

DRAFT 2016 RGGI Program Review Reference Case Results

February 2, 2016

Disclaimer – This presentation, prepared by ICF International under contract with RGGI, Inc., is designed to support ongoing evaluation of state RGGI programs. The opinions, data and analysis contained in this report do not necessarily reflect those of RGGI, Inc. or any of the RGGI Participating States.

DRAFT 2016 PR Reference Case Projections

- The following slides present select projections from the latest RGGI Reference Case to support the 2016 RGGI Program Review (2016 PR Reference Case).
- Projections are based on assumptions in place as of January 22, 2016.
- These projections are draft and may change as ICF makes refinements based on review and input by the States.
- Detailed 2016 PR Reference Case assumptions are summarized in accompanying materials.

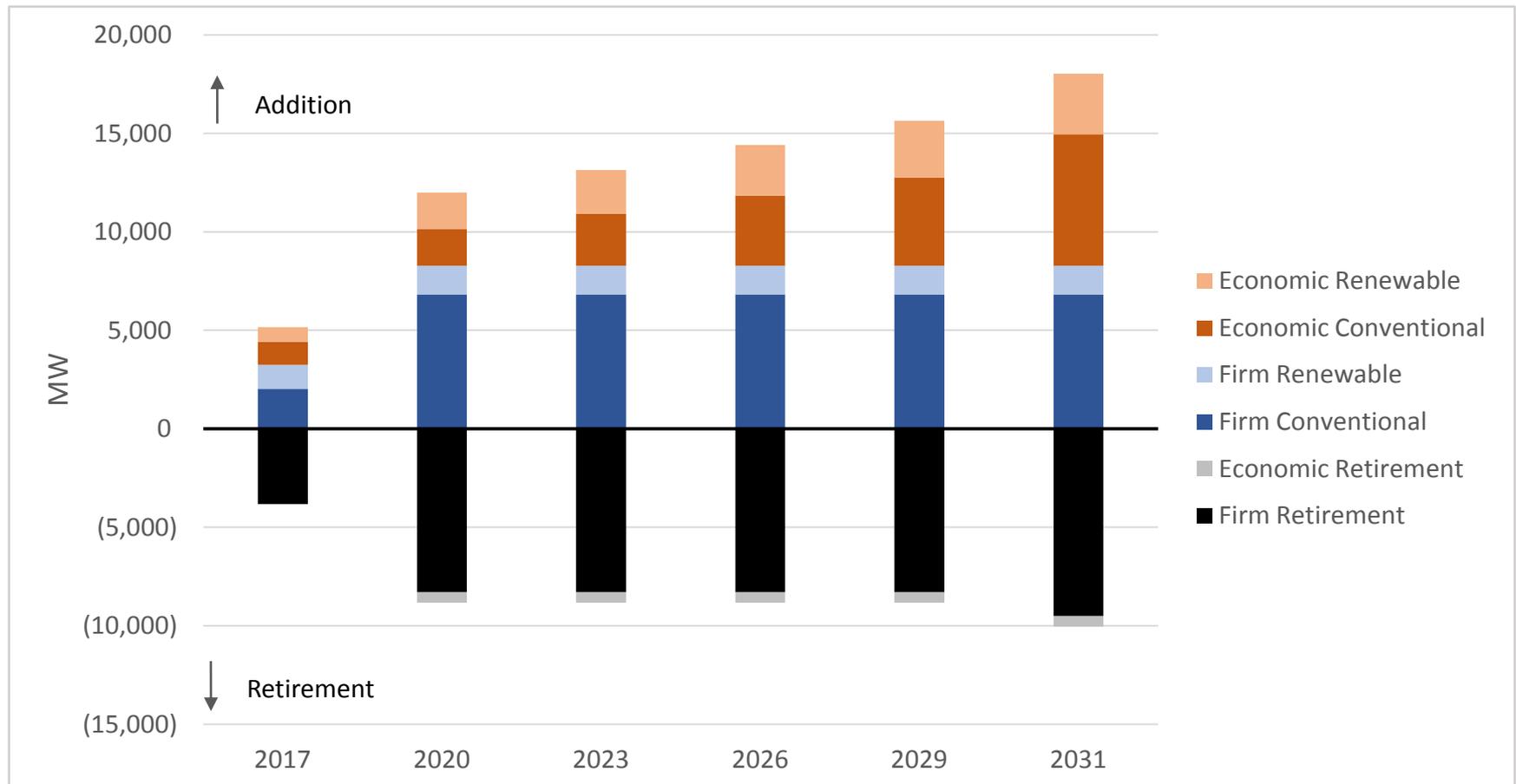
Reference Case Assumptions Overview

- Note that some assumptions have changed since the assumptions reviewed in the November 17, 2015, stakeholder meeting.

