



Maryland
Department of
the Environment

The Regional Greenhouse Gas Initiative (RGGI)

Air and Radiation Administration

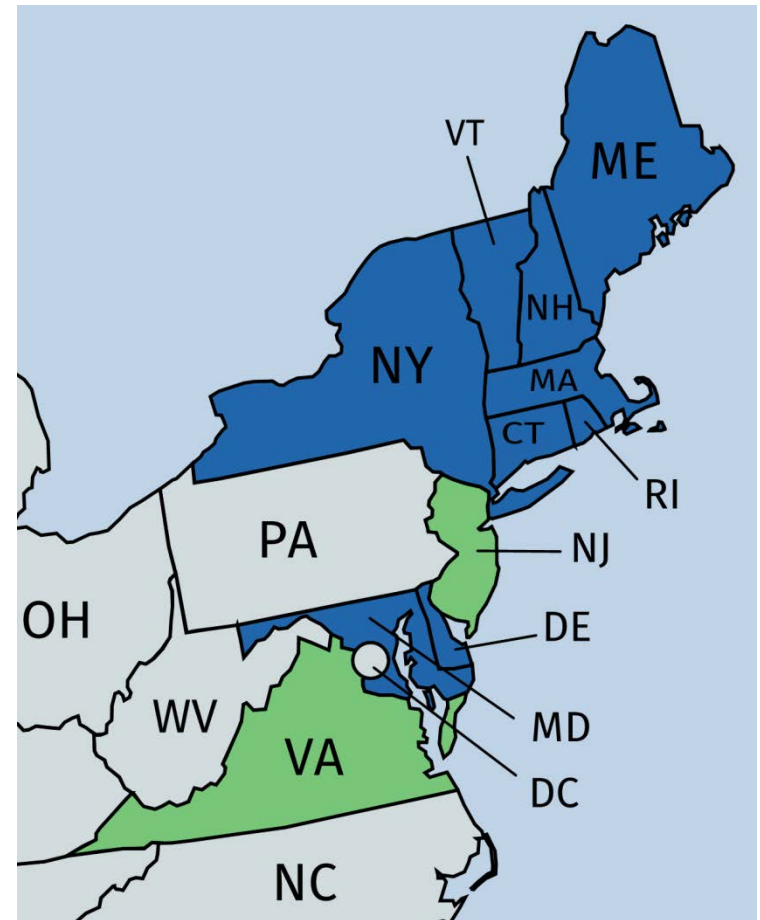
Climate Change Division

September 18, 2017



RGGI Background

- Voluntary Program
- 9 States Participate (maybe more soon)
- Regional Carbon Cap on Power Plants
- Most allowances sold at auction
- Auction proceeds fund energy programs



