

**REGIONAL GREENHOUSE
GAS INITIATIVE, INC.**

**Financial Statements
for the year ended
December 31, 2024**

Independent Auditor's Report

To the Board of Directors of the
Regional Greenhouse Gas Initiative, Inc.

Opinion

We have audited the accompanying financial statements of Regional Greenhouse Gas Initiative, Inc. (the "Corporation"), which comprise the statement of financial position as of December 31, 2024 and December 31, 2023, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Corporation as of December 31, 2024 and December 31, 2023, and the results of its activities and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Corporation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control related matters that we identified during the audit.

Coulson O'Meara McGinty + Donnelly LLP

June 23, 2025

REGIONAL GREENHOUSE GAS INITIATIVE, INC.

Statement of Financial Position

Assets

	December 31	
	2024	2023
Current assets		
Cash	\$ 2,150,291	\$ 1,874,807
Accounts receivable	3,112	3,112
Prepaid expenses and other assets	<u>46,274</u>	<u>38,695</u>
Total current assets	2,199,677	1,916,614
Property and equipment at cost, net of accumulated depreciation of \$20,502 in 2024 and \$18,315 in 2023	-	2,187
Right-of-use assets – operating lease, net	<u>157,312</u>	<u>205,030</u>
Total assets	<u>\$ 2,356,989</u>	<u>\$ 2,123,831</u>

Liabilities and Net Assets

Current liabilities

Accounts payable and accrued expenses	\$ 533,990	\$ 183,281
Deferred state revenue	1,510,844	1,587,836
Deferred state revenue – program meeting support	37,538	37,538
Current portion of operating lease payable	<u>51,674</u>	<u>49,159</u>
Total current liabilities	2,134,046	1,857,814
Operating lease payable, net of current portion	<u>151,093</u>	<u>202,767</u>
Total liabilities	2,285,139	2,060,581
Net assets		
Without donor restrictions	<u>71,850</u>	<u>63,250</u>
Total liabilities and net assets	<u>\$ 2,356,989</u>	<u>\$ 2,123,831</u>

See notes to financial statements.

REGIONAL GREENHOUSE GAS INITIATIVE, INC.

Statement of Activities

	Year Ended December 31	
	2024	2023
Revenue		
State revenue	\$ 2,848,154	\$ 2,408,343
Interest	8,600	8,114
Total revenue	<u>2,856,754</u>	<u>2,416,457</u>
Expenses		
Program services		
Direct	1,583,723	1,231,575
Indirect	885,141	819,119
Supporting activities		
Management and general	<u>379,290</u>	<u>357,649</u>
Total expenses	<u>2,848,154</u>	<u>2,408,343</u>
Increase in net assets	8,600	8,114
Net assets, beginning of year	<u>63,250</u>	<u>55,136</u>
Net assets, end of year	<u>\$ 71,850</u>	<u>\$ 63,250</u>

See notes to financial statements.

REGIONAL GREENHOUSE GAS INITIATIVE, INC.

Statement of Functional Expenses
For the Year Ended December 31, 2024
(with Summarized Comparative Information For the Year Ended December 31, 2023)

Expenses	2024				2023
	Program Services		Supporting Activities Management and	Total	Total
	Direct	Indirect	General		
Salaries and wages	\$ -	\$ 580,349	\$ 163,688	\$ 744,037	\$ 673,888
Payroll taxes and employees' benefits	-	194,988	54,997	249,985	225,316
Auctions	310,000	-	-	310,000	310,000
Depreciation	-	-	2,187	2,187	3,731
Emissions Allowance Tracking System	356,818	-	-	356,818	273,129
Furniture and fixtures	-	-	4,890	4,890	3,036
Financial and accounting services	-	-	91,788	91,788	84,000
Insurance	-	11,749	2,937	14,686	14,255
Legal fees	-	2,361	590	2,951	16,634
Market monitoring	290,580	-	-	290,580	298,446
Meetings and other	-	5,683	1,909	7,592	18,889
Occupancy	-	54,970	13,742	68,712	62,219
Office supplies	-	-	461	461	523
Outreach and communications	-	8,450	2,112	10,562	8,261
Professional fees	-	-	28,400	28,400	28,100
Technical analysis and evaluation	626,325	-	-	626,325	350,000
Telephone, internet and service contracts	-	8,351	2,088	10,439	7,174
Travel	-	-	4,941	4,941	8,843
Website maintenance	-	18,240	4,560	22,800	21,899
Total expenses	<u>\$1,583,723</u>	<u>\$ 885,141</u>	<u>\$ 379,290</u>	<u>\$2,848,154</u>	<u>\$2,408,343</u>

See notes to financial statements.