Input	Sources of Assumptions			
	EIA	EPA	ISOs	Other
Energy and Peak Demand	X (Rest of US)		X (RGGI, PJM)	
Reserve Margin Requirements			X	
Natural Gas Prices	X			
Coal Prices				X
Cost of New Capacity	X			
Planned Retirement/Additions			X (RGGI)	X (Rest of US)
Transmission Capability/Additions			X	X
State Policies				X (States)
RGGI Program				X (States)
Clean Power Plan	Not applicable for Reference Case			

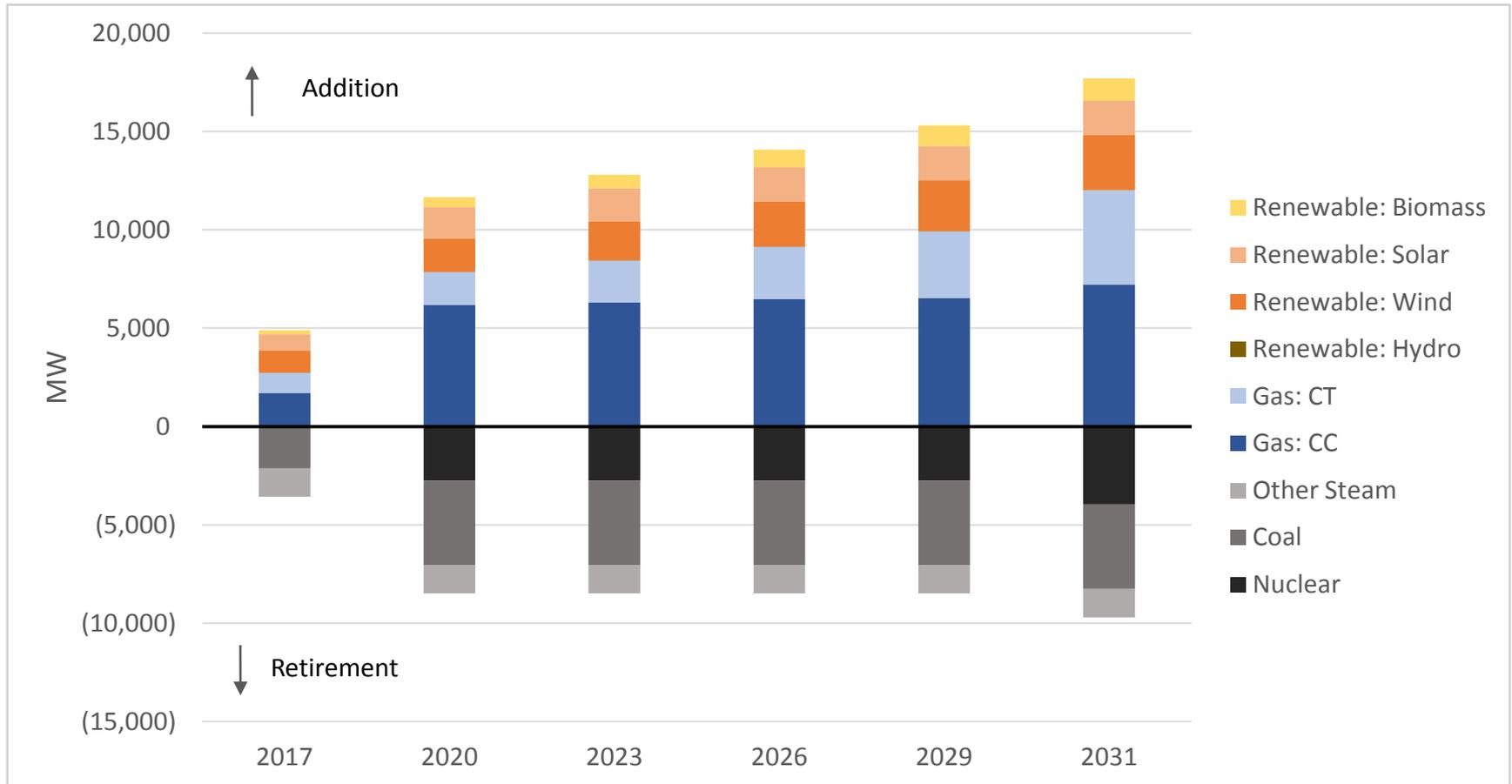
Projections: *Cumulative Capacity Additions*

- The chart shows the distribution of capacity additions and retirements across firmly planned (“Firm”) and model-projected (“Economic”) types.



