

# RGGI:

## How Other States Have Made the Model Rule Work for Them

The Regional Greenhouse Gas Initiative (RGGI) is a multi-state accord that establishes a formal model for regulating greenhouse gas emissions from fossil-fuel power plants. Although the overarching parameters for RGGI are consistent in all participating states, the RGGI Model Rule provides each participating state with “flexibility in adopting provisions regarding applicability and source exemptions, allowance allocations and allowance set-asides, and permitting.”<sup>1</sup>

Here are some ways in which other member states have applied the flexibility of the RGGI Model Rule to design RGGI legislation that matches their diverse needs, resources, and populations:

	<b>CONSIDERING OR ADOPTED LEGISLATION / REGULATIONS THAT WILL:</b>			
<b>RGGI MEMBER STATE<sup>2</sup></b>	<b>Limit the severity of consumer impact</b>	<b>Prepare for the possibility of a peak emergency event</b>	<b>Give utilities the opportunity to be pro-active</b>	<b>Assure that allowances are available to the power generators that need them to comply</b>
<b>Connecticut</b> <i>Current Draft</i>			✓ Almost 70 percent of auction revenues will be managed by CT’s two largest utilities “to support the development of energy efficiency measures.”	
<b>Maine</b> <i>Formally Adopted Law 317</i>	✓ The ceiling on auction revenue for energy efficiency is set at \$5 per allowance. Customers will be refunded the difference, should auction prices surpass the \$5 mark. Also, a compliance waiver may be granted in the event that auction allowance prices are deemed excessive.	✓ A compliance waiver may be granted in the event of an emergency that is beyond the control of the generator.		
<b>Maryland</b> <i>Current Draft</i>	✓ Should the auction price at any time reach a specified price (\$7 in Stage 1), generators will have the opportunity to purchase allowances at that price for the remainder of the calendar year.			
<b>Massachusetts</b> <i>Bill No. 2456 Sent by Senate to House for Concurrence</i>				✓ Bidders are categorized by priority (local generators are first), which may determine eligibility for auction participation.
<b>New Jersey</b> <i>Formally Adopted A4559</i>	✓ If the auction price at two consecutive regional auctions reaches \$7 per allowance, an action plan will be developed for immediate customer relief.		✓ NJ will permit its (regulated) electric and gas public utilities to invest in regulated Class I Renewable Energy generation (wind, solar, biomass, and tidal).	
<b>New York</b> <i>Current Draft</i>				✓ Bidders are categorized by priority (local generators are first), which may determine eligibility for auction participation.
<b>New Hampshire</b>	?	?	?	?

<sup>1</sup>Overview of RGGI CO2 Budget Trading Program – [http://rggi.org/docs/program\\_summary\\_10\\_07.pdf](http://rggi.org/docs/program_summary_10_07.pdf)

<sup>2</sup>Delaware, Rhode Island, & Vermont were not included due to lack of public documentation.

