

International Civil Aviation Organization (ICAO) Carbon Offsetting and Reduction

Scheme for International Aviation (CORSIA)

Application Form for Emissions Unit Programmes

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SECTION I: ABOUT THIS ASSESSMENT

Background

ICAO Member States and the aviation industry are implementing the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). Together with other mitigation measures, CORSIA will help achieve international aviation's aspirational goal of carbon neutral growth from the year 2020.

Aeroplane operators will meet their offsetting requirements under CORSIA by purchasing and cancelling CORSIA eligible emissions units. The ICAO Council determines CORSIA eligible emissions units upon recommendations by its Technical Advisory Body (TAB) and consistent with the CORSIA Emissions Unit Eligibility Criteria (EUC).

In March 2019, the ICAO Council unanimously approved the CORSIA Emissions Unit Eligibility Criteria for use by TAB in undertaking its tasks. TAB conducted its first cycle of assessment in 2019, and its recommendations were considered by the Council in March 2020.

Now, ICAO invites emissions unit programmes to apply for the second cycle of assessment by the TAB, which will involve collecting information from each programme through this programme application form and supplementary materials and requested evidence.

Through this assessment, the TAB will develop recommendations on the list of eligible emissions unit programmes (and potentially project types) for use under the CORSIA, which will then be considered by the ICAO Council.

This form is accompanied by, and refers to, Appendix A "Supplementary Information for Assessment of Emissions Unit Programmes", containing the EUC and Guidelines for Criteria Interpretation. These EUC and Guidelines are provided to inform programmes' completion of this application form, in which they are cross-referenced by paragraph number.

This form is also accompanied by Appendix B "Programme Assessment Scope", and Appendix C "Programme Exclusions Scope", which request all applicants to identify the programme elements they wish to submit for, or exclude from, TAB's assessment.

This form also requests evidence of programme procedures or programme elements. These evidentiary documents enable TAB to a) confirm that a given procedure or program element is in place, b) more fully comprehend the programme's summary responses, and c) archive the information as a reference for potential future assessments.

Programme responses to this application form will serve as the primary basis for the assessment. Such assessment may involve e.g. clarification questions, live interview(s) with TAB, and a completeness check of the application, as further requested.

Translation: The working language of the assessment process is English. Translation services are not available for this process. If the programme documents and information are not published in English, the programme should fully describe in English (rather than summarize) this information in the fields provided in this form, and in response to any additional questions. Where this form requests evidence of programme procedures, programmes are strongly encouraged to provide these documents in English, to provide for accuracy and comprehension. Where this is not possible due to time constraints or

document length, the programme may provide such documents in their original language in a readily translatable format (e.g., Microsoft Word). Those programmes that need to translate documents prior to submission may contact the ICAO Secretariat regarding accommodation.

Disclaimer: The information contained in the application, and any supporting evidence or clarification provided by the applicant including information designated as “business confidential” by the applicant, will be provided to the members of the TAB to properly assess the programme and make recommendations to the ICAO Council. The application and such other evidence or clarification will be made publicly available on the ICAO CORSIA website for the public to provide comments, except for information which the applicant designates as “business confidential”. The applicant shall bear all expenses related to the collection of information for the preparation of the application, preparation and submission of the application to the ICAO Secretariat and provision of any subsequent clarification sought by the Secretariat and/or the members of the TAB. Under no circumstances shall ICAO be responsible for the reimbursement of such or any other expenses borne by the applicant in this regard, or any loss or damages that the applicant may incur in relation to the assessment and outcome of this process.

SECTION II: INSTRUCTIONS Submission and contacts

A programme is invited to complete and submit the form, and accompanying evidence, through the ICAO CORSIA website no later than close of business on 20 April 2020. Within seven business days of receiving this form, the Secretariat will notify the programme that its form was received.

If the programme has questions regarding the completion of this form, please contact ICAO Secretariat via email: officeenv@icao.int. Programmes will be informed, in a timely manner, of clarifications provided by ICAO to any other programme.

Form basis and cross-references

Questions in this form are derived from the CORSIA emissions unit eligibility criteria (EUC) and any Guidelines for Criteria Interpretation introduced in Section I (above). To help inform the programme's completion of this form, each question includes the paragraph number for its corresponding criterion or guideline that can be found in Appendix A "Supplementary Information for Assessment of Emissions Unit Programmes".

Form completion

The programme should respond to all questions in this application form. A "complete" response involves three components: a) a written summary response, b) selection of the "YES" check box if a procedure is fully in place, and c) supporting evidence.

a) **Written summary responses:** The programme is encouraged to construct written summary responses in a manner that provides for general comprehension of the given programme procedure, independent of supporting evidence. TAB will confirm each response in the supplementary evidence provided by the programme. Please note that written summary responses should be provided in all cases—supporting evidence (described in c) below) should not be considered as an alternative to a complete summary response.

b) **"YES" check box:** Each question is accompanied by a check box for the programme to indicate the status of a given procedure or programme element. Here, programmes should accurately represent the status of its procedures and programme elements. Please note that an unselected check box does not, in itself, disqualify an application from further assessment; it will be taken into account when TAB reviews the programme's accompanying information.

The programme should select the "YES" check box if a procedure or element is in place.

The programme should not select the check box in the following instances:

1. The procedure in question is not relevant to the programme's application (if, e.g., the question applies to activity(ies) that the programme is not submitting for assessment, or an alternative approach is taken to the procedure or element in question). In such cases, please provide justification in the written summary response.
2. The procedure in question is not yet in place, but the programme is planning to introduce such a procedure. In such cases, please describe any such plans in the written summary response, according to form instructions.

