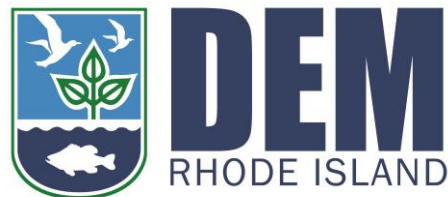


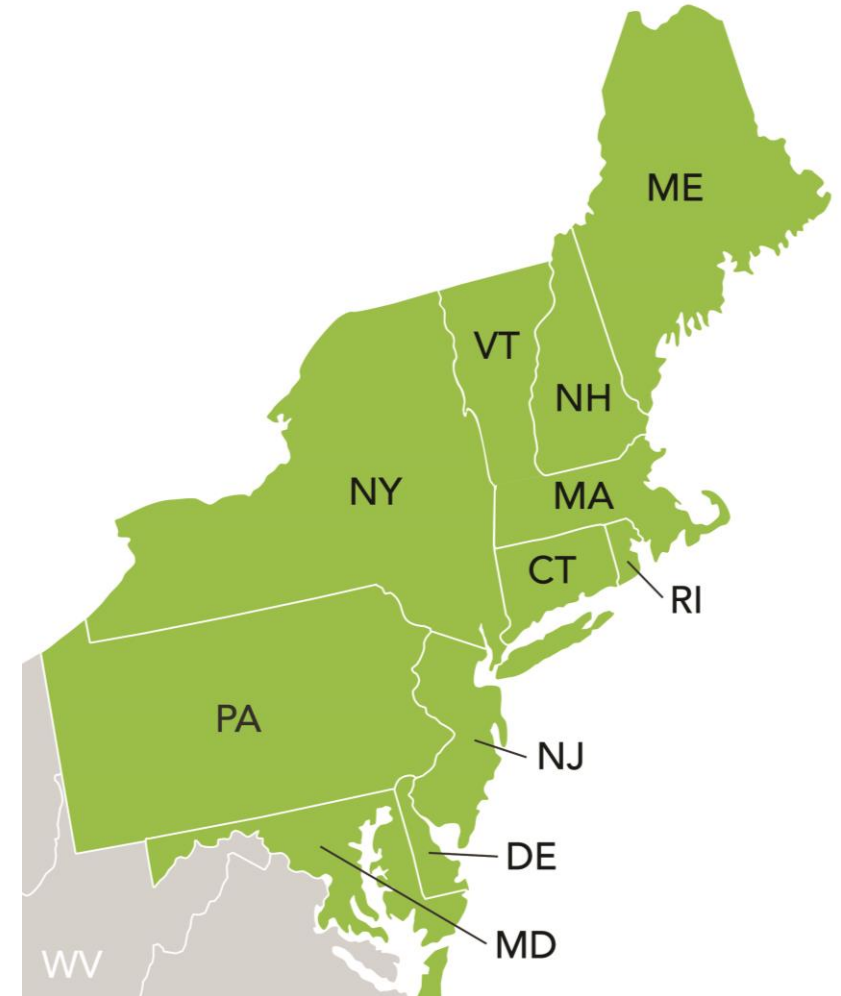
Overview of the Regional Greenhouse Gas Initiative (RGGI)

