COATS. A paper copy is not required.
- **For CO₂ budget sources located in Rhode Island:** Compliance may be certified electronically, and any relevant attachments must be uploaded into COATS. A paper copy is not required if certification is completed electronically. If compliance is not certified electronically, then a paper copy of the report must be submitted to the Department.

Please note that only the AAR or AAAR for a CO₂ budget source can access the CO₂ Budget Trading Program Compliance Certification Report and submit electronic certification in RGGI COATS. For more information, please see the COATS [User's Guide](#).

8. *How do I know if my CO₂ emissions are equal to (or greater than) the number of allowances that needed to meet my remaining “CO₂ compliance obligation” (tons of CO₂ emitted during the preceding three-year control period, less any exempted emissions deductions)?*

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In the Compliance module of COATS, when you select a source or sources on the “Select Sources for True-Up Processing for Carbon Dioxide (CO₂) 01/01/2018 - 12/31/2020” screen and click Process True-Up, you will be taken to the “Compliance Processing” screen. On this page, you can see if your Total CO₂ Compliance Obligation is equal to or greater than your Total Allowances Deducted. The Result column will tell you if your Emissions are greater than or equal to allowances. For more information, please see the COATS [User's Guide](#).

9. *What if the amount of CO₂ allowances that I provided for compliance is less than my “CO₂ Compliance Obligation”?*

If the amount of CO₂ allowances provided for final compliance at the end of the three-year control period is less than the source’s “CO₂ Compliance Obligation”, the source will be required to surrender CO₂ allowances equal to three times the number (tons) of the source’s excess emissions and may also be subject to state-specific penalties for non-compliance. The RGGI participating state may choose to subject the owners and operators of a CO₂ budget source to pay any fine, penalty, or assessment or comply with any other remedy imposed.

10. *What do the “Paragraph 3” and “Paragraph 4(ii)” columns on the “Select Sources for True-Up Processing for [State] 01/01/2018 - 12/31/2020” screen in RGGI COATS refer to? How do I know if I need to attach documentation for Paragraph 3 or Paragraph 4(ii)?*

These columns refer to paragraphs 3 and 4(ii) in the Compliance Certification Report. You only need to submit documentation for Paragraph 3 or Paragraph 4(ii) if the relevant conditions apply. You also have the ability to upload additional documentation if needed on the CO₂ Budget Trading Program Compliance Certification Report (paragraphs 3 and 4(ii)). Please note if you are submitting a paper Compliance Certification Report, any additional documentation that applies to Paragraph 3 or Paragraph 4(ii) must also be printed and submitted as attachments to your signed paper Compliance Certification Report by the Compliance Certification Deadline.

11. *When I navigate to the “Select Sources for True-Up Processing for [State] 01/01/2018 - 12/31/2020” screen in COATS, it looks like my data is not updated even though I have transferred allowances to my compliance account and/or surrendered allowances. How do I update my data?*

True-up is a manual process and does not occur automatically. The data on this page will update when you select the relevant source(s) and click the “Process True-Up” button.

12. *What should I do if my CO₂ emissions data is updated or is missing?*

Facility information for CO₂ budget sources is stored and maintained in the U.S. Environmental Protection Agency’s (EPA) Clean Air Markets Division (CAMD) Business System and reflected in COATS. If there are any changes or issues with your CO₂ emissions data, please contact the EPA and your relevant state contact.

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13. *Where can I find more information related to RGGI compliance?*

The 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>.

For more information on RGGI COATS please see the COATS [User's Guide](#).

14. *Are there any restrictions regarding the allocation year of CO₂ allowances which may be used to meet CO₂ compliance obligations for a given control period?*

CO₂ compliance obligations for a given control period may be met using CO₂ allowances of an allocation year within and prior to that three-year control period. For example, for the fourth three-year control period, CO₂ compliance obligations may be met using allocation year 2020 CO₂ allowances or any CO₂ allowances from allocation years prior to 2020. (The allocation years of the CO₂ allowances used for compliance do not need to correspond to the year during which the covered emissions occurred.) Future allocation year allowances cannot be used for compliance for a current control period.

15. *Can CO₂ offset allowances be used to meet CO₂ compliance obligations?*

CO₂ offset allowances may be used to meet compliance obligations, but the amount used may not exceed 3.3 percent of the CO₂ budget source's compliance obligation for the control period.

16. *Who should I contact with questions?*

For questions related to using COATS please email the COATS System Administrator at rggi-coats@csra.com. For other questions related to compliance, please contact the appropriate state representative below:

State	Contact Person	Email	Phone
Connecticut	Mike LaFleur	Michael.LaFleur@ct.gov	(860) 424-3462
Delaware	Christian Wisniewski	Christian.Wisniewski@delaware.gov	(302) 324-2090
Maine	Eric Kennedy	Eric.Kennedy@maine.gov	(207) 287-5412
Maryland	Steve Lang	Steven.Lang@maryland.gov	(410) 537-3944
Massachusetts	Bill Lamkin	William.Lamkin@state.ma.us	(978) 694-3294
New Hampshire	Joe Fontaine	Joseph.Fontaine@des.nh.gov	(603) 271-6794
New Jersey	Rupa Deshmukh	Rupa.Deshmukh@dep.nj.gov	(609) 633-0534
New York	Mike Sheehan	Michael.Sheehan@dec.ny.gov	(518) 402-8396
Rhode Island	Dena Gonsalves	Dena.Gonsalves@dem.ri.gov	(401) 222-2808 x7017
Vermont	Brian Woods	Brian.Woods@vermont.gov	(802) 272-4496