REGIONAL GREENHOUSE GAS INITIATIVE, INC.

Statement of Functional Expenses
For the Year Ended December 31, 2023

	Program Services		Supporting Activities Management and General	Total
	Direct	Indirect		
Expenses				
Salaries and wages	\$ -	\$ 518,894	\$ 154,994	\$ 673,888
Payroll taxes and employees' benefits	-	173,523	51,793	225,316
Auctions	310,000	-	-	310,000
Depreciation	-	-	3,731	3,731
Emissions Allowance Tracking System	273,129	-	-	273,129
Financial and accounting services	-	-	84,000	84,000
Furniture and fixtures	-	-	3,036	3,036
Insurance	-	11,404	2,851	14,255
Legal fees	-	13,307	3,327	16,634
Market monitoring	298,446	-	-	298,446
Meetings and other	-	14,857	4,032	18,889
Occupancy	-	49,775	12,444	62,219
Office supplies	-	418	105	523
Outreach and communications	-	6,609	1,652	8,261
Professional fees	-	-	28,100	28,100
Technical analysis and evaluation	350,000	-	-	350,000
Telephone, internet and service contracts	-	5,739	1,435	7,174
Travel	-	7,074	1,769	8,843
Website maintenance	-	17,519	4,380	21,899
Total expenses	<u>\$1,231,575</u>	<u>\$ 819,119</u>	<u>\$ 357,649</u>	<u>\$2,408,343</u>

See notes to financial statements.

REGIONAL GREENHOUSE GAS INITIATIVE, INC.

Statement of Cash Flows

	Year Ended December 31	
	2024	2023
Cash flows from operating activities		
Increase in net assets	\$ 8,600	\$ 8,114
Adjustment to reconcile increase in net assets to net increase in cash		
Depreciation	2,187	3,731
Amortization of right-of-use assets – operating lease	47,718	45,362
(Increase) decrease in current assets		
Accounts receivable	-	1,484
Prepaid expenses and other assets	(7,579)	(10,469)
Increase (decrease) in current liabilities		
Accounts payable and accrued expenses	350,709	(42,359)
Deferred state revenue	(76,992)	347,983
Repayment of operating lease payable	(49,159)	(44,831)
Net increase in cash	275,484	309,015
Cash, beginning of year	1,874,807	1,565,792
Cash, end of year	\$ 2,150,291	\$ 1,874,807

See notes to financial statements.

REGIONAL GREENHOUSE GAS INITIATIVE, INC.**Notes to Financial Statements
December 31, 2024 and December 31, 2023****Note 1 – Nature of organization**

Regional Greenhouse Gas Initiative, Inc. (the “Corporation”) is a non-profit, non-stock, corporation the exclusive purpose of which is to provide technical and scientific advisory services to the Participating States in the development and implementation of a multi-state cap and trade program, known as the Regional Greenhouse Gas Initiative (“RGGI”) (or its successor) established, to reduce air pollutants that contribute to climate change, and to perform any other charitable or scientific function related to the reduction of greenhouse gas emissions or the increase in carbon sequestration on behalf of the Participating States. As of December 31, 2024, the Participating States included: Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island and Vermont. Effective January 1, 2024, Virginia is no longer a Participating State. During July 2022, Pennsylvania became a Participating State. However, certain legal proceedings has kept Pennsylvania from actively participating in the Corporation’s related activities for 2024 and 2023.

The Corporation is governed by a Board of Directors, made up of two agency heads from each Participating State who serve as directors of the Corporation *ex officio*. As provided in the By-laws of the Corporation, the directors serving *ex officio* are as follows: (1) the chair, or the commissioner designated by the chair, of the Participating State’s energy regulatory agency; (2) the chief executive of the Participating State’s environmental regulatory agency or department; or (3) in the event that the Governor of a Participating State determines that a state official other than the state’s environmental regulatory agency or department; is the appropriate representative to act as a director, the Governor of that Participating State must notify the chair of the Corporation in writing and such other official shall be a director from that Participating State.

The Participating States provide funds for the Corporation’s activities. Each Participating State has entered into a contract with the Corporation, which establishes, among other things, the amount to be contributed by that Participating State to the Corporation for its services and the specific technical and advisory services to be provided by the Corporation to or on behalf of that Participating State.