Presentation to the RI EC4
November 18, 2024

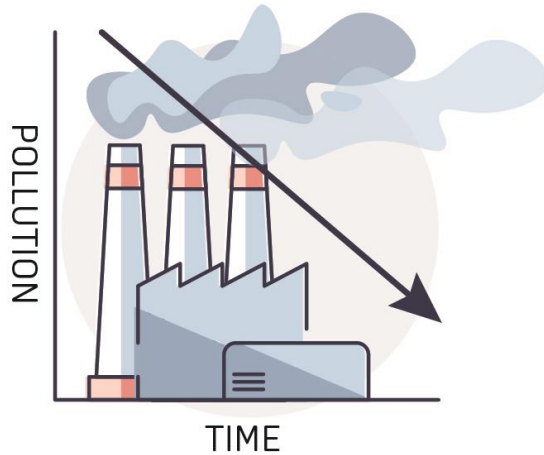


RGGI Background

- Started in 2009, RGGI is the first market-based, cap-and-invest program in the nation.
- The purpose of this cooperative effort among 11 eastern states is to reduce carbon dioxide (CO₂) emissions from power plants.
- Each state has independent regulations for their individual CO₂ Budget Trading Program based on the RGGI Model Rule.
- RI Statute & Regulations
 - RIGL § 23-82:
Implementation of the Regional Greenhouse Gas Initiative Act
 - Air Pollution Control Regulation #46:
“CO₂ Budget Trading Program” and #47 – ‘CO₂ Budget Trading Program Allowance Distribution’ (Auction portion of regulations)



How RGGI Works



RGGI States establish a regional cap on CO₂ emissions which declines over time.



Power plants must purchase enough RGGI allowances at quarterly auctions to cover their CO₂ emissions.



RGGI States invest the proceeds from auctions back into their communities to fund clean energy programs, energy efficiency, renewable energy and bill assistance.

Rhode Island RGGI Power Plants

Ocean State Power

1575 Sherman Farm Road, Burrillville

Manchester Street

40 Point Street, Providence

RI State Energy Center

24 Shun Pike, Johnston

Tiverton Power

304 Progress Way, Tiverton



Agency Roles & RGGI Inc.

RIDEM, Office of Air Resources

- Responsible for RGGI rulemaking
- Issues RI CO₂ allowances
- Oversees compliance

RI Office of Energy Resources

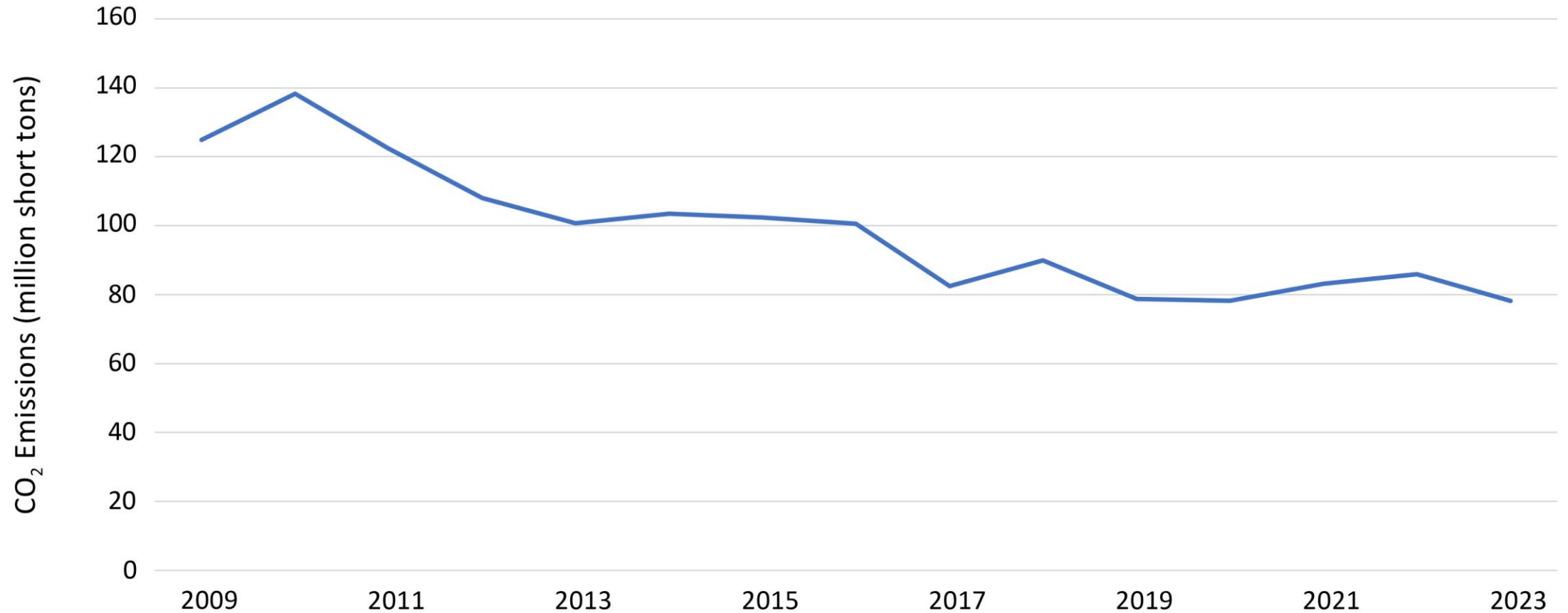
- Allocate RGGI proceeds including the EC4 spending plans
- Distribute RGGI proceeds to RGGI funded programs across state agencies
- Proceeds reporting

