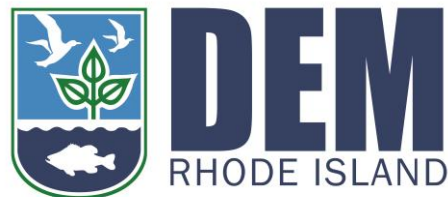


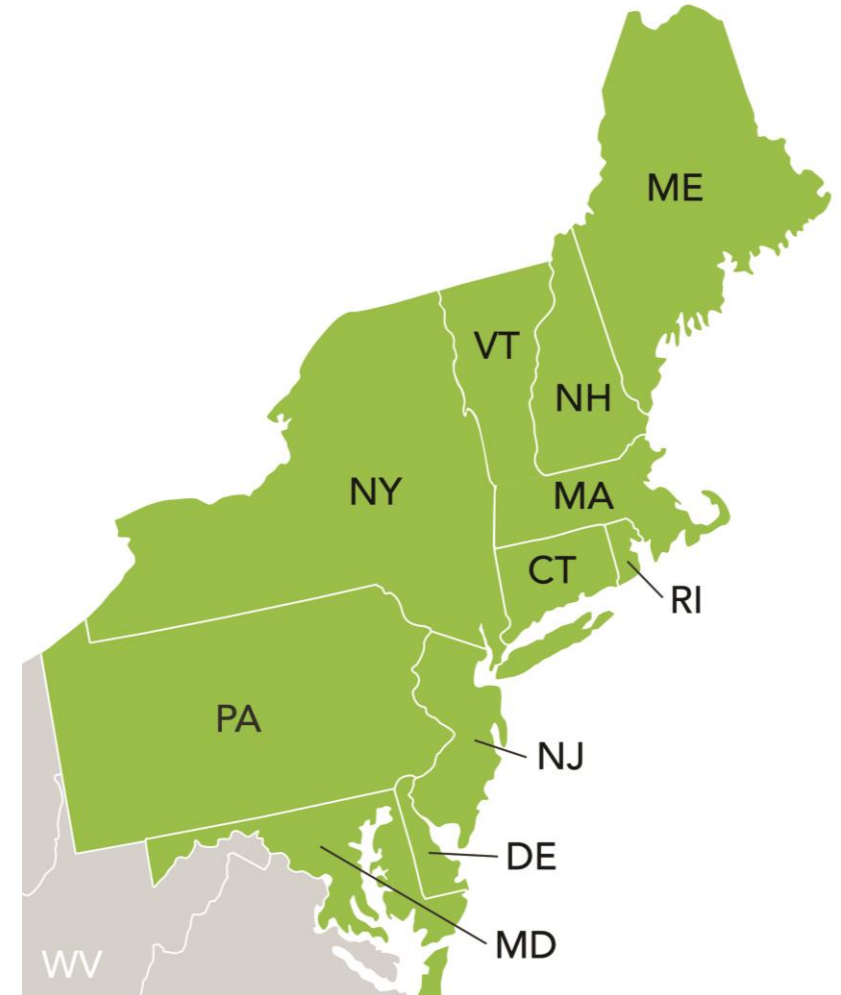
# Overview of the Regional Greenhouse Gas Initiative (RGGI)

Presentation to the RI EC4  
November 18, 2024

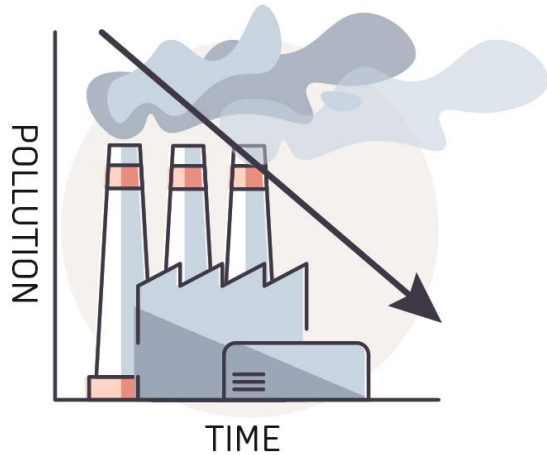


# RGGI Background

- 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 (CO<sub>2</sub>) emissions from power plants.
- Each state has independent regulations for their individual CO<sub>2</sub> 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:  
“CO<sub>2</sub> Budget Trading Program” and #47 – ‘CO<sub>2</sub> Budget Trading Program Allowance Distribution’ (Auction portion of regulations)



# How RGGI Works



RGGI States establish a regional cap on CO<sub>2</sub> emissions which declines over time.