The technical and scientific advisory services to be provided to the Participating States generally include the development and implementation of (1) a regional system for tracking emissions and emissions allowances, to support emissions inventory management, allowance trading, compliance and program analysis and user security; (2) guidance for offset projects and an accreditation process for independent verifiers of offset projects; (3) a tracking system for offset project submittals, approvals and supporting documentation; (4) a regional allowance auction platform, including pre-auction services, conduct of the auction, and post-auction services; and (5) monitoring and auditing services for both allowance auctions and the secondary allowance market. The Corporation is authorized to subcontract with outside vendors to fulfill its duties under its contracts with the Participating States.

REGIONAL GREENHOUSE GAS INITIATIVE, INC.**Notes to Financial Statements (continued)
December 31, 2024 and December 31, 2023****Note 1 – Nature of organization (continued)**

One aspect of the auction services the Corporation provides are financial settlement services on behalf of the Participating States offering emissions allowances at each auction. Financial security from auction participants is deposited into an account currently maintained at Bank of New York Mellon under the title “RGGI, Inc. as agent for the Participating States of the Regional Greenhouse Gas Initiative” and is held in that account subject to the terms in the auction notice issued by the Participating States offering emissions allowances. At the conclusion of each auction, the Corporation arranges for the transfer of funds in appropriate amounts to the Participating States in payment for the emissions allowances purchased at that auction, and excess funds are returned to auction participants. The Corporation’s receipt and management of these funds is solely as agent for the Participating States. The Corporation has no legal right to retain any portion of these funds or to transfer them to its own account except as explicitly directed by contract with one or more Participating States. The interest earned, if any, will be used to defray the cost of future auctions.

The Corporation is a technical assistance organization only. It has no regulatory or enforcement authority with respect to any existing or future program of any Participating State. All such sovereign authority is reserved to each Participating State.

Note 2 – Summary of significant accounting policies**Basis of presentation**

The financial statements of the Corporation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The following comprise the significant accounting policies of the Corporation.

Net assets

Under accounting principles generally accepted in the United States of America, net assets and revenue, expenses, gains and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as net assets without donor restrictions and net assets with donor restrictions.

Without Donor Restrictions**Operating**

Net assets that are not subject to donor-imposed restrictions and amounts can be spent at the discretion of the Corporation for general operations. Contributions with donor-imposed restrictions that are met in the same year the contributions are received are recorded as contributions without donor restrictions.

REGIONAL GREENHOUSE GAS INITIATIVE, INC.**Notes to Financial Statements (continued)
December 31, 2024 and December 31, 2023****Note 2 – Summary of significant accounting policies (continued)****With Donor Restrictions****Temporary donor restrictions**

Net assets with donor restrictions are temporary in nature and are subject to donor-imposed restrictions that will be met either by actions of the Corporation and/or the passage of time. Contributions with donor-imposed restrictions are reported as increases in contribution with donor restrictions. When a donor-imposed restriction is accomplished, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, the net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities as net assets released from restrictions. The Corporation did not receive any contributions with donor restrictions during 2024 or 2023.

Revenue recognition

Once the Corporation's budget is determined, an amount is billed to each Participating State based upon an emissions allocation. These amounts are recorded as deferred state revenue on the statement of financial position. Revenue is recorded on a monthly basis equal to the Corporation's operating and program expenses.

Operating income/performance measurement

The Corporation considers the increase in net assets on the accompanying statement of activities to be just from interest earned on various financial institutions and are recorded for measurement purposes. The Corporation's participating states provide the funds and are in line with the Corporation's budget for financial management and internal reporting purposes.

Contributed nonfinancial assets

Organizations are required to recognize contributions of nonfinancial assets if they create or enhance non-financial assets, or require specialized skills, are provided by individuals possessing those skills and typically would have been purchased if not provided in-kind. Board members volunteer their time and perform a variety of tasks that assist the Corporation. These services do not meet the criteria to be recorded and have not been included in the accompanying financial statements.

Cash equivalents

The Corporation deems highly liquid investments with original maturities of 90 days or less to be cash equivalents. The Corporation had no cash equivalents at December 31, 2024 or December 31, 2023.

REGIONAL GREENHOUSE GAS INITIATIVE, INC.**Notes to Financial Statements (continued)
December 31, 2024 and December 31, 2023****Note 2 – Summary of significant accounting policies (continued)****Allowance for credit losses**

As of December 31, 2024, December 31, 2023 and December 31, 2022, the accounts receivable balances were \$3,112, \$3,112 and \$4,596, respectively.