3. The procedure in question is not in place. In such cases, please provide justification in the written summary response.

c) Supporting evidence: Most questions in this form request evidence of programme procedures or programme elements. Such evidence may be found in programme standards, requirements, or guidance documents; templates; programme website or registry contents; or in some cases, in specific methodologies. To help manage file size, the programme should limit supporting documentation to that which directly substantiates the programme's statements in this form.

Regarding such requests for evidence, programmes can substantiate their responses in any of these ways (in order of preference):

1. web links to supporting documentation included along with the written summary response; with instructions for finding the relevant information within the linked source, if necessary;
2. copying/pasting information directly into this form (no character limits) along with the written summary response;
3. attaching supporting documentation to this form at the time of submission, with instructions for finding the relevant information within the attached document(s);

Form scope

The programme may elect to submit for TAB assessment all, or only a subset, of the activities supported by the programme. The programme is requested to identify, in the following Appendices, the activities that it wishes to submit for, or exclude from, TAB's assessment:

In Appendix B "Programme Assessment Scope", the programme should clearly identify, at the "activity type" level (e.g., sector(s), sub-sector(s), and/or programme/project "type(s)"), elements that the programme is submitting for TAB's assessment of CORSIA eligibility; as well as the specific methodologies, protocols, and/or framework(s) associated with these programme elements; which are described in this form.

In Appendix C "Programme Exclusions Scope", the programme should clearly identify, at the "activity type" level (e.g., sector(s), sub-sector(s), and/or programme/project "type(s)"), any elements the programme is not submitting for TAB's assessment of CORSIA eligibility, which are not described in this form; as well as the specific methodologies, protocols, and/or framework(s) associated with these programme elements.

Programme revisions

Where the programme has any plans to revise the programme (e.g., its policies, procedures, measures, tracking systems, governance or legal arrangements), including to enhance consistency with a given criterion or guideline, please provide the following information in response to any and all relevant form question(s):

- a) Proposed revision(s);
- b) Process and proposed timeline to develop and implement the proposed revision(s);
- c) Process and timeline for external communication and implementation of the revision(s).

“Linked” certification schemes

This application form should be completed and submitted exclusively on behalf of the programme that is described in Part I of this form.

Some programmes may supplement their standards by collaborating with other schemes that certify, e.g., the social or ecological “co-benefits” of mitigation. The programme can reflect a linked scheme’s procedures in responses to this form, where this is seen as enhancing—i.e. going “above and beyond”—the programme’s own procedures.

For example, the programme may describe how a linked scheme audits sustainable development outcomes; but is not expected to report the linked scheme’s board members or staff persons.

Programmes should clearly identify any information provided in this form that pertains to a linked certification scheme and/or only applies when a linked certification scheme is used.

Disclosure of programme application forms

Applications, including information submitted in Appendices B and C, and other information submitted by applicants will be publicly available on the ICAO CORSIA website, except for materials which the applicants designate as business confidential.

The public will be invited to submit comments on the information submitted, including regarding consistency with the emissions unit criteria (EUC), through the ICAO CORSIA website, for consideration by the TAB in its assessment.

SECTION III: APPLICATION FORM

PART 1: General information

A. Programme Information

Programme name: Regional Greenhouse Gas Initiative (Carbon Allowances)

Administering Organization : RGGI, Inc.

Official mailing address: 90 Church St New York, NY 10007

Telephone #: 202 417-7329

Official web address: <https://www.rggi.org>

B. Programme Administrator Information

Full name and title: Adrienne von Schulthess, Executive Director

Employer / Company (if not programme): Carbon Lighthouse Association

E-mail address: adrienne@carbonlighthouse.org

Telephone #: 2026795057

C. Programme Representative Information (if different from Programme Administrator)

Full name and title:

Employer / Company (if not Programme):

E-mail address: Telephone #:

D. Programme Senior Staff / Leadership (e.g., President / CEO, board members)

List the names and titles of programme's senior staff / leadership, including board members:

Executive Director: Adrienne von Schulthess

Board Members: Brenden Millstein (Chairman), Elena Krieger; Robyn Beavers

Provide an organization chart (in the space below or as an attachment) that illustrates, or otherwise describes, the functional relationship a) between the individuals listed in D; and b) between those individuals and programme staff / employees; and c) the functions of each organizational unit and interlinkages with other units.

The Executive Director is Adrienne von Schulthess and the Board of Directors (Brenden Millstein (Chairman), Elena Krieger; Robyn Beavers) provide oversight.

PART 2: Programme summary

Provide a summary description of your programme

As outlined on the program's website, the Regional Greenhouse Gas Initiative (RGGI) is a cooperative effort among the states of Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, and Vermont to cap and reduce power sector CO2 emissions.

RGGI is composed of individual CO2 Budget Trading Programs in each participating state. Through independent regulations, based on the RGGI Model Rule, each state's CO2 Budget Trading Program limits emissions of CO2 from electric power plants, issues CO2 allowances and establishes participation in regional CO2 allowance auctions.

RGGI is the first mandatory, market-based CO2 emissions reduction program in the United States. Within the RGGI states, fossil-fuel-fired electric power generators with a capacity of 25 megawatts (MW) or greater ("regulated sources") are required to hold allowances equal to their CO2 emissions over a three-year control period.

A CO2 allowance represents a limited authorization to emit one short ton of CO2 from a regulated source, as issued by a participating state. Regulated power plants can use a CO2 allowance issued by any participating state to demonstrate compliance in any state. They may acquire allowances by purchasing them at regional auctions, or through secondary markets.

Carbon Lighthouse Association works with companies outside of the regulated market to purchase and retire these CO2 allowances, permanently removing them from the cap and driving long term reductions in carbon emissions.

