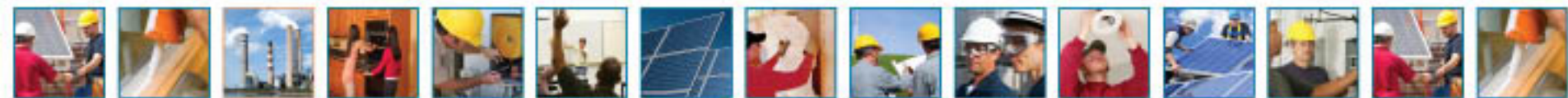


# THE REGIONAL GREENHOUSE GAS INITIATIVE

An Initiative of the Northeast and Mid-Atlantic States of the U.S.

## *Regional Greenhouse Gas Initiative: CO<sub>2</sub> Allowance Tracking System (COATS)*

[www.rggi.org](http://www.rggi.org)



## RGGI in Brief

- Northeast and Mid-Atlantic states cap and reduce carbon dioxide emissions from the power sector
  - Fossil fuel-fired power plants 25 MW or greater to hold one CO<sub>2</sub> allowance for each ton of CO<sub>2</sub> emitted
  - Three-year control periods starting with 2009-2011; currently in third control period (2015-2017)
  - 2015 is the first year of interim compliance (provide allowances for 50% of emissions)
- CO<sub>2</sub> Cap: 86.5 million short tons in 2016, and declines 2.5% each year until 2020
  - Two interim adjustments to the cap (2014-2020) to account for banked allowances
  - 2016 RGGI adjusted cap is 64.6 million short tons
  - Cost containment reserve (CCR) of 10 million allowances
  - Limited use (3.3%) of offsets



