

Regional Greenhouse Gas Initiative: Introduction and Overview

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2

RGGI Overview

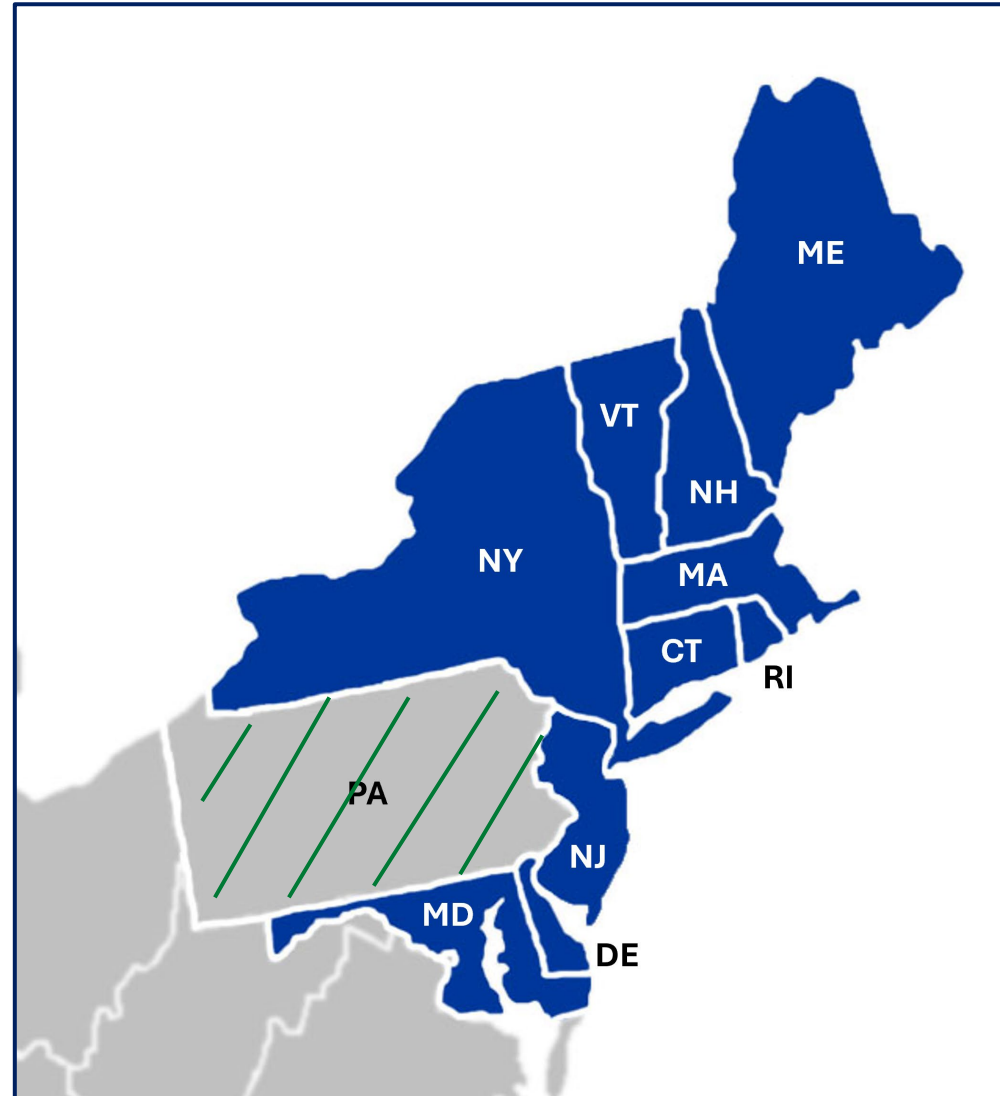
- A multi-jurisdictional initiative
- Establishes a regional limit (cap) on CO2 emissions from fossil electricity generation
- Permits to emit (“allowances”) are jointly auctioned
- Auction proceeds are invested by the states

The RGGI Region

- Cooperative cap-and-invest programs implemented by participating RGGI states
11 participating states

Each state develops its own CO₂ budget trading program

RGGI, Inc. provides administrative and logistical support



RGGI History

- 2005 – MOU for development – CT, DE, ME, NH, NJ, NY, VT
- 2007 - First model rule
- 2008 – First joint allowance auction (latest auction was #66)
- 2009 – first 3-year compliance period begins

RGGI First Principles

- Individual state CO₂ budget trading programs
 - Independent legal authority
 - Regulations aligned with Model Rule
- Reflects regional nature of electric grid
- Market-based, cost-effective CO₂ reductions
- State agencies provide governance

