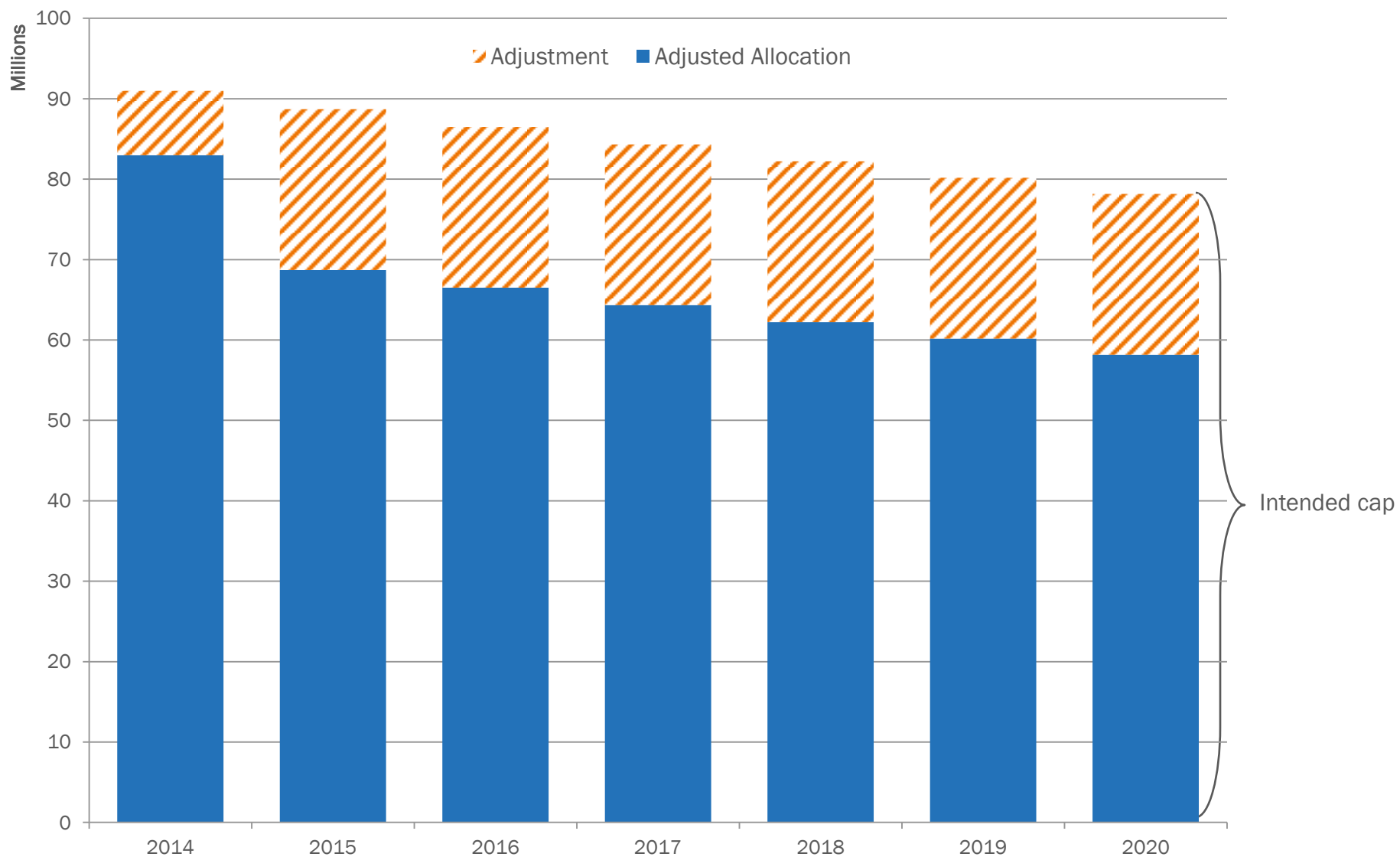


RGGI Bank Adjustments

2012 RGGI Program Review

- In the 2012 program review, the Regional Greenhouse Gas Initiative (RGGI) faced a similar problem as the Cross-State Air Pollution Rule (CSAPR) does now – a very large bank of allowances threatened to undercut the emissions reduction goals of the program.
- Rather than cancelling or devaluing the bank, however, RGGI elected to instead draw down the bank by under-allocating future annual caps.
- This has the dual benefit of resulting in the desired number of allowances in circulation (and therefore the targeted emissions levels) while maintaining program integrity through faith in the allowance currency.

RGGI Drew Down the Bank from 2014-2020



Numbers for illustrative purposes only.

RGGI Approach in the CSAPR Framework