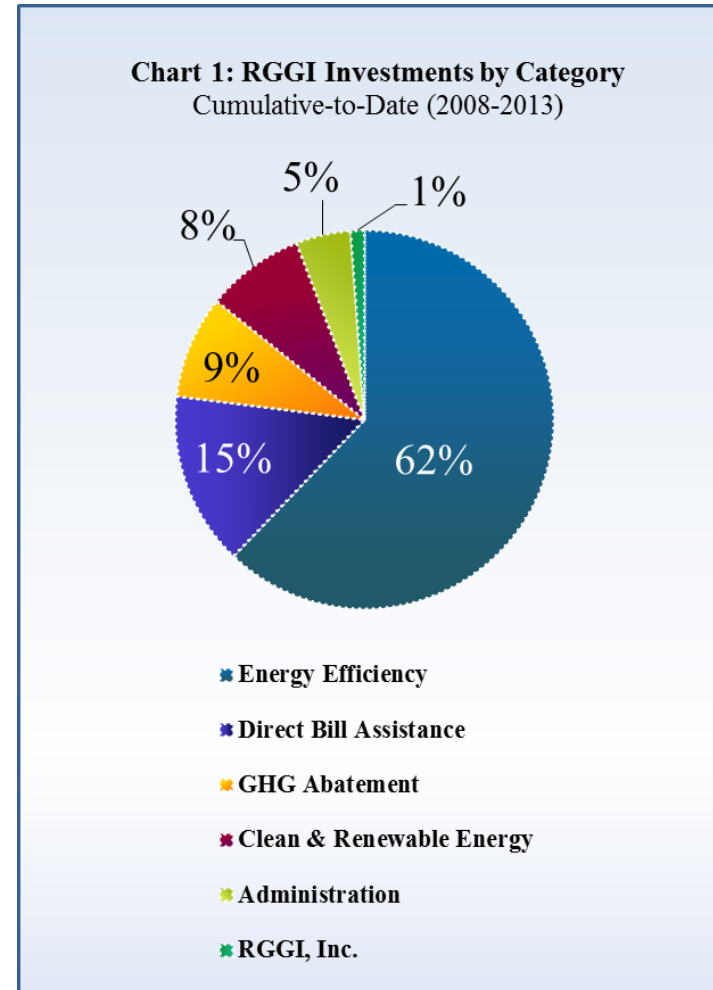
## RGGI in Brief

- Quarterly regional CO<sub>2</sub> allowance auctions
  - CO<sub>2</sub> allowances are issued by each state
  - One tradable CO<sub>2</sub> allowance market - CO<sub>2</sub> allowances are fungible across the multi-state region
  - CO<sub>2</sub> allowances issued by any participating state can be used for compliance in any of the participating states
  - 30 quarterly auctions held since September 2008
    - Over 800 million CO<sub>2</sub> allowances sold
  - CO<sub>2</sub> allowance auction clearing prices have ranged from \$1.86 to \$7.50
- Auction proceeds strategically invested by the states
- Centralized allowance tracking and emissions tracking platform (RGGI COATS)



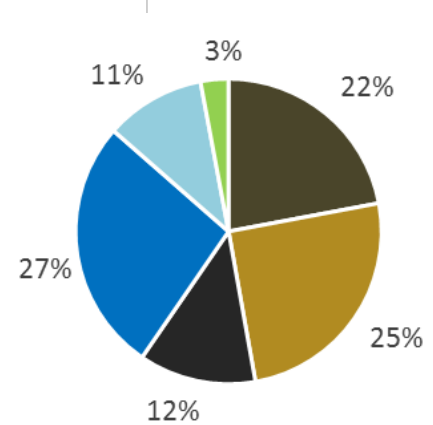
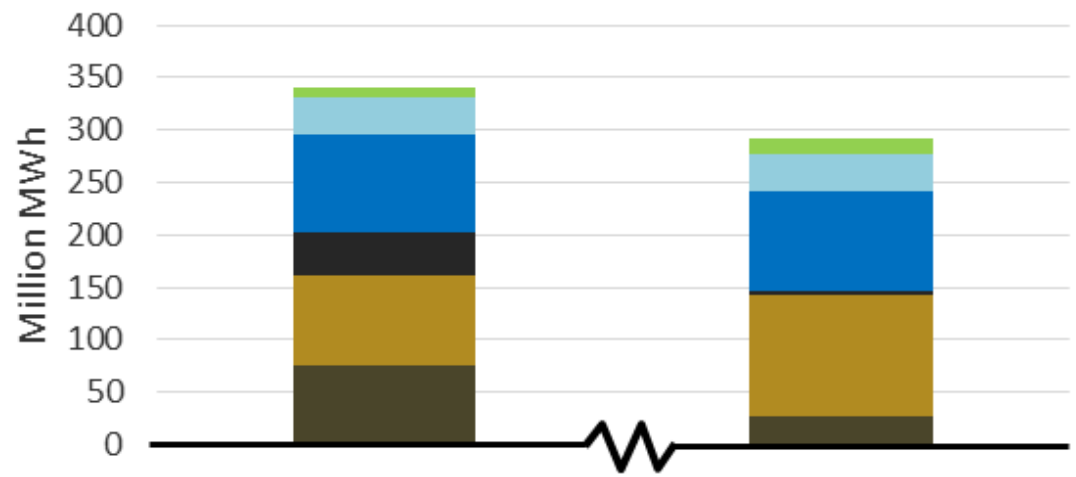
# RGGI's Efficient Market-Based System

- RGGI states have distributed approximately 90% of allowances by auction
- More than \$2.3 billion in auction proceeds through 30 auctions
- Invested more than \$1 billion of auction proceeds in range of energy efficiency, clean and renewable energy, direct bill assistance, GHG abatement programs