The Corporation has determined that an allowance for credit losses for any potentially uncollectable receivables is not required. Such estimate is based on management's experience, the aging of the receivables, subsequent receipts and current economic conditions. The Corporation did not increase its allowance for credit losses and had no bad debt write-offs for 2023 and 2024.

Property and equipment

Property and equipment, which consist of furniture and fixtures, is recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Acquisitions of property and equipment exceeding \$5,000 and with a useful life greater than one year are capitalized. As of December 31, 2024, the Corporation's property and equipment were fully depreciated but still in use.

Deferred rent

The Corporation leases office space under an operating lease agreement. Landlord incentives and rent escalation clauses which provide for scheduled rent increases during the lease term are recorded on a straight-line basis over the lease term. The difference between the rent due under the stated periods compared to the straight-line basis are recorded net with the right-of-use asset in the statement of financial position.

Operating lease

A right-of-use assets and lease liability for the Corporation's operating leases is recognized at the lease commencement date based on the future lease payments, discounted to present value, over the expected lease term. The Corporation has elected to include leases with terms longer than twelve months.

Functional expense allocation

The cost of providing the various programs and other supporting activities of the Corporation has been summarized on a functional basis in the accompanying statement of activities. The statement of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the program services and supporting activities. Natural expenses attributable to more than one functional expense category are allocated using a variety of cost allocation techniques primarily consisting of time and effort reporting and other equitable bases. Program services are divided into two categories:

REGIONAL GREENHOUSE GAS INITIATIVE, INC.**Notes to Financial Statements (continued)
December 31, 2024 and December 31, 2023****Note 2 – Summary of significant accounting policies (continued)****Functional expense allocation (continued)****Direct program services**

These are expenses incurred by the Corporation for direct costs related to the four main functions of the Corporation: auctions, emissions allowance tracking systems, market monitoring and technical analysis and evaluation, that is paid to outside contractors.

Indirect program services

These are expenses incurred by the Corporation for direct costs that are incurred by management of the Corporation relating to the four main functions of the Corporation as described above.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results could differ from these estimates.

Concentrations of credit risk

The Corporation's financial instruments that are potentially exposed to concentrations of credit risk consist of cash. The Corporation places its cash with what it believes to be quality financial institutions. In addition, the Corporation places its cash holdings in different financial institutions to have the full benefit of the Federal Deposit Insurance Corporation (FDIC) coverage. At times during the year, the balance in the cash accounts exceeded the FDIC insurance limit. However, the Corporation has not experienced any losses in such accounts to date. The Corporation believes no significant risk of loss is likely as a result of credit risk concentrations with respect to its cash.

Subsequent events

The Corporation has evaluated subsequent events and transactions for potential recognition or disclosure through June 23, 2025, which is the date the financial statements were available to be issued.

REGIONAL GREENHOUSE GAS INITIATIVE, INC.

Notes to Financial Statements (continued) December 31, 2024 and December 31, 2023

Note 3 – Liquidity and availability of financial assets

The following is a summary of the Corporation's financial assets as of December 31, 2024 and December 31, 2023 that are available for general use within one year of the statement of financial position date:

	<u>2024</u>	<u>2023</u>
Financial assets		
Cash	\$ 2,150,291	\$ 1,874,807
Accounts receivable	<u>3,112</u>	<u>3,112</u>
Total	<u>\$ 2,153,403</u>	<u>\$ 1,877,919</u>

Note 4 – Deferred state revenue

The following is a summary of the Corporation's deferred state revenue for the years ended December 31, 2024 and December 31, 2023:

	<u>2024</u>	<u>2023</u>
Deferred state revenue, beginning of year	\$ 1,587,836	\$ 1,239,853
Deferred state revenue, end of year	<u>\$ 1,510,844</u>	<u>\$ 1,587,836</u>

Note 5 – Funding

The Corporation is funded by contributions from ten (10) Participating States in 2024 and eleven (11) Participating States in 2023 for their proportionate shares of the cost of the annual budget as approved by the Corporation's Board of Directors. Each Participating State has two seats on the Corporation's Board of Directors, and these Board members are usually selected from the directors of a State's public utilities commission, environmental protection agency, or energy department, as described in note 1.

The total contributed by all Participating States during 2024 and 2023 was \$2,848,153 and \$2,408,343, respectively. In addition, during 2024 and 2023, several states paid an aggregate of \$1,510,844 and \$1,587,836, respectively, in advance for proportional funding costs for the following year, which are recorded as deferred state revenue on the statement of financial position.

