The Regional Greenhouse Gas Initiative
an initiative of Eastern States of the US

CO_2 Budget Source Sixth Control Period Compliance Process: Checklist

Under each RGGI participating state's CO_2 Budget Trading Program, each "CO_2 budget source" is required to hold one CO_2 allowance for each ton of CO_2 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, Vermont and Virginia.

Starting in the third control period, each CO_2 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_2 budget source must hold allowances in their compliance account for compliance deduction equal to 100 percent of their remaining emissions for the sixth three-year control period by March 1, 2027.

☐ **1. Confirm your access to the U.S. EPA's CAMD Business System.**
Facility information for CO_2 budget sources is stored and maintained in the U.S. Environmental Protection Agency's (U.S. EPA's) Clean Air Markets Division (CAMD) Business System and reflected in the RGGI CO_2 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. 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_2 budget source is located. Please plan accordingly.

☐ **2. Confirm your user registration in RGGI COATS.**
COATS stores and maintains RGGI accounts and CO_2 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 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. *(Recommended)* Have a General Account open in COATS.**
From March 1, 2027 through final compliance true-up, first, second, third, fourth, fifth, and sixth control period CO_2 allowances in COATS compliance accounts will be frozen, and CO_2 budget sources will not be able to transfer or receive first, second, third, fourth, fifth, or sixth control period CO_2 allowances in their compliance accounts (but will be able to transfer and receive CO_2 allowances held in general accounts regardless of allocation year). If you anticipate receiving or transferring first, second, third, fourth, fifth, or sixth control period CO_2 allowances in COATS during this time, you are strongly encouraged to open and maintain a general account. Final compliance true-up will occur on the first business day following April 1, 2027, which is April 2, 2027. For more information on how to open a general account, please see the COATS User's Guide.

☐ **4. Acquire sufficient CO_2 allowances to meet your CO_2 compliance obligation.**

CO_2 allowances can be obtained in two ways:

- **RGGI CO_2 Allowance Auctions:** Auctions are held quarterly. Auction 74, to be held on December 2, 2026, is the last CO_2 Allowance Auction before the end of the sixth control period. The Auction 74 Notice will be released in October 2026. For more information on CO_2 Allowance Auctions, including requirements and procedures to participate in the auctions, please see the Auctions section of the RGGI website.
- **Secondary Markets:** CO_2 allowances can also be obtained through secondary markets. All CO_2 allowances for the sixth control period must be provided for compliance by the allowance transfer deadline of 11:59 PM ET on March 1, 2027 (see item 6 below). It is strongly recommended that you obtain all CO_2 allowances necessary for compliance *well before* the allowance transfer deadline.

☐ **5. Submit your CO_2 emissions data to the U.S. EPA by January 30, 2027.**

CO_2 emissions data for Q4-2026 (the final quarter of the sixth control period) must be submitted to the CAMD Business System no later than January 30, 2027. Please note that CO_2 emissions data updates for the sixth control period will continue to flow to COATS from the CAMD Business System through final compliance true-up. If there are any changes to CO_2 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_2 budget source's remaining "CO_2 Compliance Obligation" (100 percent of the tons of CO_2 emitted during the preceding three-year control period, less any exempted emissions deductions) will be reviewed by the relevant state; CO_2 budget sources are encouraged to hold some additional CO_2 allowances in their compliance accounts as a "buffer" to anticipate potential changes to their CO_2 emissions data during this time.

☐ **6. Run Draft True-Up in RGGI COATS by March 1, 2027.**

CO_2 budget sources must run draft "true-up" in RGGI COATS by 11:59 PM ET on March 1, 2027; it is recommended that CO_2 budget sources run draft true-up well ahead of the March 1 deadline. This will compare their CO_2 Compliance Obligation to the sum of CO_2 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_2 budget sources may run draft true-up as many times as needed. Compliance evaluations derived from participating states will be released following final compliance true-up on April 2, 2027.