RGGI Inc.

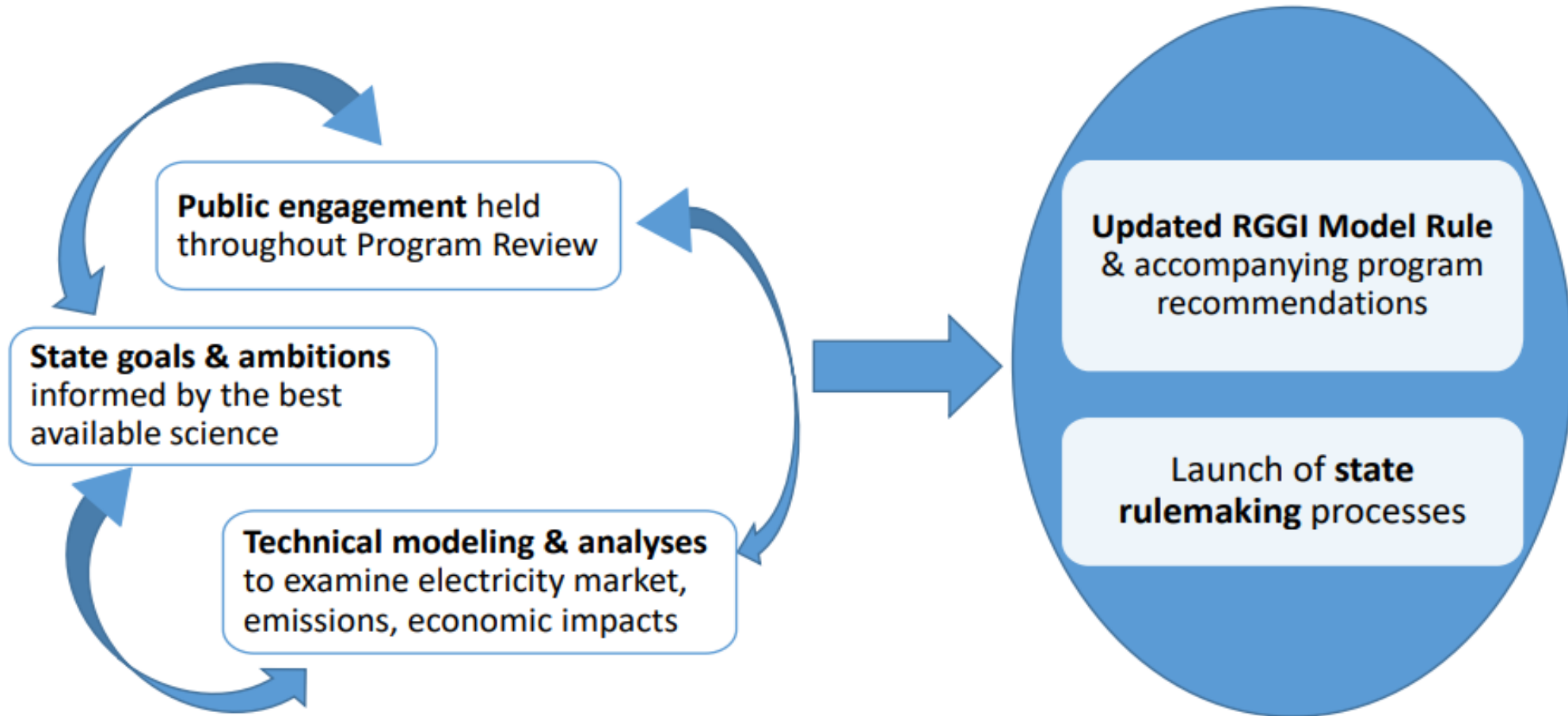
Provides RGGI states with technical & administrative services and works as an agent on behalf of the states with various contractors.