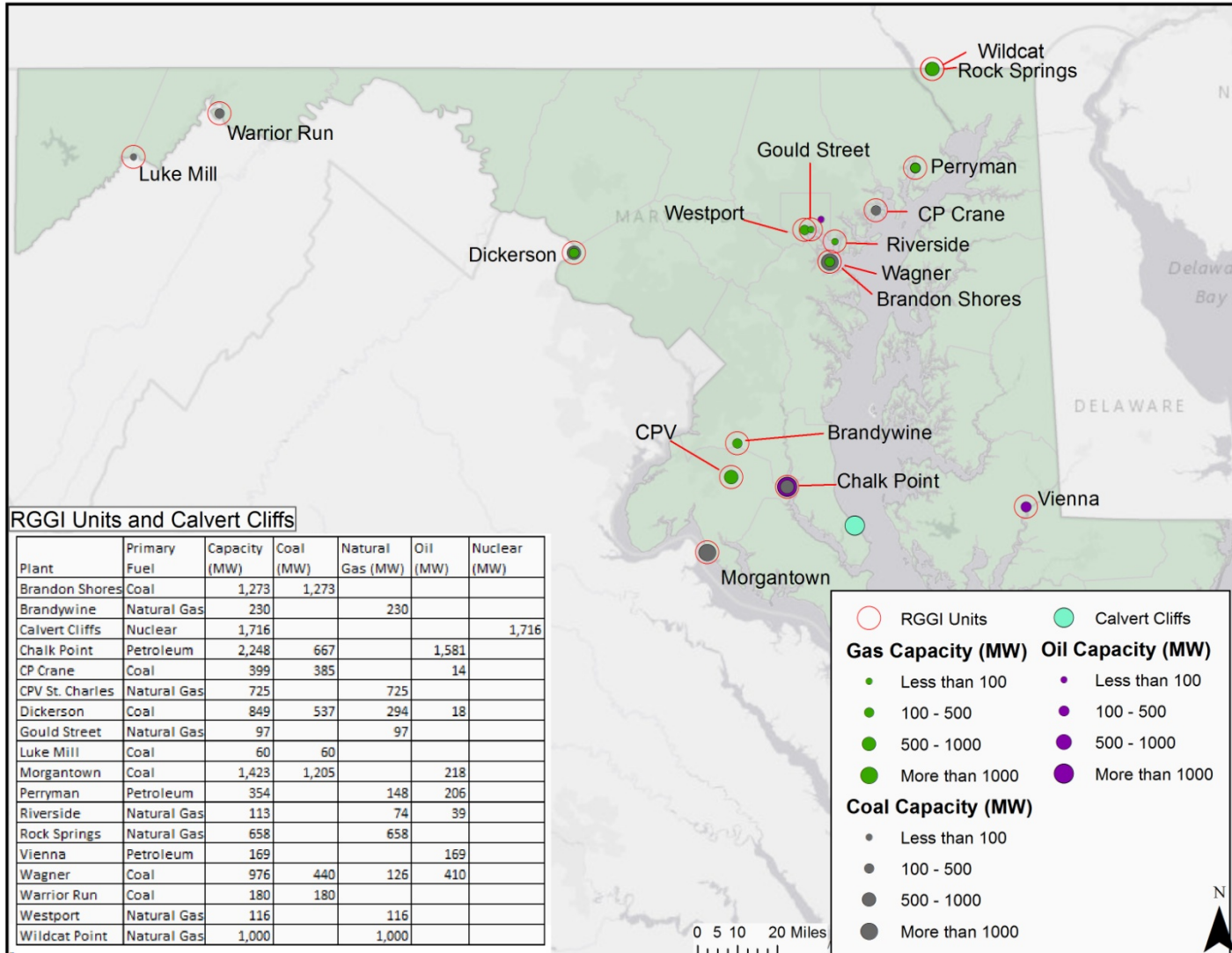


RGGI Regulations

- The 9 states work together to write a Model Rule
 - <http://www.rggi.org/design>
- Each state writes its own regulations to match the Model Rule
 - <http://www.rggi.org/design/regulations>