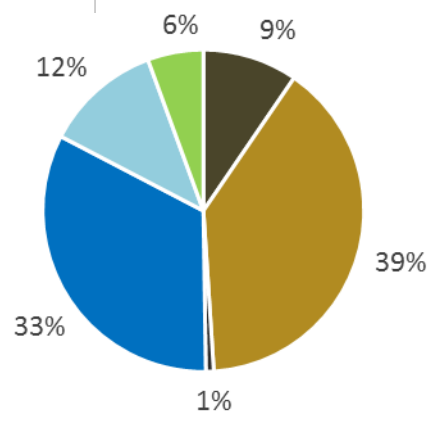


# RGGI Experience: Total Generation Mix

Total generation mix in RGGI states



- Coal
- Gas
- Petroleum
- Nuclear
- Hydro
- Non-Hydro Renewable



## CO<sub>2</sub> Allowance Tracking System (COATS) – Overview

1. Electronic platform that records and tracks data for each state's CO<sub>2</sub> Budget Trading Program.
2. COATS facilitates market participation by enabling the transfer, allocation, and award of CO<sub>2</sub> allowances.
3. COATS is also the platform used for each state's compliance process.
4. COATS enables the public to view and download reports of RGGI program data and CO<sub>2</sub> allowance market activity.

*Note: All screenshots in this presentation contain test data only.*



# CO<sub>2</sub> Allowance Tracking System (COATS)

1. Electronic platform that records and tracks data for each state's CO<sub>2</sub> Budget Trading Program.
  - RGGI, Inc. has contracted with SRA International, Inc. to develop, host, and maintain COATS.
  - Each state's compliance entities, referred to as CO<sub>2</sub> budget sources, are maintained in the EPA's Clean Air Markets Division (CAMD) system.
  - Information such as ownership and designated representatives are updated in CAMD and the updates flow through to COATS.
  - CO<sub>2</sub> emissions are reported to CAMD 30 days following the end of each quarter and the reported emissions data flows through to COATS.



# CO<sub>2</sub> Allowance Tracking System (COATS)

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Last login : 02/09/2016 12:47 PM

## RGGI CO<sub>2</sub> ALLOWANCE TRACKING SYSTEM

TEST SITE - RGGI CO<sub>2</sub> BUDGET TRADING PROGRAMS - TEST SITE

[Accounts](#) | [Sources](#) | [Special Approvals](#) | [Offset Projects](#) | [Emissions](#) | [Compliance](#) | [Allowance Transactions](#) | [Public Reports](#) | [Reference](#)

[Print](#) [Help](#)

### Sources

Click on the ORIS Code link in the grid below to view source details. Use the filter criteria to the right to find a specific source more easily. Click the Export Data button under the grid to export the grid data to Excel (.csv). Also, note that the grid can be sorted by clicking on the ORIS Code column header (default view is ascending, click the column header to transition between ascending and descending).

**Filter Criteria** ▼

Source Name

ORIS Code

State Identifier

State/Province

County

[Filter](#) [Clear](#)

ORIS Code	Source Name	State Identifier	State/Province	County
<a href="#">3734</a>	<a href="#">DEMO 1</a>		Vermont	Washington
<a href="#">3754</a>	<a href="#">DEMO 2</a>		Vermont	Chittenden
<a href="#">56798</a>	<a href="#">Kleen Energy Systems Project</a>		Connecticut	Middlesex
<a href="#">546</a>	<a href="#">Montville</a>	107-5	Connecticut	New London
<a href="#">6156</a>	<a href="#">New Haven Harbor</a>	117-551	Connecticut	New Haven
<a href="#">56629</a>	<a href="#">Waterbury Generation</a>		Connecticut	New Haven

1 - 6 of 6

[Export Data](#)





# CO<sub>2</sub> Allowance Tracking System (COATS)

2. COATS facilitates market participation by enabling the transfer, allocation, and award of CO<sub>2</sub> allowances.
  - There are three types of COATS accounts:
    - State accounts are for RGGI participating states only; state accounts are created based on the states' needs under its CO<sub>2</sub> Budget Trading Program requirements.
    - Compliance accounts are for CO<sub>2</sub> budget sources only; a compliance account is automatically created for a facility registered in CAMD as a RGGI facility.
    - General accounts can be created by any approved COATS user.
  - Compliance and General accounts are used to transfer and obtain CO<sub>2</sub> allowances (via RGGI auctions, the secondary market, state allocation, etc.)
    - Each account has an Authorized Account Representative (AAR), and potentially an Alternate AAR (AAAR) or Electronic Submission Agents.