Note 6 – Auction process

One of the main functions of the Corporation is to administer the entire auction process of carbon dioxide (CO₂) allowances for the Participating States. The Corporation administered four (4) auctions during 2024 and 2023.

REGIONAL GREENHOUSE GAS INITIATIVE, INC.**Notes to Financial Statements (continued)
December 31, 2024 and December 31, 2023****Note 6 – Auction process (continued)**

Each CO₂ allowance auction is conducted in accordance with the statutory and/or regulatory authority of each Participating State offering CO₂ allowances for sale in that auction. These uniform price sealed quarterly auctions are designed to prevent price collusion by the bidders and are monitored by an independent third-party vendor (see note 8).

Each Participating State's number of allowances is specified in the statutes and/or regulations authorizing its CO₂ allowance budget. Allowances of any Participating State are recognized by the CO₂ Budget Trading Program of each of the Participating States even if that particular state is not participating in the auction.

Note 7 – Retirement plan

The Corporation maintains a 403(b) plan whereby eligible employees may elect to defer contributions of their salary up to the limits established under the Internal Revenue Code. The Corporation will contribute up to 10% of an employee's annual compensation. Employees are vested in the Corporation matching contribution after 24 months of employment. The Corporation's cost for the years ended December 31, 2024 and December 31, 2023 totaled \$75,990 and \$66,684, respectively. These costs are included in payroll taxes and employees' benefits in the statement of functional expenses.

Note 8 – Commitments**Program commitments**

The Corporation receives funding under contracts and agreements from the Participating States. Payments received under these arrangements are subject to audit by each Participating State. Upon audit, if discrepancies are discovered, the Corporation could be held responsible for reimbursing the amount in question. As of the date of this report, no audits have been requested by the Participating States.

Auctions

The auction platform was created and is monitored by an unrelated independent contractor who is responsible for the integrity of the process. In addition, this independent contractor is responsible for verifying the collateral issued by the underlying institution for each bid made by an auction bidder. The total expenses for the years ended December 31, 2024 and December 31, 2023 were \$310,000.

REGIONAL GREENHOUSE GAS INITIATIVE, INC.

Notes to Financial Statements (continued)
December 31, 2024 and December 31, 2023

Note 8 – Commitments (continued)**Technical analysis and evaluation**

The Corporation has a program contract with an independent contractor to provide services supporting the offset of the Participating States' CO₂ budget trading programs through development of model application and submittal materials and model guidance, as defined in the program contract. The total expenses for the years ended December 31, 2024 and December 31, 2023 were \$626,325 and \$350,000, respectively.

Market monitoring

The Corporation has an agreement with an independent contractor to serve as the market monitor for the RGGI CO₂ allowance market. This independent contractor monitors the conduct of the market participants in both the primary auctions and the secondary market to identify indications of market manipulation or collusion. It also reviews the administration of the auctions performed by the independent contractor. The total expenses for the years ended December 31, 2024 and December 31, 2023 were \$290,580 and \$298,446, respectively.

Emissions allowance tracking system

The Corporation has an agreement with an independent contractor to administer and otherwise manage the development and implementation of an emissions and allowance tracking system. The total expenses for the years ended December 31, 2024 and December 31, 2023 were \$356,818 and \$273,129, respectively.

Office space

Effective December 1, 2018, the Corporation has a nine-year and nine-month space license agreement with the New York State Office of General Services that expires on August 31, 2028 for space in common with the New York State Department of Public Service (DPS) for conducting its programs. Occupancy costs and related charges totaled \$68,712 and \$62,219 for the years ended December 31, 2024 and December 31, 2023, respectively. During the license period, the Corporation is permitted to use the furniture, electronic, and computer equipment in the licensed space. The use of some of this equipment is subject to an additional monthly charge.

The future minimum lease payments under the agreement are as follows:

<u>Year</u>	<u>Amount</u>
2025	\$ 60,639
2026	60,639
2027	60,639
2028	<u>40,426</u>
Total	222,343
Less: discount to present value	<u>19,576</u>
Net operating lease payable	<u>\$ 202,767</u>

REGIONAL GREENHOUSE GAS INITIATIVE, INC.**Notes to Financial Statements (continued)
December 31, 2024 and December 31, 2023****Note 9 – Tax status**

The Internal Revenue Service has determined that the Corporation is exempt from federal income tax pursuant to Section 501(c)(3) of the Internal Revenue Code (“IRC”) and is not a private foundation pursuant to Section 509 (a) (1) of the IRC. Contributions to the Corporation are deductible pursuant to Section 170 of the IRC.