RGGI Structure

Each RGGI state has its own cap-and-invest program

- Covers Power sector
- Fossil generators 25+ MW
 - 15+ MW in New York
- State-issued allowances
 - Auction distribution
 - Fungible, bankable, and tradable

2024 cap: 84 million tons

- Adjusted cap: 69 million tons

Proceeds reinvested

Vermont Statute (30 V.S.A. § 255)

ANR and PUC jointly implement

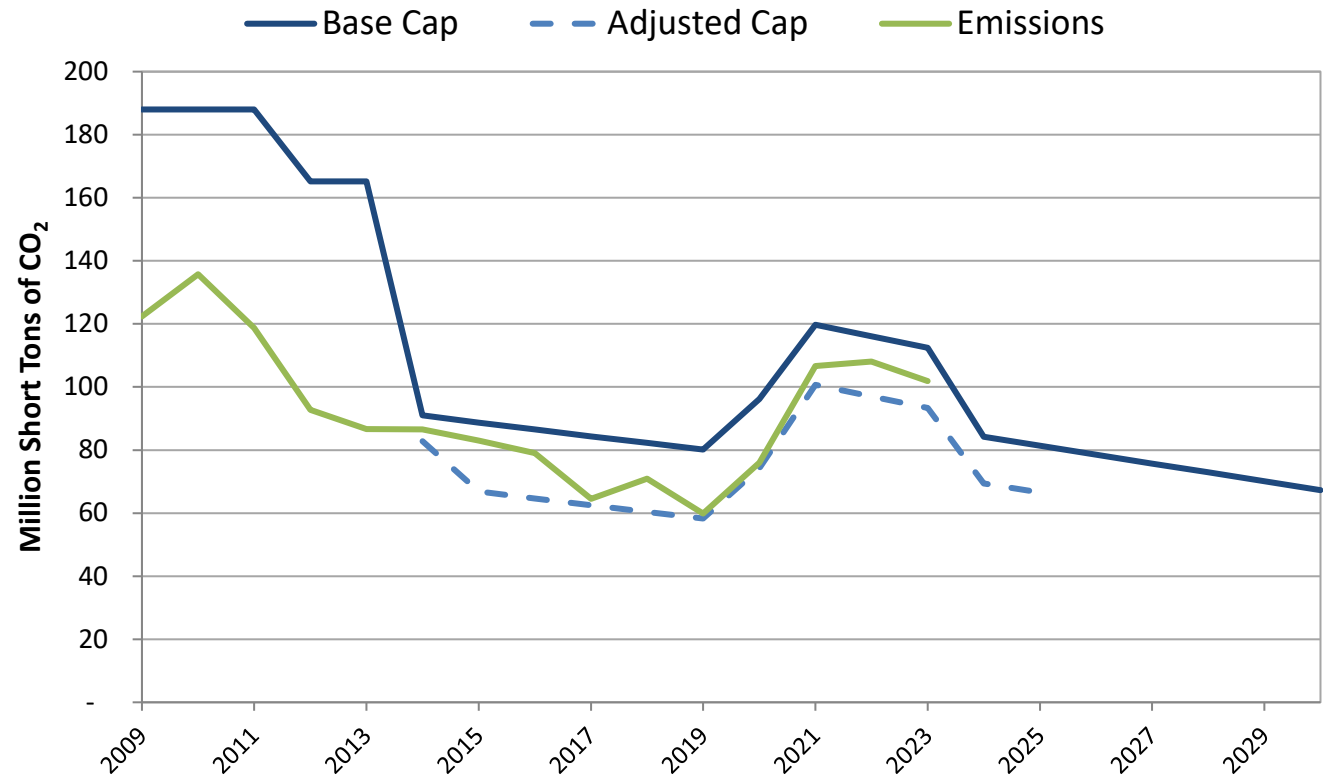
- ANR – establish cap, adopt model rule, monitor compliance
- PUC – auction, distribution of proceeds

Auction proceeds fund program implementation costs (~2%) with the balance transferred to the Electric Efficiency Fund