- The RGGI Inc. Board of Directors is comprised of 2 agency heads from each state.

RGGI-wide CO₂ Emissions Reduction



What is RGGI Program Review?



How we distribute auction proceeds

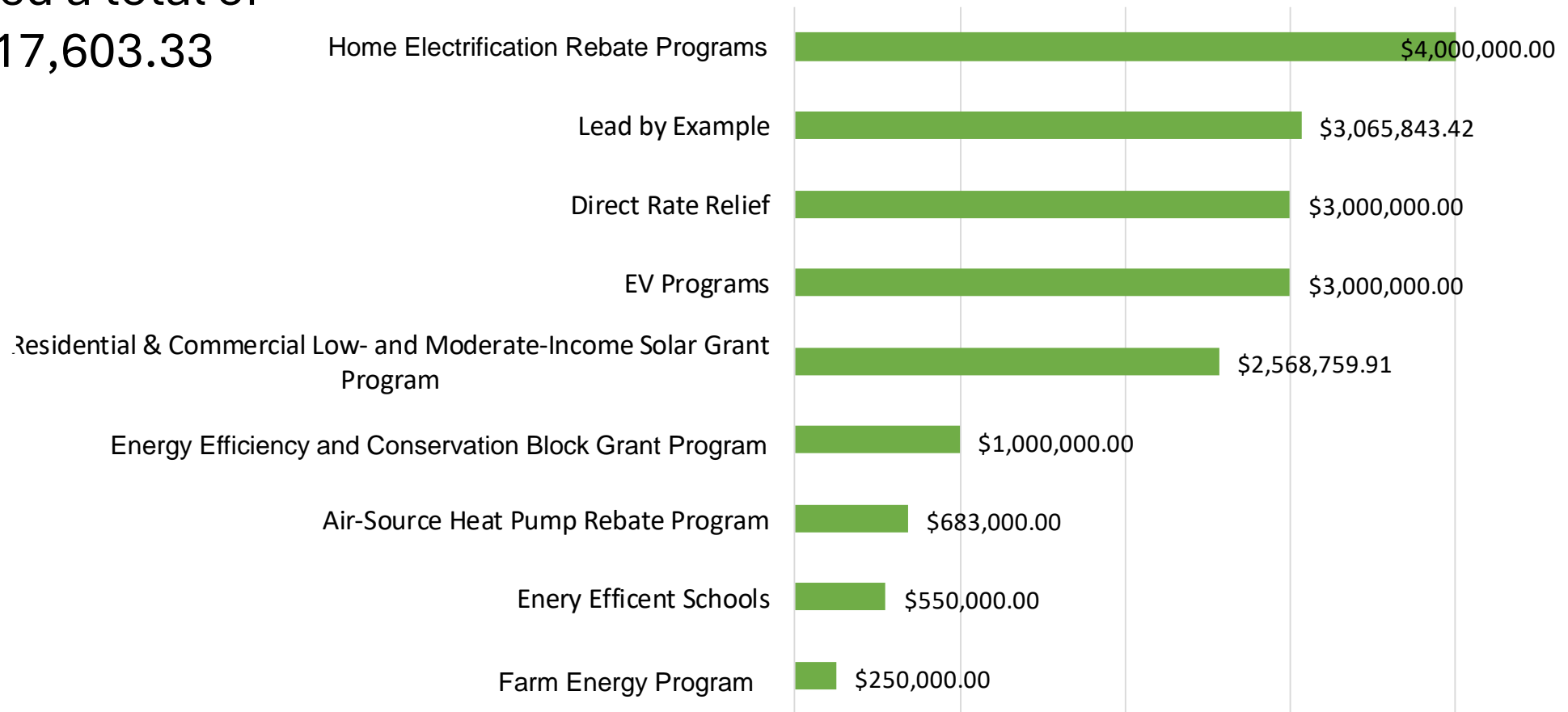
- Proceeds are distributed and allocated in accordance with RIGL § 23-82-6
 - Promotion of energy efficiency
 - Promotion of renewable energy technologies
 - Direct rate relief
 - Auctions yielding more than \$4.5 M shall transfer the excess up to \$1.5 M to OER on behalf of the EC4 (started in FY24)
- Allocation Plans outline how proceeds will be invested
 - Issue 2 to 4 allocation plans a year
 - Draft plan is typically posted 2 to 3 weeks after last auction



