

Vermont earns \$683,645 in second RGGI auction

Governor Douglas hails 'robust performance' as boon for energy savings and green job creation

WATERBURY – Governor Jim Douglas today announced that Vermont will receive \$683,645 as its share of this week's second auction of carbon allowances by the Regional Greenhouse Gas Initiative.

Clearing prices for the second auction were up by 10 percent. All 31.5 million allowances were sold for a clearing price of \$3.38 per allowance. For the first time, all 10 RGGI states participated in the auction.

“Given these uncertain economic times, this is a robust performance and demonstrates the value that a carbon cap program can have in a federal climate action plan,” Governor Douglas said. “These funds will help Vermonters to lower their energy costs while helping create green economy jobs.”

Vermont will auction 1.2 million carbon allowances each year, and while the auction prices may fluctuate, the revenue will significantly boost the state's energy efficiency initiatives.

The Public Service Board will appoint trustees to oversee the RGGI proceeds. The Department of Public Service will make recommendations to the Board and its trustees for programs and activities such as weatherization, pursuing renewable energy and improving energy efficiency.

RGGI reported that 69 participants from the energy, financial and environmental sectors took part in the bidding, indicating continued strong interest in RGGI CO₂ auctions.

Vermont was the first state to join RGGI; the other states are: Connecticut, Delaware, Maine, Maryland, Massachusetts, New Jersey, New Hampshire, New York and Rhode Island.

In the first “pre-compliance” auction in September, all of the almost 12.6 million allowances offered were sold at a clearing price of \$3.07 per allowance.

The next allowance auction is set for March 18. The two auctions held this fall were termed "pre-compliance" auctions because actual compliance obligations under the 10-state CO₂ Budget Trading Programs do not take effect until January 1, 2009. These auctions, combined with quarterly auctions to be held in the first compliance period, which runs from January 1, 2009 through December 31, 2011, will ensure an ample opportunity for bidders to obtain the CO₂ allowances they will need for compliance across the entire 10-state region.

For more information about RGGI, turn to: www.rggi.org.



*Department of Fish & Wildlife . Department of Forests, Parks & Recreation .
Department of Environmental Conservation*