RGGI States Release Fourth Control Period Compliance Report
97.5 Percent of Sources, 99.1 Percent of Covered Emissions in Compliance

April 2, 2021 — The ten states participating in the Regional Greenhouse Gas Initiative (RGGI) fourth control period today released the Compliance Summary Report for RGGI’s fourth three-year control period. As of today, the report finds that 198 of the 203 power plants subject to RGGI requirements (CO₂ budget sources), or 97.5 percent, have met their compliance obligations. In terms of emissions, 99.1 percent of covered power sector emissions were in compliance.

The RGGI program requires fossil-fueled power plants 25MW or larger to purchase and hold one carbon dioxide (CO₂) allowance for each short ton of CO₂ emitted during the three-year control period. The RGGI fourth control period began on January 1, 2018 and ended on December 31, 2020.

Compliance takes place in stages during each three-year control period. The first two years are interim compliance periods, for which entities are required to provide allowances equal to half of their emissions for each one-year period. In this case, during the fourth control period, interim compliance was conducted for the years 2018 and 2019, for the CO₂ budget sources in the nine participating states during those two years (New Jersey resumed its RGGI participation on January 1, 2020). After the conclusion of the three-year period, CO₂ budget sources are required to provide allowances equal to the remainder of their emissions for the entire three-year period.

To establish compliance, the number of allowances held in each compliance entity’s RGGI CO₂ Allowance Tracking System (RGGI COATS) compliance account is compared with its CO₂ compliance obligation, and then provided to the states for compliance evaluation. The release of the Compliance Summary Report marks the conclusion of that evaluation.

“The RGGI program continues to serve as a model for successful implementation of regional efforts to reduce carbon emissions,” said Martin Suuberg, Commissioner of the Massachusetts Department of Environmental Protection and Chair of the RGGI, Inc. Board of Directors. “The compliance results achieved demonstrate the effectiveness of the program’s design and the achievement of power generators to move toward a cleaner energy future.”

“RGGI’s decade of success shows the power of markets to help regulators reduce greenhouse gas emissions with steady, long-lasting, and effective results,” said Ben Grumbles, Secretary of the Maryland Department of the Environment and Vice Chair of the RGGI, Inc. Board of Directors. “We look forward to building on this progress with even tighter caps and equitable solutions as the RGGI states prepare for the upcoming regional Program Review.”
About the Regional Greenhouse Gas Initiative (RGGI)

The Eastern states participating in the fifth RGGI control period (Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, Vermont, and Virginia) have implemented the first mandatory market-based regulatory program in the U.S. to reduce greenhouse gas emissions. The 2021 RGGI cap is 119.8 million short tons. The 2021 RGGI adjusted cap is 100.7 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 fifth control period began on January 1, 2021 and extends through December 31, 2023. For more information visit www.rggi.org.

About the Regional Greenhouse Gas Initiative, Inc.

The 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-inc/contact.