Power plants must purchase enough RGGI allowances at quarterly auctions to cover their CO<sub>2</sub> 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 CO<sub>2</sub> allowances
- Oversees compliance

## **RI Office of Energy Resources**

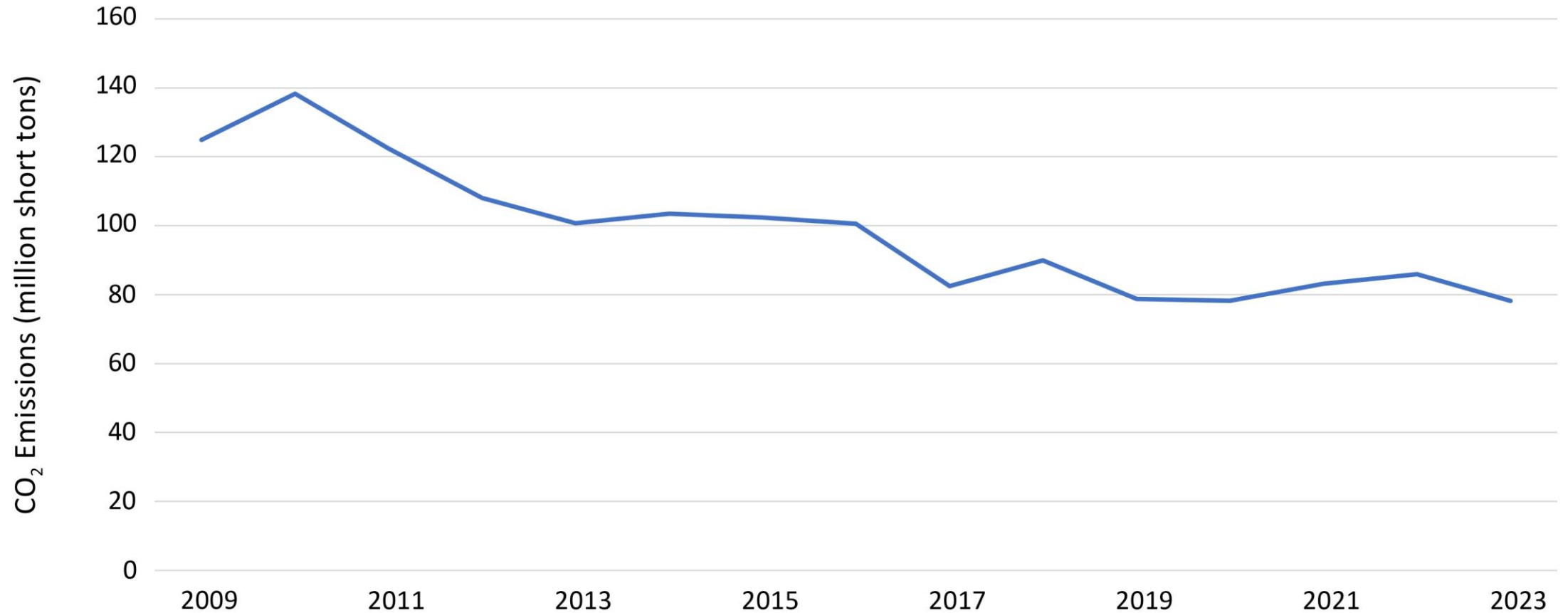
- Allocate RGGI proceeds including the EC4 spending plans
- Distribute RGGI proceeds to RGGI funded programs across state agencies
- Proceeds reporting

