



Contact: Nora Vogel
212-417-3179
Nora.vogel@rggi.org

Annual 2017 RGGI Market Monitoring Report Available

May 24, 2018 — The independent market monitor for the RGGI CO₂ allowance market continues to find no evidence of anti-competitive conduct, according to the [Annual Report on the Market for RGGI CO₂ Allowances: 2017](#), released today.

Prepared by Potomac Economics, the report evaluates activity in the market for RGGI CO₂ allowances in 2017, focusing on the following areas: allowance prices, trading and acquisition of allowances in the auctions and the secondary market, participation in the market by individual firms, and market monitoring.

Firms acquire RGGI CO₂ allowances in the primary market, mainly through quarterly RGGI CO₂ allowance auctions, and can also buy and sell CO₂ allowances in the secondary market. Participation by many firms promotes competition and helps ensure that CO₂ allowance prices are determined efficiently. The market monitor found that in 2017 there was broad participation in the RGGI market, with the demand for CO₂ allowances dispersed relatively widely across firms.

In reviewing the four auctions of 2017, the market monitor found no material concerns regarding the auction process, barriers to participation in the auctions, or the competitiveness of the results.

In the secondary market, the market monitor found no evidence of anti-competitive conduct, and found that firms have generally purchased quantities of allowances that are consistent with their expected needs. Secondary market prices were generally consistent with auction clearing prices.

See the [full report](#), available on the [Market Monitor Reports](#) page of the RGGI, Inc. website, for more details on 2017 allowance prices, holdings, and market participation.

About the Regional Greenhouse Gas Initiative (RGGI)

The Northeast and Mid-Atlantic states participating in the fourth RGGI control period (Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New York, Rhode Island, and Vermont) have implemented the first mandatory market-based regulatory program in the U.S. to reduce greenhouse gas emissions. The 2018 RGGI cap is 82.2 million short tons. The RGGI states also include interim adjustments to the RGGI cap to account for banked CO₂ allowances. The 2018 RGGI adjusted cap is 60.3 million short tons.

RGGI is composed of individual CO₂ budget trading programs in each state, based on each state's independent legal authority. A CO₂ allowance represents a limited authorization to emit one short ton of CO₂, as issued by a respective state. A regulated power plant must hold CO₂ allowances equal to its emissions for each three-year control period. RGGI's fourth control period began on January 1, 2018 and extends through December 31, 2020. For more information visit www.rrgi.org

About Regional Greenhouse Gas Initiative, Inc.

Regional Greenhouse Gas Initiative, Inc. (RGGI, Inc.) was created to provide technical and administrative

services to the states participating in the Regional Greenhouse Gas Initiative. RGGI, Inc. is a 501(c)(3) nonprofit organization. For more information, visit: www.rggi.org/rggi.