PART 3: Emissions Unit Programme Design Elements

Note—where “evidence” is requested throughout Part 3 and Part 4, the programme should provide web links to documentation. If that is not possible, then the programme may provide evidence of programme procedures directly in the text boxes provided (by copying/pasting the relevant provisions) and/or by attached supporting documentation, as recommended in “SECTION II: INSTRUCTIONS—Form Completion”.

Note—“Paragraph X.X” in this form refers to corresponding paragraph(s) in Appendix A “Supplementary Information for Assessment of Emissions Unit Programmes”.

Note—Where the programme has any plans to revise the programme (e.g., its policies, procedures, measures, tracking systems, governance or legal arrangements), including to enhance consistency with a given criterion or guideline, provide the following information in response to any and all relevant form question(s):

- Proposed revision(s);
- Process and proposed timeline to develop and implement the proposed revision(s);
- Process and timeline for external communication and implementation of the revision(s).

Question 3.1. Clear methodologies and protocols, and their development process

Provide evidence that the programme’s qualification and quantification methodologies and protocols are in place and available for use, including where the programme’s existing methodologies and protocols are publicly disclosed: (Paragraph 2.1)

The program determines its quantification and qualification methodologies based on model rules that are then utilized by the participating states to develop and update their regulations which lay out the number of allowances available and governing rules for the program.

- The most recent model rule is available here: https://www.rggi.org/sites/default/files/Uploads/Design-Archive/Model-Rule/2017-Program-Review-Update/2017_Model_Rule_revised.pdf
- A summary of the most recent model review is available here: https://www.rggi.org/sites/default/files/Uploads/Program-Review/12-19-2017/Principles_Accompanying_Model_Rule.pdf
- The individual state regulations are available here: <https://www.rggi.org/program-overview-and-design/state-regulations>

Summarize the programme’s process for developing further methodologies and protocols, including the timing and process for revision of existing methodologies: (Paragraph 2.1)

RGGI is committed to the continued review of the allowance program. As the website notes, “The RGGI participating states are committed to comprehensive, periodic program review to consider program successes, impacts, and design elements. The RGGI states completed their first program review process

(known as the 2012 Program Review) in early 2013, and in Dec. 2017 completed a second program review process resulting in the 2017 Model Rule.”

The process conducted by the program is as follows:

- Development of Draft Program Review IPM Modeling Scenarios and Assumptions
- A series of public stakeholder meetings, see public meeting schedule for most recent model rule revision: https://www.rggi.org/sites/default/files/Uploads/Program-Review/11-17-2015/Draft_Schedule_11_17_15.pdf
- Announcement of Proposed Program Changes and releases by individual states
- Additional Meetings
- Release of Updated Model Rule
- REMI Macroeconomic Modeling Results
- Updates and finalization of Model Rule
- Incorporation of Model Rule by Individual States

Provide evidence of the public availability of the programme’s process for developing further methodologies and protocols: (Paragraph 2.1)

The following link provides evidence of the public availability of the programme’s process for developing methodologies and protocols: <https://www.rggi.org/program-overview-and-design/program-review>

Question 3.2. Scope considerations

Summarize the level at which activities are allowed under the programme (e.g., project based, programme of activities, jurisdiction-scale): (Paragraph 2.2)

The RGGI allowance program is administered at the jurisdictional level. Offsets allowed under the program are at the project based level.

Summarize the eligibility criteria for each type of offset activity (e.g., which sectors, project types, and geographic locations are covered): (Paragraph 2.2)

Allowances are awarded for each state currently participating in the carbon market, namely Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, and Vermont.

Offsets from five categories are eligible for the award of CO2 offset allowances.

- Landfill methane capture
- Sulfur hexafluoride
- Forestry or afforestation
- End-use efficiency
- Avoided agricultural methane

However, the most recent model rule removed sulfur hexafluoride, end-use efficiency, and afforestation categories, and Massachusetts, New Hampshire, and Rhode Island no longer accept any offset project types. These offset types are administered at the project level.

In terms of geographies, offsets are limited to the United States, as noted in the Connecticut regulations, “Eligible offset projects may be located in any participating state or in any state or other U.S. jurisdiction that has entered into a memorandum of understanding with the commissioner and the appropriate regulatory agencies of all participating states to carry out certain obligations relative to CO2 emissions offset projects in such state or U.S. jurisdiction, including but not limited to the obligation to perform audits of offset project sites, and report violations of this section to the commissioner or the commissioner’s designee.”

https://eregulations.ct.gov/eRegsPortal/Browse/RCSA/Title_22aSubtitle_22a-174Section_22a-174-31a/

Provide evidence of the Programme information defining a) level at which activities are allowed under the Programme, and b) the eligibility criteria for each type of offset activity, including its availability to the public: (Paragraph 2.2)

Evidence for the level at which activities are allowed under the Programme and eligibility criteria can be found here:

- Offsets - State regulations available here: <https://www.rggi.org/program-overview-and-design/state-regulations>; and https://www.rggi.org/sites/default/files/Uploads/Offsets/Revised_Offset_Handbook_2015_05_13.pdf
- Allowances – State regulations above and the 2017 Model Rule: https://www.rggi.org/sites/default/files/Uploads/Design-Archive/Model-Rule/2017-Program-Review-Update/2017_Model_Rule_revised.pdf

Question 3.3. Offset credit issuance and retirement procedures

Are procedures in place defining how offset credits are... (Paragraph 2.3)

- a. issued? YES
- b. retired / cancelled? YES
- c. subject to discounting (if any)? YES

Are procedures in place defining... (Paragraph 2.3)