## **RGGI Inc.**

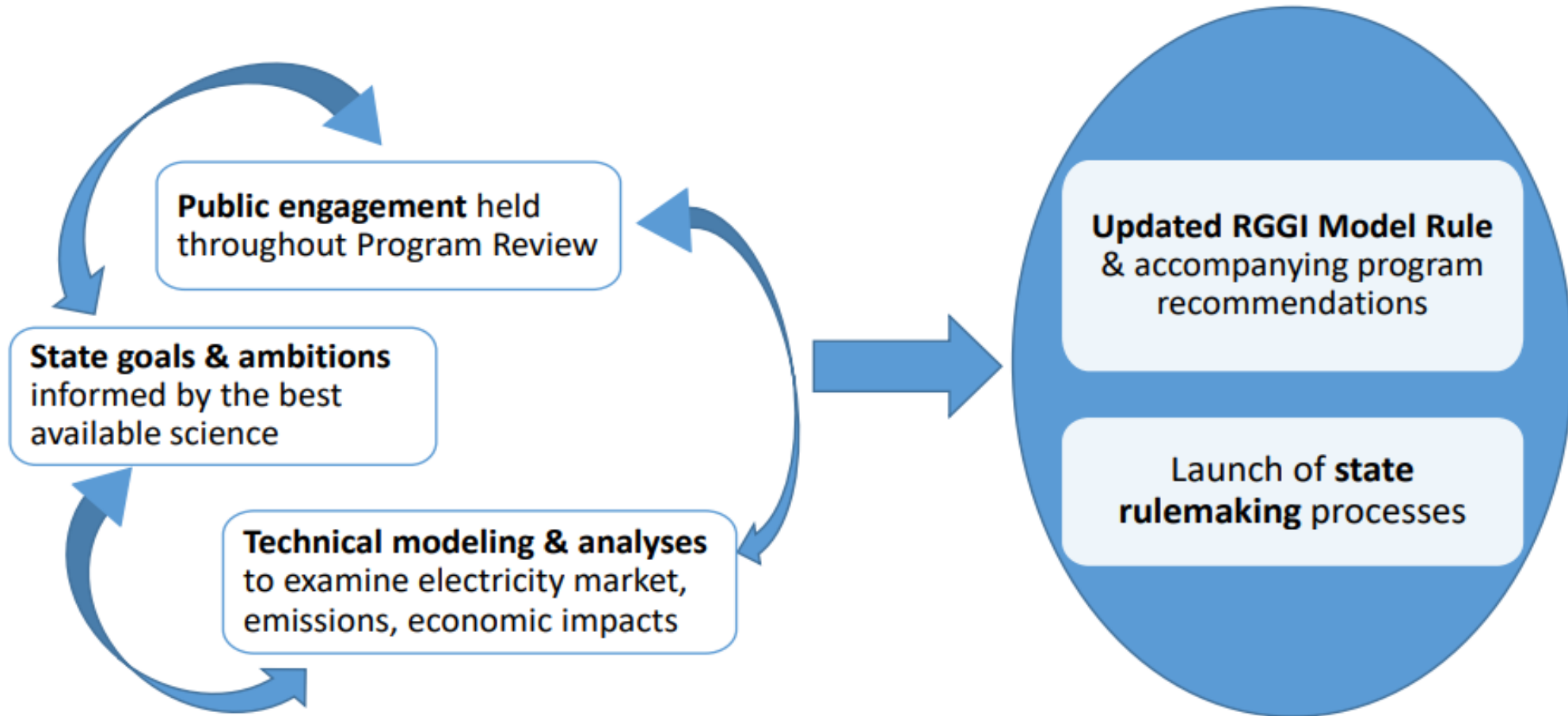
Provides RGGI states with technical & administrative services and works as an agent on behalf of the states with various contractors.