Ultimately transferred to Efficiency Vermont to fund weatherization program

RGGI CO₂ Emissions Cap

RGGI Regional CO₂ Emissions Cap 2009 - 2030

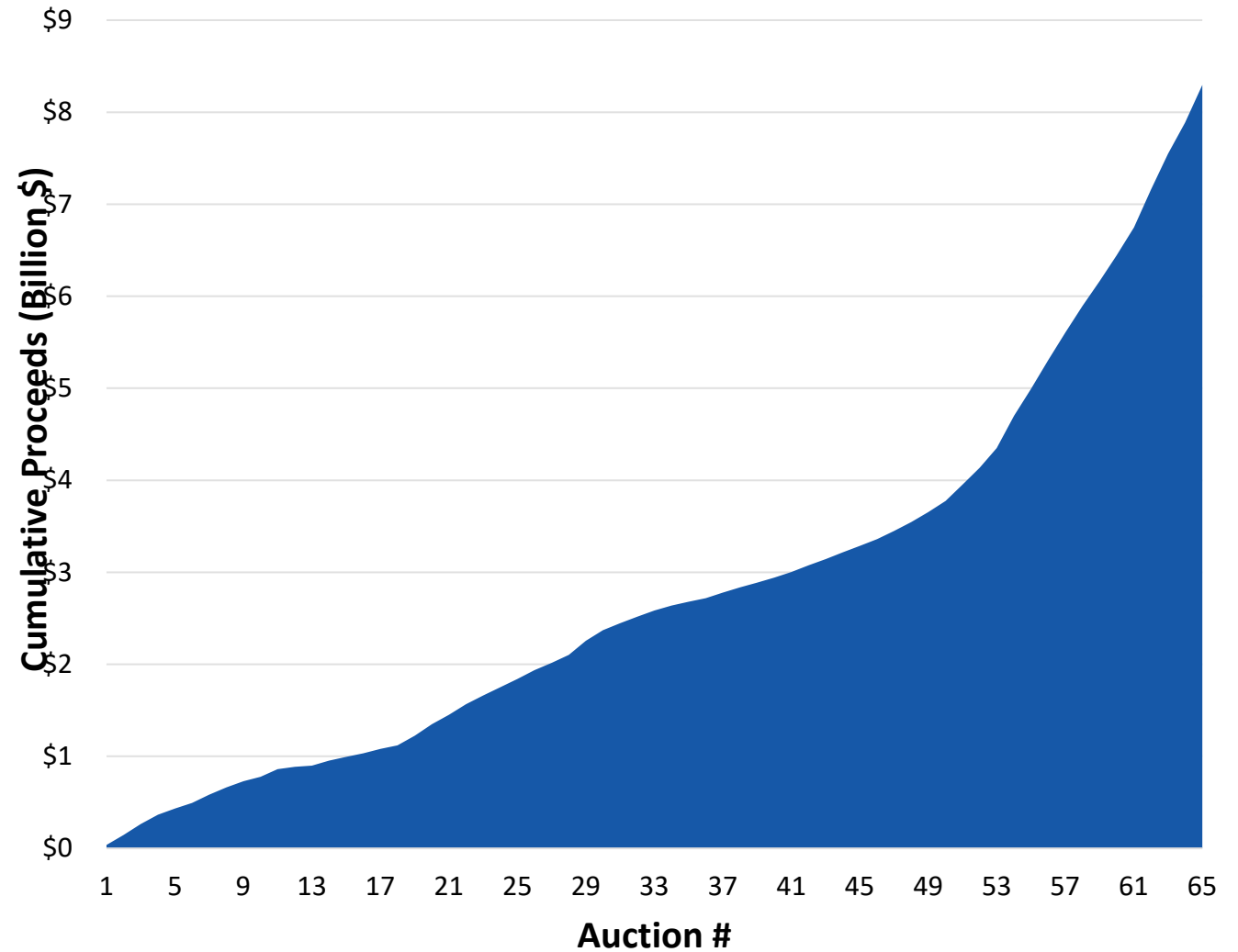


*The cap was reduced by an adjustment of 140 million across 2014-2020 to account for a surplus of privately held allowances. In March 2021, an additional adjustment to the cap of 95 million was made across 2021-2025.

RGGI CO₂ Auction Clearing Prices



Regional Cumulative Proceeds from Auctions



Vermont Proceeds from Auctions

2008-2009	\$3,652,071	2017	\$1,569,222
2010	\$2,049,464	2018	\$1,957,371
2011	\$1,265,682	2019	\$2,251,076
2012	\$1,317,244	2020	\$2,540,605
2013	\$3,366,456	2021	\$4,448,171
2014	\$2,850,679	2022	\$5,877,507
2015	\$3,327,755	2023	\$6,005,715
2016	\$2,036,751	2024	\$9,095,376
		TOTAL	\$53,651,148

RGGI Third Program Review

Periodic reviews to discuss program elements and consider revisions

Current review underway

States are exploring regional emission cap trajectory to support state emission reduction goals/requirements

Also discussing other program elements (e.g. offsets)

Announcement of proposed updates to the model rule this spring

Thank you!

<https://climatechange.vermont.gov/rggi>