- d. the length of crediting period(s)? YES
- e. whether crediting periods are renewable? YES

Provide evidence of the procedures referred to in a) through e) (if any, in the case of “c”), including their availability to the public:

Issuance:

- RGGI allowances are issued based on the IRM modelling results and the resulting regulations that lay out emissions caps and adjustments. These procedures are publicly available here:
 - RGGI Model Rule Section 5.3: https://www.rggi.org/sites/default/files/Uploads/Design-Archive/Model-Rule/2017-Program-Review-Update/2017_Model_Rule_revised.pdf
 - IPM Modeling: <https://www.rggi.org/program-overview-and-design/program-review>

- Offset Allowances are issued after state approvals and RGGI review to ensure consistency. The documents detailing issuance procedures are available here:

Retirement

- Retirement: The procedures for surrendering CO2 allowances including from offset projects can be completed through the RGGI COATS registry for compliance accounts or can be held indefinitely by any entity removing them from the carbon market. See procedures detailed here: https://www.rggi.org/sites/default/files/Uploads/Compliance-Materials/RGGI_2019_Interim_Compliance_Checklist.pdf

Discount

- Afforestation and Landfill methane both have a 10% discount. Please see details here: https://www.rggi.org/sites/default/files/Uploads/Offsets/Revised_Offset_Handbook_2015_05_13.pdf

Length and Renewal of Crediting Period

- RGGI Allowances can be held indefinitely and do not expire: https://www.rggi.org/sites/default/files/Uploads/Auction-Materials/38/RGGI_CO2_Allowance_Auction_FAQs_Jan_10_2017.pdf
 - Offset Allowances
 - As noted in Model Rule subsection XX-10.3(d) there is allowed a “10-year allocation period may be extended once for an additional 10years, subject to reapplication requirements, for a total period of 20 years. For afforestation offset projects, the regulatory agency may award CO2offset allowances for an initial 20-year allocation period, which may be extended twice, subject to reapplication requirements, for a total period of 60 years. For reforestation, improved forest management, or avoided conversion offset projects, the regulatory agency may award CO2offset allowances for an initial 25-year allocation period. At the end of the initial 25-year allocation period, or any subsequent crediting period, the regulatory agency may award CO2 offset allowances for a subsequent 25-year allocation period”
- https://www.rggi.org/sites/default/files/Uploads/Offsets/Revised_Offset_Handbook_2015_05_13.pdf

Question 3.4 Identification and Tracking

Does the programme utilize an electronic registry or registries? (Paragraph 2.4.2) YES

Provide web link(s) to the programme registry(ies) and indicate whether the registry is administered by the programme or outsourced to a third party (Paragraph 2.4.2):

The RGGI COATS registry is administered by RGGI, Inc. and is available here: <https://rggi-coats.org/eats/rggi/>

Does the programme have procedures in place to ensure that the programme registry or registries...:

- a. have the capability to transparently identify emissions units that are deemed ICAO-eligible, in all account types? (Paragraph 2.4.3) YES
- b. identify, and facilitate tracking and transfer of, unit ownership/holding from issuance to cancellation/retirement? (Paragraphs 2.4 (a) and (d) and 2.4.4) YES
- c. identify unit status, including retirement / cancellation, and issuance status? (Paragraph 2.4.4) YES
- d. assign unique serial numbers to issued units? (Paragraphs 2.4 (b) and 2.4.5) YES
- e. identify in serialization, or designate on a public platform, each unique unit's country and sector of origin, vintage, and original (and, if relevant, revised) project registration date? (Paragraph 2.4.5) YES
- f. are secure (i.e. that robust security provisions are in place)? (Paragraph 2.4 (c)) YES

Summarize and provide evidence of the procedures referred to in a) through f), including the availability to the public of the procedures referred to in b), d), and f):

- All RGGI allowance are assigned unique serial numbers, can be tracked and surrendered for retirement, and identify the origin, vintage, issuance status, and date. Tracking is publicly available here: https://rggi-coats.org/eats/rggi/index.cfm?fuseaction=reportsv2.final_compliance_summary_rpt&clearfuseattribs=true&hc=IShQICAK&nc=F985244C455A04345EF99D5784BDDFA6;
- Tracking of allowance transfers are available here: https://rggi-coats.org/eats/rggi/index.cfm?fuseaction=reportsv2.price_rpt&clearfuseattribs=true
- The RGGI COATS system is very secure, as noted on the website, "General feedback from RGGI COATS users has been positive stating that the RGGI COATS functionality is easy to use, customer service is responsive and public reports contain useful information. Ongoing updates and reviews are performed to maintain the security of RGGI COATS." https://www.rrgi.org/sites/default/files/Uploads/Design-Archive/2012-Review/2012-03-20/Program-Operations-Review_030212.pdf

List any/all international data exchange standards to which the programme's registry(ies) conform: (Paragraph 2.4 (f))

RGGI works with contractors to ensure that best practices are maintained around data and security. https://www.rrgi.org/sites/default/files/Uploads/RGGI-Inc-Documents/RGGI_Inc_Privacy_Policy.pdf

Are policies and robust procedures in place to...