# CO<sub>2</sub> Allowance Tracking System (COATS)

**TEST SITE - RGGI CO<sub>2</sub> BUDGET TRADING PROGRAMS - TEST SITE**

Accounts Sources Special Approvals Offset Projects Emissions Compliance Allowance Transactions Public Reports Reference

Print Help

## Accounts

Click on the Account Number link in the grid below to view account details. Use the filter criteria to the right to find a specific account or list of accounts more easily. Click the Export Data button under the grid to export the grid data to Excel (.csv). Also, note that the grid can be sorted by clicking on the grid column headers (first click is ascending, second click is descending).

Filter Criteria ▼

Account Number

Account Name

ORIS Code

Authorized Account Representative

State

Status

Account Type

Filter Clear

Account Number ▲	State	Account Name	ORIS Code	Authorized Account Representative	Account Type	Status
<a href="#">CT10055</a>	CT	Montville Compliance Account	546	Pollard, Garth	Compliance	Open
<a href="#">CT10059</a>	CT	New Haven Harbor Compliance Account	6156	Singletery, Cara	Compliance	Open
<a href="#">CT10942</a>	CT	Waterbury Generation Compliance Account	56629	AAR, Connecticut	Compliance	Open
<a href="#">CT10943</a>	CT	Kleen Energy Systems Project Compliance Account	56798	AAR, Connecticut	Compliance	Open
<a href="#">GN10835</a>	All States	2/19/09 pm		User, Industry	General	Open
<a href="#">GN10853</a>	All States	Connecticut General Account		AAR, Connecticut	General	Open
<a href="#">GN10862</a>	All States	BHP Holding Account		AAR, Vermont	General	Open
<a href="#">GN10898</a>	All States	Ended Enterprise tester		AAR, Connecticut	General	Open
<a href="#">GN10904</a>	All States	test		AAR, Connecticut	General	Open
<a href="#">GN10905</a>	All States	Test		AAR, Mary Land	General	Open
<a href="#">GN10923</a>	All States	Rio Tinto Holding Account		AAR, Vermont	General	Open

1 - 15 of 15

Export Data



# CO<sub>2</sub> Allowance Tracking System (COATS)

2. COATS facilitates market participation by enabling the transfer, allocation, and award of CO<sub>2</sub> allowances.
  - Offset projects are registered via COATS, for five project categories:
    - Landfill methane capture and destruction
    - Reduction in emissions of sulfur hexafluoride (SF<sub>6</sub>) in the electric power sector
    - Sequestration of carbon due to U.S. forest projects (reforestation, improved forest management, avoided conversion) or afforestation (for CT and NY only)
    - Reduction or avoidance of CO<sub>2</sub> emissions from natural gas, oil, or propane end-use combustion due to end-use energy efficiency in the building sector
    - Avoided methane emissions from agricultural manure management operations



# CO<sub>2</sub> Allowance Tracking System (COATS)

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## RGGI CO<sub>2</sub> ALLOWANCE TRACKING SYSTEM

**TEST SITE - RGGI CO<sub>2</sub> BUDGET TRADING PROGRAMS - TEST SITE**

Accounts | Sources | Special Approvals | Offset Projects | Emissions | Compliance | Allowance Transactions | Public Reports | Reference

Help

### Create New Offset Project

Note: Only official state Consistency Applications and M & V Reports issued by the reviewing state should be uploaded to RGGI COATS on the following page under Project Milestones. Official state applications can be accessed through <http://www.rggi.org/offsets>.

