

# The Regional Greenhouse Gas Initiative

an initiative of Eastern States of the US

## **RGGI Third Program Review Update**

November 21, 2022

The participating states of the Regional Greenhouse Gas Initiative (RGGI) initiated the Third Program Review in the fall of 2021 to consider design elements, impacts, and potential changes to their CO<sub>2</sub> budget trading programs. As part of this process, the states have been developing an analysis of the electricity sector that will inform decision making around core Program Review topics, and discussing other topics related to program elements, including those raised through public engagement. Included below is a summary of state considerations during the Third Program Review to date.

### **Electricity Sector Modeling**

The RGGI states have been working to develop and refine their electricity sector modeling assumptions. This has laid the groundwork for modeling of Program Review reference and policy scenarios which will begin upon release of the U.S. Energy Information Administration's Annual Energy Outlook 2023 in early 2023 and will include public engagement around modeling assumptions.

### **Review of Program Elements**

The RGGI states held a series of public meetings to seek input from stakeholders and the public at the start of the Third Program Review and collected public comments during and following these meetings. The states have discussed a variety of [program topics](#), as well as recommendations raised in [public comments](#), and have consulted with experts on program elements under consideration. The RGGI states continue to review recommendations raised in public comments, and will share considerations for public feedback as Program Review moves forward.

### **Environmental Justice and Equity**

The RGGI states recognize the importance of environmental justice (EJ) and equity principles as they consider program changes as part of the Third Program Review. Individual states have established a variety of programs related to EJ and equity, and are working together to share information and recommended practices with the participating states. These programs and practices include state [equity advisory boards](#), equity and emissions analyses, and equity focused requirements related to the investment of RGGI proceeds. The states continue to review and consider recommendations raised in public comments related to EJ and equity.

### **Next Steps**

Next year, the RGGI states will build on discussions, considerations, and modeling to date to move forward with the Third Program Review. This will include further consideration of program elements, modeling of policy cases, and public outreach and engagement at the state and

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regional levels. Included below is an updated schedule for the Third Program Review. This schedule is subject to change and may continue to be updated over time.

Updated Timeline for Third Program Review	
Winter 2022/2023	Develop staff leanings on core electricity sector modeling assumptions.
Spring 2023	<b>Public Meetings:</b> Hold public meetings to review core modeling assumptions and solicit input on modeling scenarios and considerations of program elements. Ongoing engagement with communities on environmental justice and equity.
Spring/Summer 2023	Refine electricity sector modeling assumptions and conduct initial modeling scenarios. Gather assumptions for economic modeling and customer bills analysis.
Summer 2023	<b>Public Meetings:</b> Hold public meetings to review the draft modeling results and discuss revisions and considerations of program elements. Ongoing engagement with communities on environmental justice and equity.
Summer/Fall 2023	Conduct economic modeling and customer bills analysis to better understand the potential impacts of program changes. Revise electricity sector modeling approach as appropriate based on stakeholder feedback.
Fall 2023	Release a draft updated Model Rule.
Fall 2023	<b>Public Meetings:</b> Hold public meetings to review the updated Model Rule, final policy case results, economic modeling results, and customer bills analysis. Ongoing engagement with communities on environmental justice and equity.
December 2023 and onward	Conclude Program Review. States initiate individual legislative/regulatory processes to implement program changes based on the updated Model Rule.