☐ **7. Provide sufficient CO_2 allowances in a COATS compliance account by the allowance transfer deadline (11:59 PM ET on March 1, 2027).**

All CO_2 budget sources must hold sufficient CO_2 allowances in their compliance account (not including any CO_2 allowances surrendered) to meet their CO_2 Compliance Obligation in COATS by 11:59 PM ET on March 1, 2027. Please note that as the CO_2 compliance obligation will take into account any emissions data updates that may occur after March 1, 2027, you should therefore consider the potential for such updates when determining how many CO_2 allowances to transfer and hold in your compliance account. Following final compliance true-up on April 2, 2027, under each state's CO_2 Budget Trading Program, CO_2 allowances will be automatically deducted from the CO_2 budget source's compliance account in order of increasing serial number, with the following exceptions:

- **For CO_2 budget sources located in Connecticut, Delaware, New Hampshire, New Jersey, New York, Rhode Island, Vermont, or Virginia:** CO_2 offset allowances, up to the 3.3 percent offset limit, will be deducted in chronological order (CO_2 offset allowances from earlier allocation years shall be deducted before CO_2 offset allowances from later allocation years), in order of increasing serial number for each year. CO_2 allowances, other than CO_2 offset allowances, will then be deducted in chronological order (CO_2 allowances from earlier allocation years will be deducted before CO_2 allowances of later allocation years), in order of increasing serial number for each year.
- **For CO_2 budget sources located in Maine:** CO_2 allowances that were allocated to units at the source will be deducted before other CO_2 allowances, in order of increasing serial number. CO_2 allowances that were allocated to units at the source include: CO_2 allowances allocated from the state of Maine's Integrated Manufacturing Facility (IMF) Account. Any other allocated CO_2 allowances, other than CO_2 offset allowances, will then be deducted in order of increasing serial number. Then CO_2 offset allowances, up to the 3.3 percent offset limit, will be deducted in chronological order in order of increasing serial number.
- **For CO_2 budget sources located in Maryland:** CO_2 allowances that were allocated to units at the source will be deducted before other CO_2 allowances, in order of increasing serial number. CO_2 allowances that were allocated to units at the source include: CO_2 allowances allocated from the state of Maryland's Long Term Contract Set-aside Account or Clean Generation Set-aside Account. CO_2 offset allowances, up to the 3.3 percent offset limit, will then be deducted in chronological order (CO_2 offset allowances from earlier allocation years shall be deducted before CO_2 offset allowances from later allocation years), in order of increasing serial number for each year. Then CO_2 allowances, other than CO_2 offset allowances, will be deducted in chronological order (CO_2 allowances from earlier allocation years will be deducted before CO_2 allowances of later allocation years), in order of increasing serial number for each year.
- **For CO_2 budget sources located in Massachusetts:** CO_2 offset allowances, up to the 3.3 percent offset limit, will be deducted in order of increasing serial number for each year. CO_2 allowances, other than CO_2 offset allowances, will then be deducted in order of increasing serial number for each year.

As an optional step, if you wish to identify specific CO_2 allowances to use ("surrender") for compliance, you may do so by using the Compliance Deduction Transaction in RGGI COATS between February 1, 2027 and March 1, 2027. Any CO_2 allowances identified by a CO_2 budget source will be transferred from your compliance account to the relevant state's surrender account for compliance at the point of the transaction, prior to the March 1, 2027 allowance transfer deadline. Any remaining balance of CO_2 allowances needed to meet your CO_2 Compliance Obligation (as determined by your state) will be automatically deducted as described above following the allowance transfer deadline, on April 2, 2027.

For more information on COATS transactions, please see the RGGI COATS User's Guide For more information on state CO_2 Budget Trading Programs, see: https://www.rggi.org/program-overview-and-design/state-regulations.

☐ **8. Certify compliance by the compliance certification deadline (11:59 PM ET on March 1, 2027).**

CO_2 budget sources are required to submit a Compliance Certification Report certifying that they are in compliance with their state's CO_2 Budget Trading Program between February 1, 2027 and 11:59 PM ET on March 1, 2027. Compliance certification may include an electronic certification (submitted by the AAR or AAAR in COATS) and/or paper certification process as required by each state. Please follow the guidelines below for the compliance certification process of the state in which your facility resides:

- **For CO_2 budget sources located in Connecticut:** CO_2 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, 2027. Electronic certification may also be submitted but is not required.
- **For CO_2 budget sources located in Delaware, Vermont, or Virginia:** 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, 2027.
- **For CO_2 budget sources located in Maine, Maryland, 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 CO_2 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 CO_2 budget source can access the Compliance Certification Report and submit electronic certification in COATS. For more information, please see the COATS User's Guide.

- **Additional Information:**
  - The compliance process for CO_2 budget sources is governed by the applicable CO_2 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_2 budget sources, see the public Sources Report on the RGGI COATS homepage: rggi-coats.org.
  - To learn more about RGGI CO_2 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. For other questions related to compliance, please contact the appropriate state representative below:

State	Contact Person	Email	Phone
Connecticut	Samantha Amaral	Samantha.Amaral@ct.gov	(860) 424-3683
Delaware	Yagna Shah	yagna.shah@delaware.gov	(302) 739-9402
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