Project Name *	<input type="text"/>
Project Type *	<input type="text"/>
Emissions Credit Type (Unit Type)	<input type="text"/>
Reviewing State *	<input type="text"/>
Account *	<input type="text"/>
Select Sponsor Organization	<input type="text"/> <input type="button" value="Select"/> <input type="button" value="Clear"/>
Project Commencement Date *	<input type="text"/> <input type="button" value=""/>
Project Location *	<input type="text"/>
Project Description *	<input type="text"/>

Save

# CO<sub>2</sub> Allowance Tracking System (COATS)

2. COATS facilitates market participation by enabling the transfer, allocation, and award of CO<sub>2</sub> allowances.
  - Offset project application materials are submitted and tracked via COATS:
    - The project sponsor must submit a Consistency Application to the applicable state where the offset project is located to allow the state to evaluate whether the project is eligible in accordance with state regulations.
    - Consistency Applications must include a signed verification statement and verification report from a state-accredited independent verifier.
    - If the offset project has received a consistency determination from the reviewing state, a periodic Monitoring and Verification Report must be submitted to the state demonstrating the CO<sub>2</sub>e emissions reductions or carbon sequestration achieved by the project during the reporting period.
  - Following the approval of an M&V Report, the state will award one CO<sub>2</sub> offset allowance for each short ton of demonstrated reduction in CO<sub>2</sub> or CO<sub>2</sub>e emissions or sequestration of CO<sub>2</sub> documented in the M&V Report. After CO<sub>2</sub> offset allowances are awarded, the state will transfer the CO<sub>2</sub> offset allowances in the project sponsor's general account in COATS.



# CO<sub>2</sub> Allowance Tracking System (COATS)

## TEST SITE - RGGI CO<sub>2</sub> BUDGET TRADING PROGRAMS - TEST SITE

- Accounts
  - Sources
  - Special Approvals
  - Offset Projects
  - Emissions
  - Compliance
  - Allowance Transactions
  - Public Reports
  - Reference
- [Print](#) [Help](#)

### Offset Projects

Click on the Project ID link in the grid below to view project details. Use the filter criteria to the right to find a specific project or list of projects more easily. Click the Export Data button under the grid to export the grid data to Excel (.csv).

Also, note that the grid can be sorted by clicking on the grid column headers (first click is ascending, second click is descending).

**Filter Criteria** ▼

Project ID

Project Name

Project Type

Reviewing State

Begin Date

End Date

[Filter](#) [Clear](#)

Project ID▲	Project Name	Project Type	Reviewing State	Consistency Application Status	Submission Date	Awarded Offset Allowances
<a href="#">CT-AFF-1089</a>	Yale Afforestation Offset Project	Sequestration of carbon due to afforestation	CT	Complete	03/02/2009	150
<a href="#">CT-AFF-1100</a>	Northern Conn AFF	Sequestration of carbon due to afforestation	CT	Incomplete	03/06/2009	45
<a href="#">CT-AFF-1293</a>	Mystic Afforestation Project	Sequestration of carbon due to afforestation	CT	Consistent	03/16/2009	1
<a href="#">CT-AFF-1296</a>	Halls Test Offset Project	Sequestration of carbon due to afforestation	CT	Incomplete	03/02/2009	0
<a href="#">CT-AMM-1102</a>	Northern Conn AMM	Avoided methane emissions from agricultural manure management	CT	Complete	03/05/2009	2
<a href="#">CT-BEE-1101</a>	Northern Conn BEE	Reduction or avoidance of CO2 emissions from natural gas, oil, or propane	CT	Complete	03/27/2009	0
<a href="#">CT-ECR-1097</a>	Northern Conn ECR	Emissions Credit Retirement	CT	Consistent	03/02/2009	0
<a href="#">CT-LCD-1098</a>	Northern Conn Landfill	Landfill methane capture and destruction	CT			0
<a href="#">CT-LCD-1292</a>	CT Multiple Orig/Alloc Test Project	Landfill methane capture and destruction	CT	Consistent	03/03/2009	35
<a href="#">CT-LCD-1346</a>	test	Landfill methane capture and destruction	CT			0
<a href="#">CT-SF6-1099</a>	Northern Conn SF6	Reduction in emissions of SF6	CT	Complete	03/01/2009	320