- a) prevent the programme registry administrators from having financial, commercial or fiduciary conflicts of interest in the governance or provision of registry services? (Paragraph 2.4.6) YES
- b) ensure that, where such conflicts arise, they are appropriately declared, and addressed and isolated? (Paragraph 2.4.6) YES

Summarize and provide evidence of the policies and procedures referred to in a) and b):

RGI's Ethical Guidelines and Conflict of Interest Policy provides the assurance that prevent the programme registry administrators from having financial, commercial or fiduciary conflicts of interest in

the governance or provision of registry services: “All Board Members, Officers, Committee Members and Employees of the Corporation have an obligation to avoid conflicts of interest. Accordingly, no Board Member, Officer, Committee Member or Employee may use his or her position at the Corporation for personal gain or to benefit another, financially or otherwise, at the expense of the Corporation, its mission, and its reputation.” https://www.rggi.org/sites/default/files/Uploads/RGGI-Inc-Documents/Conflict_of_Interest_Policy_2014.pdf

To implement this policy, RGGI developed a Conflict of Interest Disclosure Questionnaire to ensure avoidance of conflicts: https://www.rggi.org/sites/default/files/Uploads/RGGI-Inc-Documents/Conflict_of_Interest_Questionnaire_2014.pdf

Are provisions in place...

a) ensuring the screening of requests for registry accounts? (Paragraph 2.4.7) YES

b) restricting the programme registry (or registries) accounts to registered businesses and individuals? (Paragraph 2.4.7) YES

c) ensuring the periodic audit or evaluation of registry compliance with security provisions? (Paragraph 2.4.8) YES

Summarize and provide evidence of the registry security provisions referred to in a) through c):

- To obtain a registry account a business must submit information for an screening process before approval, without this approval full access is restricted https://rggi-coats.org/eats/rggi/image/help/_rggi/RGGIGettingStartedGuide.pdf; Additional information on application for approval is available under RGGI COATS FAQ under the Reference section: <https://rggi-coats.org/eats/rggi/index.cfm?fuseaction=home.help&clearfuseattrs=true>
- As noted above RGGI ensures periodic audit of security provisions: https://www.rggi.org/sites/default/files/Uploads/RGGI-Inc-Documents/RGGI_Inc_Privacy_Policy.pdf

Question 3.5 Legal nature and transfer of units

Does the programme define and ensure the underlying attributes and property aspects of a unit? (Paragraph 2.5) YES

Summarize and provide evidence of the process by which the programme defines and ensures the underlying attributes and property aspects of a unit, including its availability to the public:

- Each individual allowance defined to equal and each serial code etc. “CO2 allowances are issued by each RGGI state in an amount defined in each state's applicable statute and/or regulations. Together, all the CO2 allowances issued by all the RGGI states comprise the RGGI cap.
- The RGGI states utilize an online auction platform to offer and sell CO2 allowances. The CO2 allowance auctions are conducted in accordance with the statutory and/or regulatory authority of each state offering CO2 allowances for sale in that auction.
- The RGGI CO2 Allowance Tracking System (RGGI COATS) is the platform that records and tracks data for each state's CO2 Budget Trading Program, including the transfer of CO2 allowances that

are offered for sale by the states and purchased by the winning qualified bidders in the quarterly auctions. RGGI COATS also facilitates participation in the secondary CO2 allowance market and enables the public to view and download reports of RGGI program data and CO2 allowance market activity.”

- The property aspect/underlying attributes is ensured by the state’s authorized representative. For example, in Connecticut, ““CO2 allowance” means a limited authorization by the commissioner or a participating state under the CO2 Budget Trading Program to emit up to one ton of CO2, subject to all the applicable conditions contained in this section.”
https://eregulations.ct.gov/eRegsPortal/Browse/RCSA/Title_22aSubtitle_22a-174Section_22a-174-31/ For, “CO2 offset allowance means a CO2 allowance that is awarded to the sponsor of a CO2 emissions offset project pursuant to section 22a-174-31a of the Regulations of Connecticut State Agencies and is subject to the relevant compliance deduction limitations of this section.”
- Availability of this process and definition is provided here: <https://www.rggi.org/program-overview-and-design/state-regulations>

Question 3.6 Validation and verification procedures

Are standards, requirements, and procedures in place for... (Paragraph 2.6)

- a) **the validation of activities?** YES
- b) **the verification of emissions reductions?** YES
- c) **the accreditation of validators?** YES
- d) **the accreditation of verifiers?** YES

Provide evidence of the standards, requirements, and procedures referred to in a) through d), including their availability to the public:

- Potomac Economics monitors the RGGI Allowance market. They produce auction and annual reports to ensure the market is functioning correctly: <https://www.rggi.org/auctions/market-monitor-reports>
- Regarding emissions verification, “Each state's CO2 Budget Trading Program regulations require each CO2 budget unit to install and certify monitoring systems and to collect, record, quality-assure, and report data necessary to quantify CO2 mass emissions. Emissions data for RGGI CO2 budget sources (emitters) is recorded in the U.S. Environmental Protection Agency's (U.S. EPA) Clean Air Markets Division (CAMD) database in accordance with state CO2 Budget Trading Program regulations and U.S. EPA regulations at 40 CFR Part 75 and transferred to RGGI COATS on an automated basis. For more information on U.S. EPA emissions reporting requirements at 40 CFR Part 75,” please see: <https://www.rggi.org/allowance-tracking/emissions>; Emissions reports are also available through the RGGI COATS platform: <https://rggi-coats.org/eats/rggi/>
- Verification Process and accreditation CO2 allowances offsets: “Consistency Applications and Monitoring and Verification Reports must include a signed verification statement and verification report from a state-accredited independent verifier. Each independent verifier must be accredited by the RGGI state in which the offset project is located, although a RGGI state may acknowledge accreditation by another RGGI state. Prior to engaging with an offset project sponsor to provide verification services, an accredited verifier must submit a pre-engagement conflict of interest (COI) disclosure filing to the appropriate regulatory agency in the state where

the offset project is located. This filing is required for disclosure of potential relationships or other issues that could lead to a COI between the verifier and the offset project sponsor or a related party. The links below lead to each state's offset program webpage, which contain state-specific verifier accreditation instructions, verifier accreditation application materials, and pre-engagement COI submittal forms." See the state specific processes along with materials for verifier accreditation here: <https://www.rggi.org/allowance-tracking/offsets/verification-process>; <https://www.rggi.org/allowance-tracking/offsets/application-process>