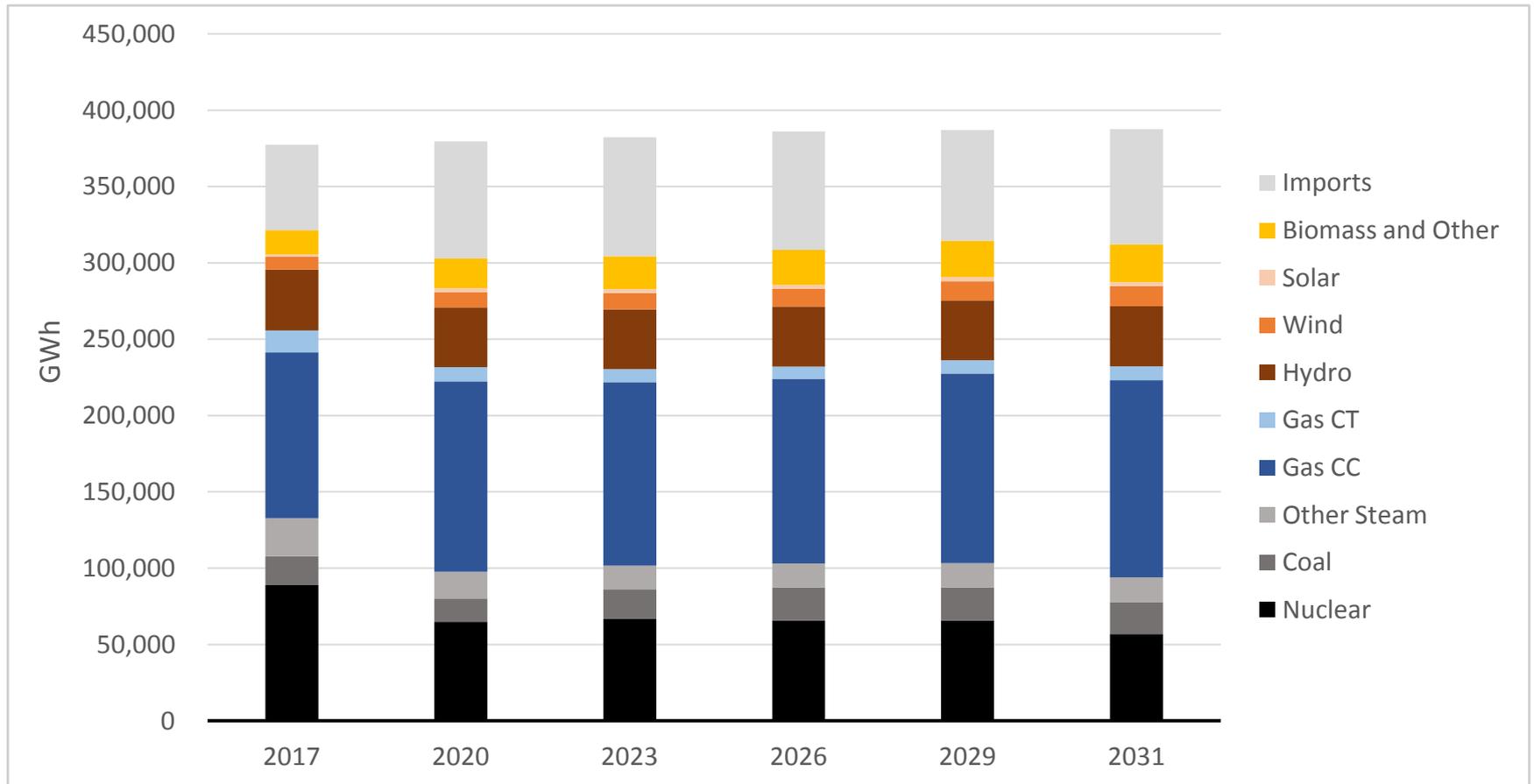
Projections: *Cumulative Capacity Additions*

- The chart shows the distribution of capacity additions and retirements by capacity type.
- Wind and solar additions are shown at nameplate capacity.