# CO<sub>2</sub> Allowance Tracking System (COATS)

3. COATS is also the platform used for each state's compliance process.
- Under each state's CO<sub>2</sub> Budget Trading Program, sources are required to provide CO<sub>2</sub> allowances equal to their CO<sub>2</sub> emissions over a three-year control period.
  - Currently in the third control period (2015-2017).
  - Starting in the third control period, each CO<sub>2</sub> budget source must provide allowances equal to 50% of their emissions during each interim control period (the first two calendar years of each three-year control period).
  - The first interim control period is 2015; each CO<sub>2</sub> budget source must hold allowances equal to 50% of their emissions by March 1, 2016.



# CO<sub>2</sub> Allowance Tracking System (COATS)

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## RGGI CO<sub>2</sub> ALLOWANCE TRACKING SYSTEM

**TEST SITE - RGGI CO<sub>2</sub> BUDGET TRADING PROGRAMS - TEST SITE**

Accounts | Sources | Special Approvals | Offset Projects | Emissions | Compliance | Allowance Transactions | Public Reports | Reference [Help](#)

### Compliance

The control periods by state available below are those with which you have a compliance account. In order to Process True-Up (perform a draft compliance assessment), select a control period in the grid via radio button and click the Process True-Up button.

Filter Criteria ▼

State

Control Period

Control Period Type

[Filter](#) [Clear](#)

	State	Control Period Type	Control Period	Status	Compliance Begin Date	Compliance End Date
<input type="radio"/>	CT	3 Year Control Period	01/01/2009 - 12/31/2011	Final	01/01/2009	12/31/2011
<input type="radio"/>	CT	3 Year Control Period	01/01/2012 - 12/31/2014	Final	01/01/2012	12/31/2014
<input type="radio"/>	CT	3 Year Control Period	01/01/2015 - 12/31/2017	Open	01/01/2015	12/31/2017
<input type="radio"/>	CT	Interim Control Period	2015 (Interim)	Open	01/01/2015	12/31/2015
<input type="radio"/>	VT	3 Year Control Period	01/01/2009 - 12/31/2011	Final	01/01/2009	12/31/2011
<input type="radio"/>	VT	3 Year Control Period	01/01/2012 - 12/31/2014	Final	01/01/2012	12/31/2014
<input type="radio"/>	VT	Interim Control Period	2015 (Interim)	Open	01/01/2015	12/31/2015

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[Process True-Up](#)



# CO<sub>2</sub> Allowance Tracking System (COATS)

3. COATS is also the platform used for each state's compliance process.
  - Each CO<sub>2</sub> budget source is required to hold allowances in its compliance account to meet its compliance obligation, which is determined by a process called “true-up” (comparing reported emissions for a control period against allowances available for deduction).
  - For interim control period compliance, allowances are deducted on March 1 (or the next business day) of the following year to meet interim compliance obligations.
  - For the three-year control period compliance, allowances are deducted to meet final compliance following each state's evaluation of its sources' compliance status.
  - Allowances deducted to meet compliance obligations are moved into states' Surrender accounts and cannot be transferred out again.



# CO<sub>2</sub> Allowance Tracking System (COATS)

**TEST SITE - RGGI CO<sub>2</sub> BUDGET TRADING PROGRAMS - TEST SITE**

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## Select Sources for True-Up Processing for CT 01/01/2012 - 12/31/2014

To select the source(s) for true-up processing, click the box next to each source in the grid, or check the "Select All" box. Next, click the "Process True-Up" button, which will lead to the "Compliance Processing" page.

In order to certify compliance, the AAR or AAAR must select a single source to process draft true-up. Electronic Submission Agents may not certify compliance.

Draft true-up may be run multiple times. The Last Update column in the grid displays the date true-up was last processed for the source.