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

# RGGI-wide CO<sub>2</sub> 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

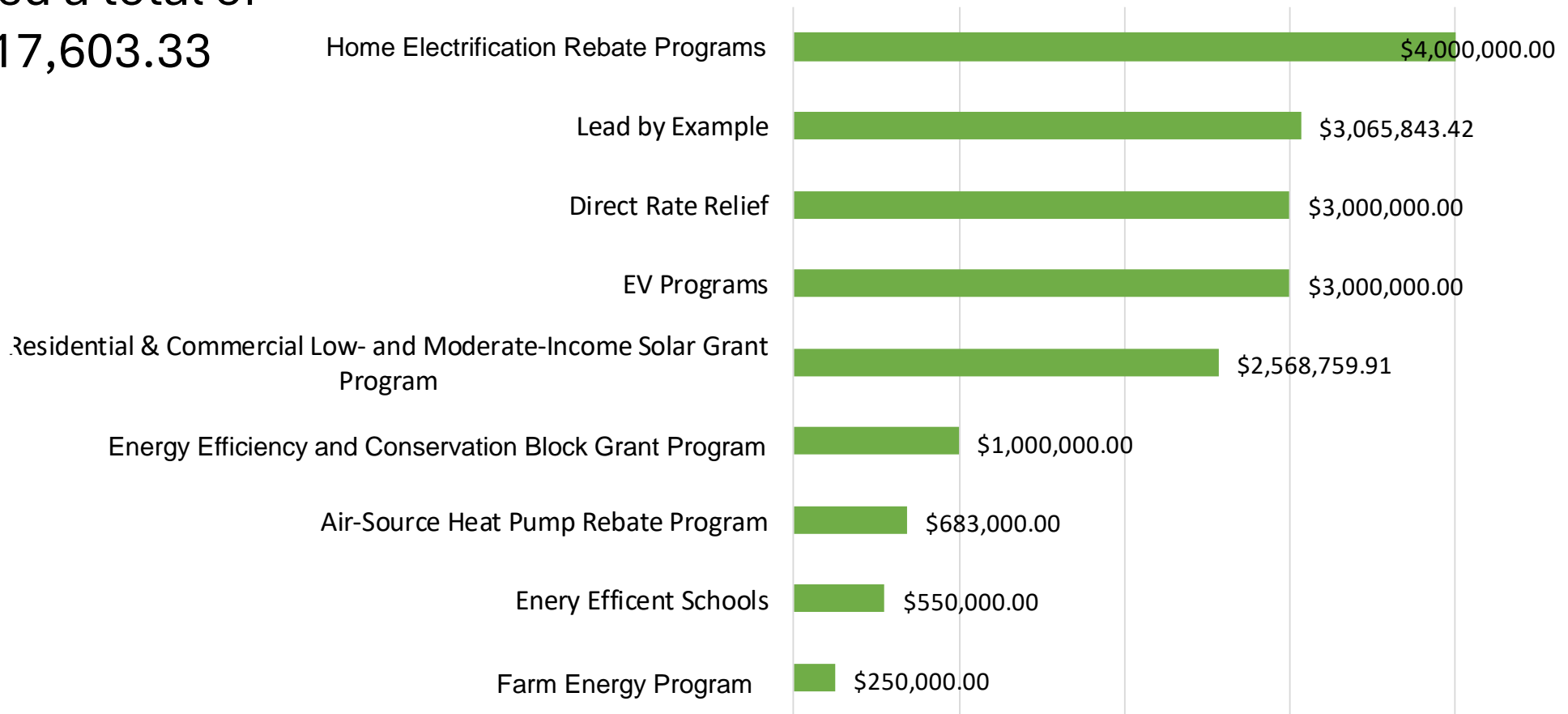




# RI 2023 Investment of Proceeds

Invested a total of  
\$18,117,603.33

2023 RGGI Allocations by Program



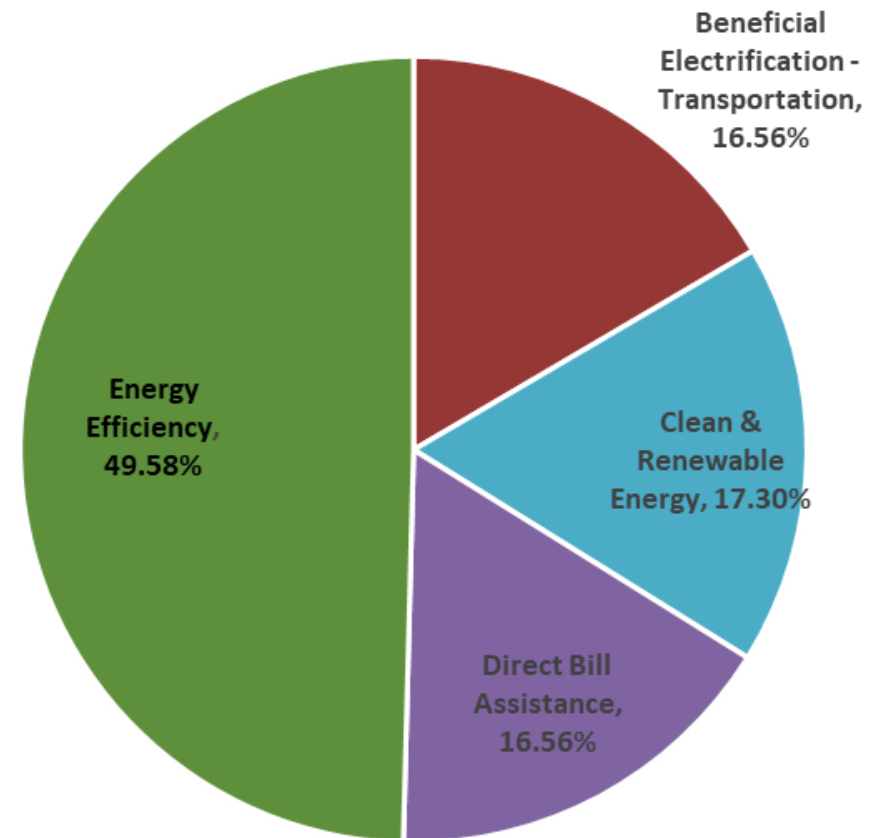
# RI 2023 Investment of Proceeds

## 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](http://dem.ri.gov) OER website @ [energy.ri.gov](http://energy.ri.gov)

RGGI Inc. website @ [rggi.org](http://rggi.org)