MD RGGI Units



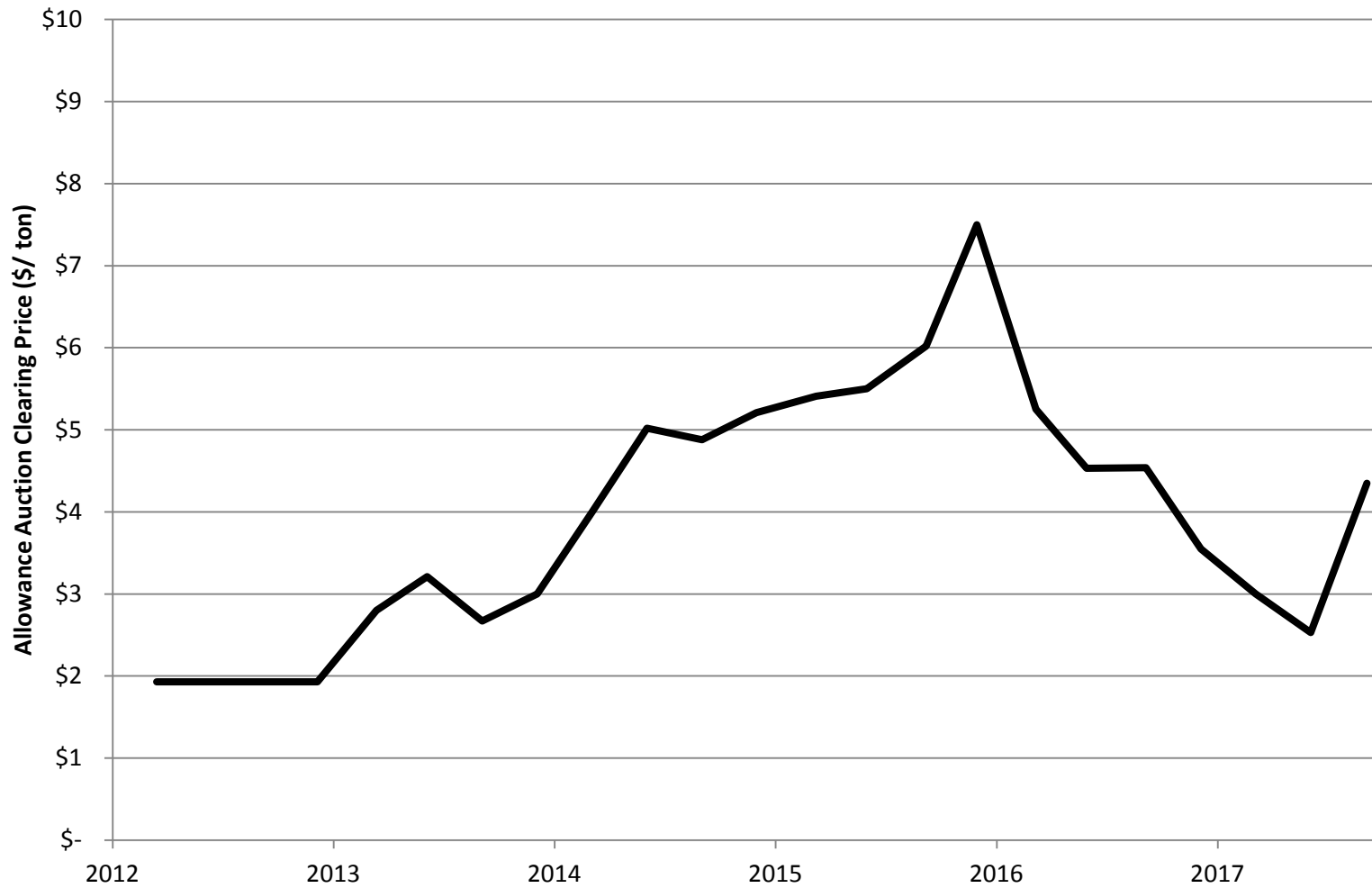


RGGI Caps & Emissions





RGGI Prices





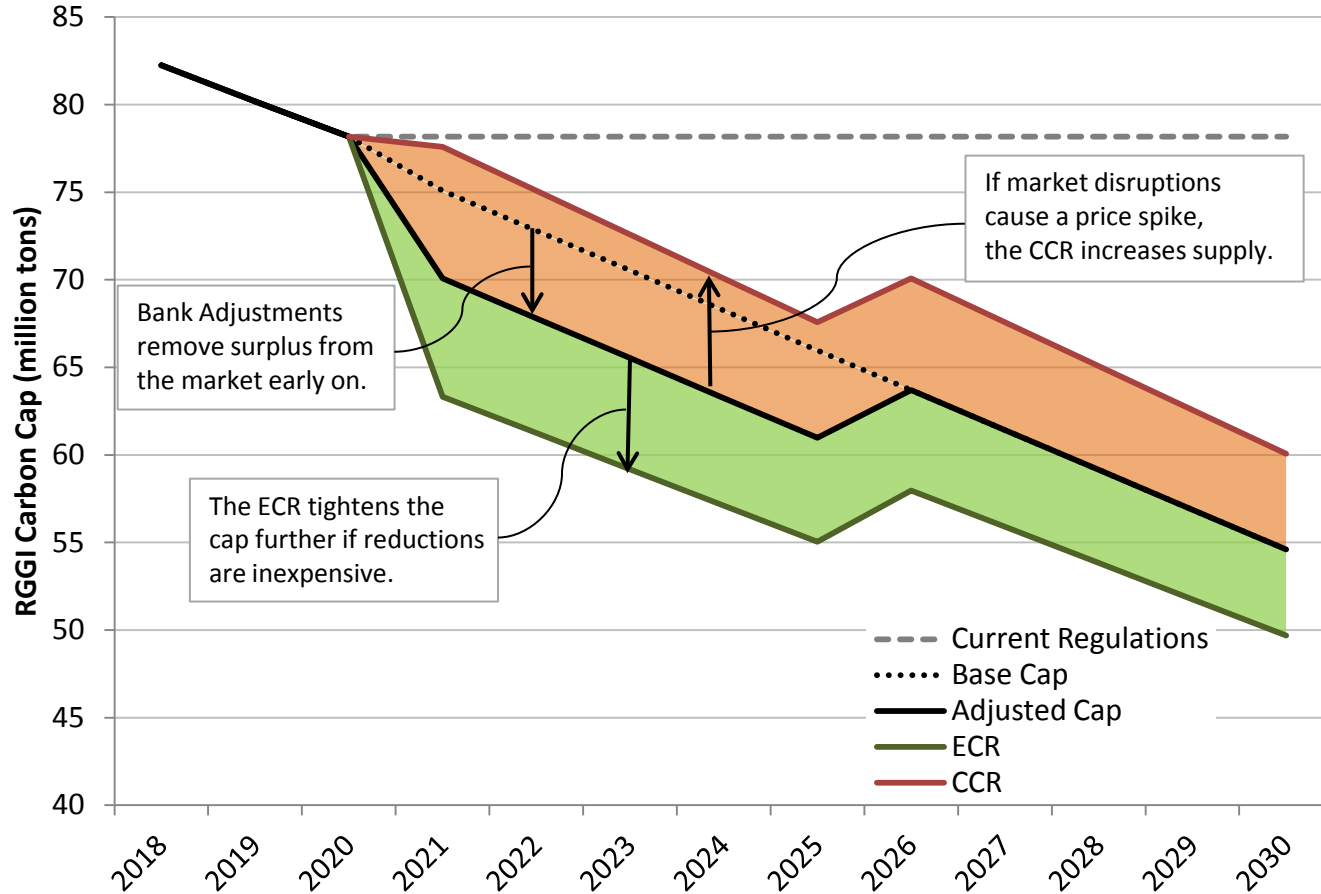
Consensus Agreement

The RGGI states recently announced an agreement to improve the program in the 2020s:

1. Reduce the cap by 30% from 2020 to 2030
2. Adjust for excess allowances remaining in 2020
3. Improve and maintain the Cost Containment Reserve (CCR)
4. Implement a new Emissions Containment Reserve (ECR)