After processing draft true-up, click on the ORIS Code hyperlink to navigate to the source's Compliance Account Detail page.

The Processing Log hyperlink leads to the Compliance Log page.

[Processing Log](#)

Select All

**Filter Criteria** ▼

Source Name

ORIS Code

State Identifier

Authorized Account Representative

Processing Status

	ORIS Code	Source Name	State Identifier	Authorized Account Representative	CO <sub>2</sub> Compliance Obligation	Account Holdings	Last Update	Processing Status	Certified?	Paragraph 3 Document	Paragraph 5 Document
<input type="checkbox"/>	<a href="#">6156</a>	New Haven Harbor	117-551	Singletary, Cara	398,259	149,910	11/12/2015	Source-Submitted - Emissions > Allowances	No		
<input type="checkbox"/>	<a href="#">56629</a>	Waterbury Generation		AAR, Connecticut	44,200	0	11/12/2015	Source-Submitted - Emissions > Allowances	No		
<input type="checkbox"/>	<a href="#">56798</a>	Kleen Energy Systems Project		AAR, Connecticut	3,867,694	0	11/12/2015	Source-Submitted - Emissions > Allowances	No		



# CO<sub>2</sub> Allowance Tracking System (COATS)

4. COATS enables the public to view and download reports of RGGI program data and CO<sub>2</sub> allowance market activity.

- Summary Level Emissions
- Quarterly Emissions
- Annual Emissions
- Control Period Emissions
- Sources
- Owner/Operator
- Accounts
- Account Representatives
- Transaction Price Report
- Special Approvals
- Offset Projects
- Compliance Summary



# CO<sub>2</sub> Allowance Tracking System (COATS)

## RGGI CO<sub>2</sub> ALLOWANCE TRACKING SYSTEM

### RGGI CO<sub>2</sub> BUDGET TRADING PROGRAMS

[Reference](#) | [Home](#)

The RGGI CO<sub>2</sub> Allowance Tracking System (RGGI COATS) is the platform that records and tracks data for each state's CO<sub>2</sub> Budget Trading Program.

#### Public Reports

RGGI COATS enables the public to view, customize, and download reports of RGGI program data and CO<sub>2</sub> allowance market activity.

Access reports here:

- [Summary Level Emissions](#)
- [Quarterly Emissions](#)
- [Annual Emissions](#)
- [Control Period Emissions](#)
- [Sources](#)
- [Owner/Operator](#)
- [Accounts](#)
- [Account Representatives](#)
- [Transaction Price Report](#)
- [Special Approvals](#)
- [Offset Projects](#)
- [Compliance Summary](#)

[Access archived reports here.](#)

#### RGGI COATS Accounts

RGGI COATS enables market participants to receive and transfer CO<sub>2</sub> allowances, register offset projects, and submit offset project Consistency Applications and Monitoring and Verification Reports.

Registered users login below.

A login is required only for authorized account representatives (AARs), alternate account representatives (AAARs), or electronic submission agents to access compliance or general accounts.

Username \*

[Login](#)

[Register to use RGGI COATS](#)

[Forgot your RGGI COATS username?](#)

The Regional Greenhouse Gas Initiative (RGGI) is a cooperative effort by participating states to reduce emissions of carbon dioxide (CO<sub>2</sub>), a greenhouse gas that causes climate change.



# RGGI 2016 Program Review

- Regular program review has been key to RGGI's success
  - Improvements implemented in previous (2012) program review included 45% reduction in the RGGI cap, interim cap adjustments, and the creation of the Cost Containment Reserve (CCR)
- 2016 Program Review
  - RGGI, Inc., on behalf of the RGGI states is facilitating public meetings to gather stakeholder input for the states' 2016 Program Review
  - States are soliciting stakeholder input on:
    - RGGI program design elements
    - Considerations for compliance with EPA Clean Power Plan (CPP)



## Thank you!

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General: [info@rggi.org](mailto:info@rggi.org)