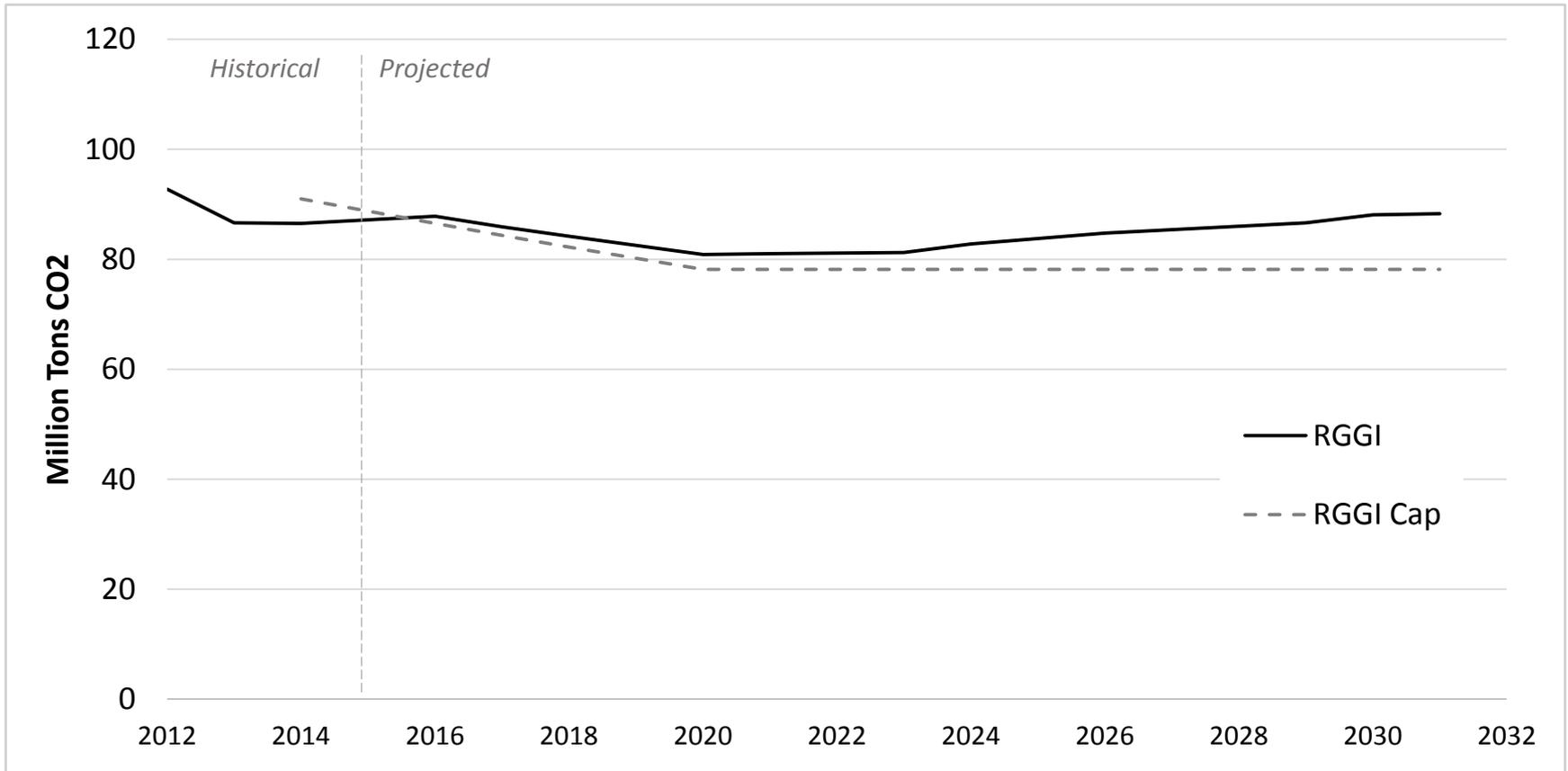
Projections: *Generation Mix*

- The chart shows the projected generation mix for the RGGI states by capacity type, as well as total imports into the RGGI states.