Question 3.7 Programme governance

Does the programme publicly disclose who is responsible for the administration of the programme? (Paragraph 2.7) YES

Does the programme publicly disclose how decisions are made? (Paragraph 2.7) YES

Provide evidence that this information is available to the public:

- Program administration is detailed here: <https://www.rggi.org/rggi-inc/documents>; <https://www.rggi.org/rggi-inc/board-of-directors>
- Program decisions are publicly detailed here: <https://www.rggi.org/rggi-inc/documents/meeting-minutes>

Can the programme demonstrate that it has... (Paragraph 2.7.2)

a) been continuously governed and operational for at least the last two years? YES

b) been continuously operational for at least the last two years? YES

c) a plan for the long-term administration of multi-decadal programme elements? YES

d) a plan for possible responses to the dissolution of the programme in its current form? YES

Provide evidence of the activities, policies, and procedures referred to in a) through d):

- Evidence of operation/governance for > 2 years: <https://www.rggi.org/program-overview-and-design/elements>
- Evidence of planning for multi-decadal administration of the program is available through regulations laying out planning through 2030: <https://www.rggi.org/program-overview-and-design/state-regulations>
- RGGI program termination has been dealt with before when New Jersey left the program. Offset program termination is provided for under Model Rule Section 10.4 along with relevant state regulations. https://www.rggi.org/sites/default/files/Uploads/Design-Archive/Model-Rule/2017-Program-Review-Update/2017_Model_Rule_revised.pdf

Are policies and robust procedures in place to...

a) prevent the programme staff, board members, and management from having financial, commercial or fiduciary conflicts of interest in the governance or provision of programme services? (Paragraph 2.7.3) YES

b) ensure that, where such conflicts arise, they are appropriately declared, and addressed and isolated? (Paragraph 2.7.3) YES

Summarize and provide evidence of the policies and procedures referred to in a) and b):

- RGI's Ethical Guidelines and Conflict of Interest Policy provides the assurance that prevent the programme registry administrators from having financial, commercial or fiduciary conflicts of interest in the governance or provision of registry services: "All Board Members, Officers, Committee Members and Employees of the Corporation have an obligation to avoid conflicts of interest. Accordingly, no Board Member, Officer, Committee Member or Employee may use his or her position at the Corporation for personal gain or to benefit another, financially or otherwise, at the expense of the Corporation, its mission, and its reputation."
https://www.rggi.org/sites/default/files/Uploads/RGGI-Inc-Documents/Conflict_of_Interest_Policy_2014.pdf
- To implement this policy, RGGI developed a Conflict of Interest Disclosure Questionnaire to ensure avoidance of conflicts: https://www.rggi.org/sites/default/files/Uploads/RGGI-Inc-Documents/Conflict_of_Interest_Questionnaire_2014.pdf
- When conflicts arise the below policy is in place " Each Board Member, Officer, Committee Member and Employee shall review and sign a Conflict of Interest acknowledgment form and Disclosure Questionnaire annually which shall be reviewed by the Board of Directors. In addition, immediately upon learning of an actual or potential conflict of interest between the Corporation and a Board Member, Officer, Committee Member or Employee, with regard to a transaction or arrangement, a Board Member, Officer, Committee Member or Employee shall promptly disclose all material facts of the actual or potential conflict of interest. All disclosures involving a transaction or arrangement being considered at a meeting of the Board or a committee shall be made to all members present at such meeting. All other disclosures shall be made to the Chair. If such Board Member is the Chair, he or she shall promptly disclose all material facts of the actual or potential conflict of interest to the Treasurer. A Board Member, Officer, Committee Member or Employee who is in doubt as to the existence of a conflict of interest is encouraged to disclose all facts pertaining to the transaction or arrangement before undertaking the transaction or arrangement or making any decision in the matter." For additional process details please refer here:
https://www.rggi.org/sites/default/files/Uploads/RGGI-Inc-Documents/Conflict_of_Interest_Policy_2014.pdf

If the programme is not directly and currently administered by a public agency, can the programme demonstrate up-to-date professional liability insurance policy of at least USD\$5M? (Paragraph 2.7.4)

Not applicable – administered by public agency

Question 3.8 Transparency and public participation provisions

Does the programme publicly disclose... (Paragraph 2.8)

a) what information is captured and made available to different stakeholders? YES

b) its local stakeholder consultation requirements (if applicable)? YES

c) its public comments provisions and requirements, and how they are considered (if applicable)?

Provide evidence of the public availability of items a) through c):

A: Division of Information Available to different stakeholders

- RGGI details the availability of information based on stakeholder here:
https://www.rggi.org/sites/default/files/Uploads/RGGI-Inc-Documents/RGGI_Inc_Material_Information_Policy_Adopted.pdf;
https://www.rggi.org/sites/default/files/Uploads/RGGI-Inc-Documents/Compliance_with_Document_Requests_Interim_Policy_ADOPTED.pdf
- Stakeholder consultation and comment periods are defined on a state by state basis. Evidence of public comment provisions and requirements are detailed in the state specific regulations available here: <https://www.rggi.org/index.php/program-overview-and-design/state-regulations>

Does the programme conduct public comment periods relating to... (Paragraph 2.8)

a) methodologies, protocols, or frameworks under development? YES

b) activities seeking registration or approval? YES

c) operational activities (e.g., ongoing stakeholder feedback) YES

d) additions or revisions to programme procedures or rulesets? YES

Summarize and provide evidence of any programme procedures referred to in a) through d):