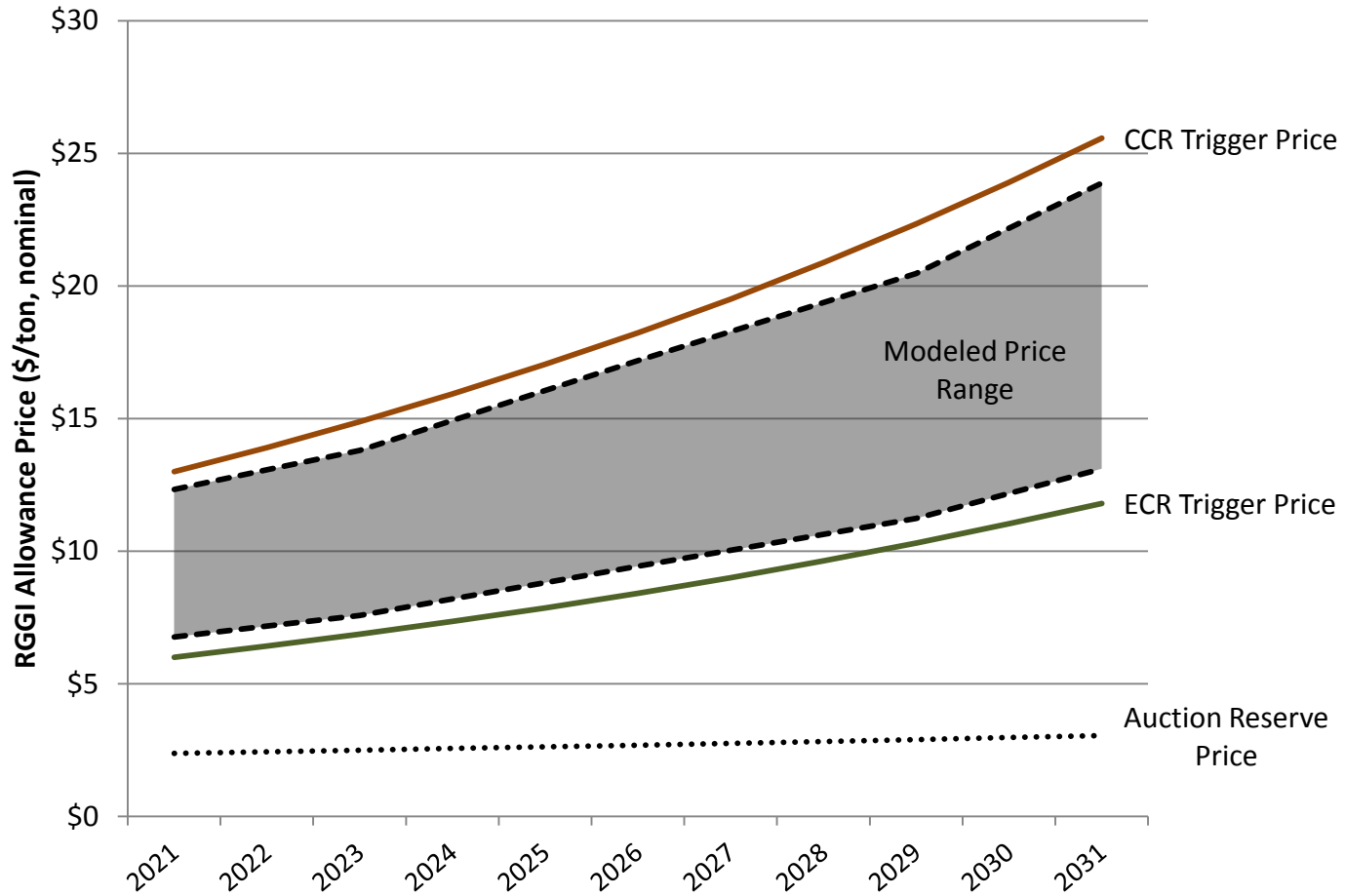


Adaptive Cap





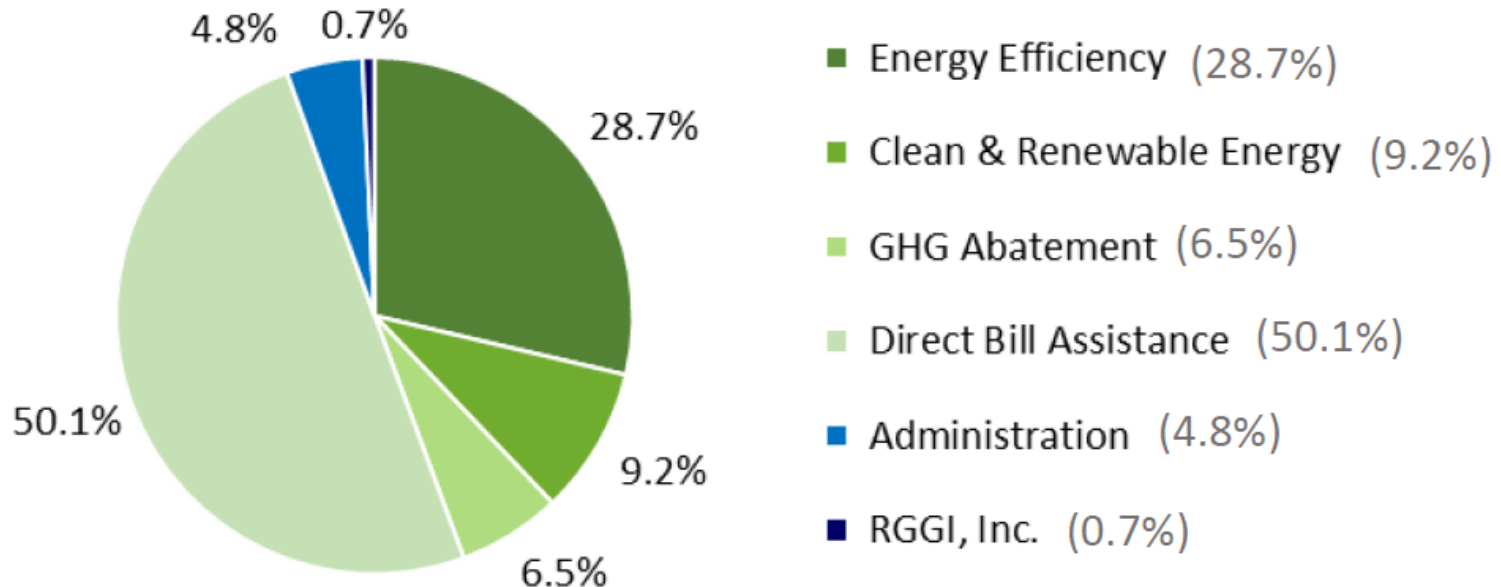
Price Triggers





Allowance Allocation

- Most allowances sold at quarterly auctions
- Anyone can purchase allowances
- States receive the proceeds and fund energy programs.
- Maryland has historically devoted most funds to Bill Assistance and Energy Efficiency. Proceeds allocation is set in statute.





Timeline

- 1. 9/25 Stakeholder Meeting in Baltimore**
12:00-4:30 at PSC HQ, 6 St. Paul St.
- 2. Finalize Model Rule Amendments this fall**
- 3. Commence MD rulemaking early next year**



Questions

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