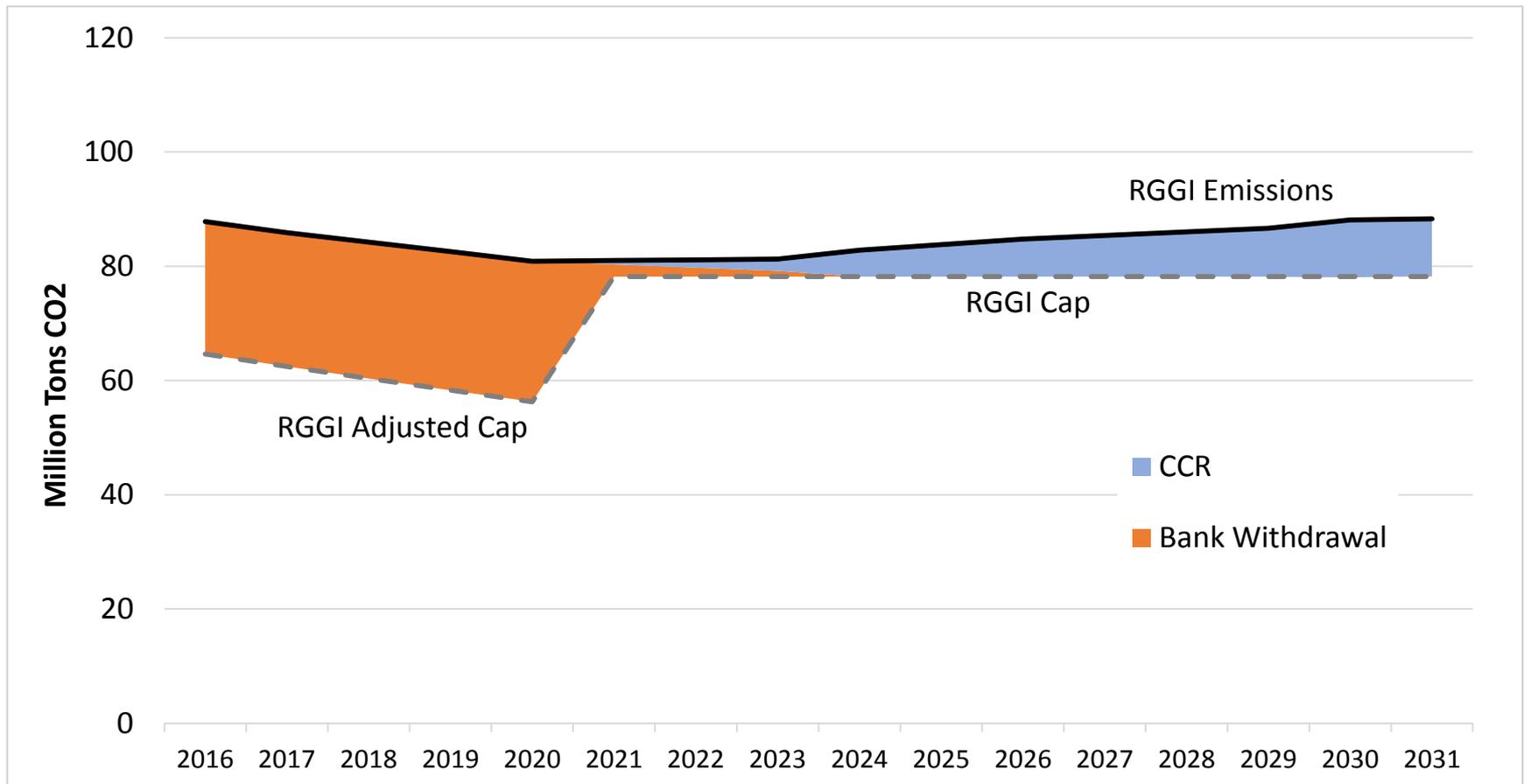
Projections: *RGGI CO₂ Emissions*

- The chart shows projected CO₂ emissions.
- Emissions exceed the RGGI Cap when allowances are withdrawn from the bank or purchased at the CCR trigger price.



Projections: CO₂ Emission Reductions

- The chart shows the projected CO₂ emissions relative to the cap and the use of banked allowances and CCR allowances used for compliance.



Projections: *RGGI Allowance Prices*

- The charts show the projected RGGI allowance prices in real and nominal dollars.
- Allowance prices exceed the CCR trigger price in 2031 because affected sources must reduce emissions even after acquiring the 10 million CCR allowances.