RI 2023 Investment of Proceeds

Invested a total of
\$18,117,603.33

2023 RGGI Allocations by Program



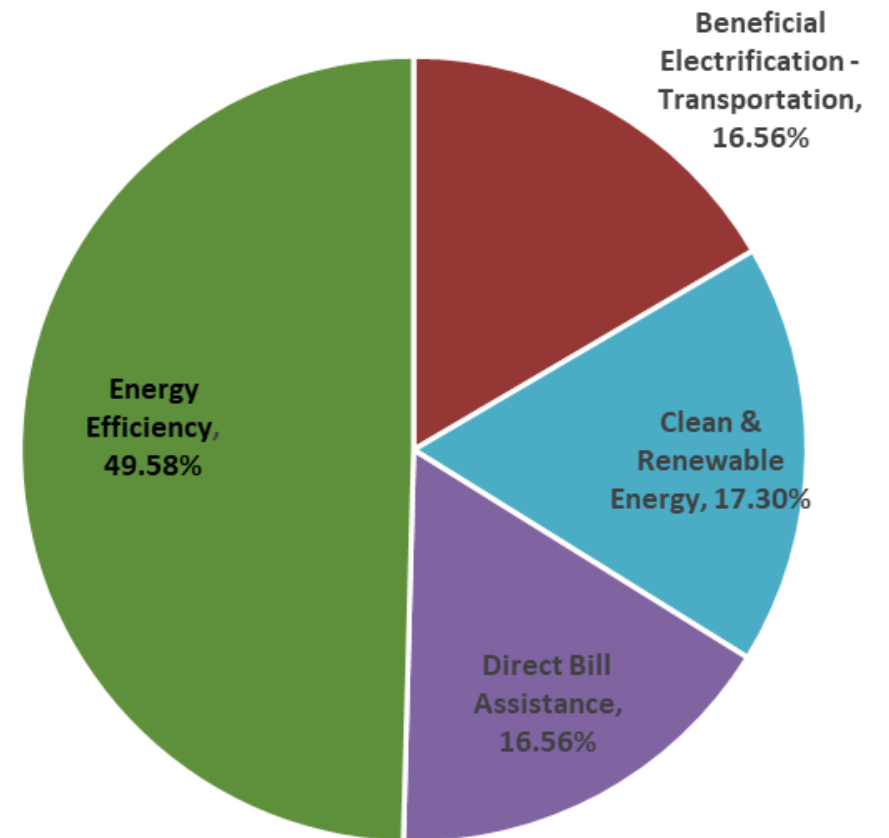
RI 2023 Investment of Proceeds

Investment Highlights

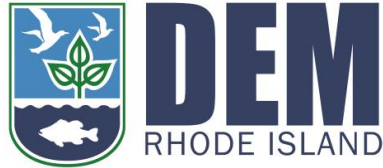
- Home Electrification and Appliance Rebate Program, \$4 M
 - Provides rebates to help households save money on select home improvement projects and lower energy bills
 - Launched September 2024
- Renewable Energy Fund, \$2.56 M
 - funded several of their programs including the small-scale and commercial-scale PV programs, brownfields solar PV program, and the development of renewables on carports.
- **56% of RGGI funds allocated in 2023 will flow to disadvantaged communities and low-and moderate-income households** via the following programs:
 - Direct bill assistance
 - Lead by Example School Lighting Program
 - Residential and Commercial low- and moderate- income solar grant program



2023 Allocations by Category



Contact Information



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For additional information on the RGGI program:

RIDEM website @ dem.ri.gov OER website @ energy.ri.gov

RGGI Inc. website @ rggi.org