- The RGGI website provides evidence and tracking of the public comment periods and procedures for the program: <https://www.rggi.org/program-overview-and-design/program-review>

Question 3.9 Safeguards system

Are safeguards in place to address... (Paragraph 2.9)

a) environmental risks? YES

b) social risks? YES

Summarize and provide evidence of the safeguards referred to in a) and b), including their availability to the public:

- Please see the following source for the evidence of safeguards: <https://www.rggi.org/allowance-tracking/offsets/application-process>

Question 3.10 Sustainable Development Criteria

Does the programme use sustainable development criteria? (Paragraph 2.10) YES

Does the programme have provisions for monitoring, reporting and verification in accordance with these criteria? (Paragraph 2.10) YES

Summarize and provide evidence of the policies and procedures referred to above:

RGGI provides a report on the impact of allowances through investments in UN SDGs including 1: No Poverty, 3 Good Health and Well Being, 7 Affordable and Clean Energy, 9 Innovation, Industry and Infrastructure, 11 Sustainable Communities, 13 Climate Action

<https://www.rggi.org/investments/proceeds-investments>

3.11 Avoidance of double counting, issuance and claiming

Does the Programme provide information on how it addresses double counting, issuance and claiming in the context of evolving national and international regimes for carbon markets and emissions trading? (Paragraph 2.11)

Summarize and provide evidence of the information referred to above, including its availability to the public:

Yes, RGGI expressed its commitment to supporting the achievement of international regimes for carbon markets. E.g. See announcement here: https://www.rggi.org/sites/default/files/Uploads/Program-Review/8-23-2017/DE_Release.pdf

PART 4: Carbon Offset Credit Integrity Assessment Criteria

Note—where “evidence” is requested throughout Part 3 and Part 4, the Programme should provide web links to documentation. If that is not possible, then the programme may provide evidence of programme procedures directly in the text boxes provided (by copying/pasting the relevant provisions) and/or by attached supporting documentation, as recommended in “SECTION II: INSTRUCTIONS—Form Completion”

Note—“Paragraph X.X” in this form refers to corresponding paragraph(s) in Appendix A “Supplementary Information for Assessment of Emissions Unit Programmes”.

Note—Where the programme has any plans to revise the programme (e.g., its policies, procedures, measures, tracking systems, governance or legal arrangements), including to enhance consistency with a given criterion or guideline, provide the following information in response to any and all relevant form question(s):

- Proposed revision(s);
- Process and proposed timeline to develop and implement the proposed revision(s);
- Process and timeline for external communication and implementation of the revision(s).

Question 4.1 Are additional

Do the Programme’s carbon offsets... (Paragraph 3.1)

a) represent greenhouse gas emissions reductions or carbon sequestration or removals that exceed any greenhouse gas reduction or removals required by law, regulation, or legally binding mandate? YES

b) exceed any greenhouse gas reductions or removals that would otherwise occur in a conservative, business-as-usual scenario? YES

Summarize and provide evidence of the policies and procedures referred to in a) and b), including their availability to the public

- Based on the RGGI Cap (<https://www.rggi.org/program-overview-and-design/elements>) any additional removal of allowances by non-regulated companies exceed any greenhouse gas reduction or removals required by law, regulation, or legally binding mandate.
- The Model Rule along with state regulations lay out that RGGI offset allowances exceed any greenhouse gas reductions or removals that would otherwise occur in a conservative, business-as-usual scenario. https://www.rggi.org/sites/default/files/Uploads/Design-Archive/Model-Rule/2017-Program-Review-Update/2017_Model_Rule_revised.pdf; <https://www.rggi.org/program-overview-and-design/state-regulations>

Is additionality and baseline-setting... (Paragraph 3.1)

a) assessed by an accredited and independent third-party verification entity? YES

b) reviewed by the programme? YES

Summarize and provide evidence of the policies and procedures referred to in a) and b), including their availability to the public:

- CO2 Allowances are based on emissions baselines and additionality that are reviewed by the programme along with assessed by 3rd parties: <https://www.rggi.org/program-overview-and-design/program-review>
- CO2 Offset Allowances must submit to the program verification of similar baselines and additionality (e.g. Section III.5.2.3 https://www.rggi.org/sites/default/files/Uploads/Offsets/Revised_Offset_Handbook_2015_05_13.pdf)

Identify one or more of the methods below that the programme has procedures in place to ensure, and to support activities to analyze and demonstrate, that credited mitigation is additional; which can be applied at the project- and/or programme-level: (Paragraphs 3.1, and 3.1.2 - 3.1.3)

- Barrier analysis
- Common practice / market penetration analysis
- Investment, cost, or other financial analysis
- Performance standards / benchmarks
- Legal or regulatory additionality analysis (as defined in Paragraph 3.1)

Summarize and provide evidence of the policies and procedures referred to in the above list, including describing any/all additionality analyses and test types that are utilized under the programme:

- As noted on the RGGI website: "Key regulatory components include provisions that address project "additionality," emissions baselines and emissions reductions, and project monitoring and verification. RGGI states have promulgated materially consistent regulations, ensuring comparable offset quality across the region and fungibility of CO2 offset allowances.
- Additionality addresses whether greenhouse gas emissions reductions achieved by an offset project would not have occurred in the absence of a carbon market. Additionality is the key criteria for ensuring that offset projects result in real emissions reductions in the context of a cap-and-trade program. Since a CO2 offset allowance is equivalent to a ton of CO2 emitted by a regulated power plant, projects must provide assurance that they are achieving emissions reductions that would not otherwise have occurred in the absence of RGGI's offset provisions.
- State regulations employ both general and category-specific provisions addressing project additionality. Offset projects may not involve activities that are required by law, regulation, or administrative or judicial order. Offset projects may not receive incentives from programs funded through RGGI auction proceeds or programs funded through electricity or natural gas ratepayers. In addition, projects must meet category-specific benchmarks and performance standards designed to ensure that approved offset projects represent activities that significantly exceed standard market practice." <https://www.rggi.org/allowance-tracking/offsets/requirements>
- For more information please refer to the Model Rule 2017 and state regulations: <https://www.rggi.org/sites/default/files/Uploads/Design-Archive/Model-Rule/2017-Program->

[Review-Update/2017 Model Rule revised.pdf](#); <https://www.rggi.org/program-overview-and-design/state-regulations>

If the Programme provides for the use of method(s) not listed above, describe the alternative procedures and how they ensure that activities are additional: (Paragraph 3.1)

N/A

If the programme designates certain activities as automatically additional (e.g., through a “positive list” of eligible project types), does the programme provide clear evidence on how the activity was determined to be additional? (Paragraph 3.1)

N/A

Summarize and provide evidence of the policies and procedures for determining the automatic additionality of activities, including a) the criteria used to determine additionality and b) their availability to the public:

N/A

Explain how the procedures described under Question 4.1 provide a reasonable assurance that the mitigation would not have occurred in the absence of the offset programme: (Paragraph 3.1)

The procedures described under Question 4.1 provide a reasonable assurance that the mitigation would not have occurred in the absence of the offset programme as they are based on independent analyses that are then verified by 3rd parties.

Question 4.2 Are based on a realistic and credible baseline

Are procedures in place to... (Paragraph 3.2)

a) issue emissions units against realistic, defensible, and conservative baseline estimations of emissions? YES

b) publicly disclose baselines and underlying assumptions? YES

Summarize and provide evidence of the policies and procedures referred to in a) and b), including how “conservativeness” of baselines and underlying assumptions is defined and ensured:

Conservativeness is defined and ensured based on substantial and in-depth emissions modeling along with additional removals to ensure continued stringency. Please refer to the following sources for details on baselines and assumptions: <https://www.rggi.org/program-overview-and-design/program-review>; <https://www.rggi.org/program-overview-and-design/state-regulations>; <https://www.rggi.org/sites/default/files/Uploads/Design-Archive/Model-Rule/2017-Program-Review-Update/2017 Model Rule revised.pdf>; <https://www.rggi.org/allowance-tracking/offsets/verification-process>

Are procedures in place to ensure that methods of developing baselines, including modelling, benchmarking or the use of historical data, use assumptions, methodologies, and values do not over-estimate mitigation from an activity? (Paragraph 3.2.2) YES

Summarize and provide evidence of the policies and procedures referred to above:

RGGI follows a long Model Rule Revisions process that incorporates scientific processes for developing baselines, including modelling, benchmarking or the use of historical data, use assumptions, methodologies, and values do not over-estimate mitigation from an activity. The process for the last revision is available here: <https://www.rggi.org/program-overview-and-design/program-review>

Are procedures in place for activities to respond, as appropriate, to changing baseline conditions that were not expected at the time of registration? (Paragraph 3.2.3) YES

Summarize and provide evidence of the policies and procedures referred to above:

- The RGGI program directly incorporates procedures to reduce allowances based on changing baseline conditions: Please refer to CCR sections of the Model Rule https://www.rggi.org/sites/default/files/Uploads/Design-Archive/Model-Rule/2017-Program-Review-Update/2017_Model_Rule_revised.pdf
- This is also incorporated into RGGI offset activities: <https://www.rggi.org/program-overview-and-design/state-regulations>

Question 4.3 Are quantified, monitored, reported, and verified

Are procedures in place to ensure that...

a) emissions units are based on accurate measurements and valid quantification methods/protocols? (Paragraph 3.3) YES

b) validation occurs prior to or in tandem with verification? (Paragraph 3.3.2) YES

c) the results of validation and verification are made publicly available? (Paragraph 3.3.2) YES

d) monitoring, measuring, and reporting of both activities and the resulting mitigation is conducted at specified intervals throughout the duration of the crediting period? (Paragraph 3.3) YES

e) mitigation is measured and verified by an accredited and independent third-party verification entity? (Paragraph 3.3) YES

f) ex-post verification of mitigation is required in advance of issuance of emissions units? (Paragraph 3.3) YES

Are provisions in place... (Paragraph 3.3.3)

a) to manage and/or prevent conflicts of interest between accredited third-party(ies) performing the validation and/or verification procedures, and the programme and the activities it supports? YES

b) requiring accredited third-party(ies) to disclose whether they or any of their family members are dealing in, promoting, or otherwise have a fiduciary relationship with anyone promoting or dealing in, the offset credits being evaluated? YES

c) to address and isolate such conflicts, should they arise? YES

Summarize and provide evidence of the policies and procedures referred to in a) through c):

As the RGGI website outlines, offset project Consistency Applications and Monitoring and Verification Reports must include a signed verification statement and verification report from an accredited independent offset project verifier. The verifier must be accredited by the reviewing state, i.e., an offset project application submitted to a RGGI state must include a report from a verifier accredited by that state. <https://www.rggi.org/allowance-tracking/offsets/verification-process>

RGGI created templates for offset verifier accreditation applications and pre-engagement conflict of interest (COI) disclosure filing materials. The templates are available publicly here:

[https://www.rggi.org/sites/default/files/Uploads/Offsets/Model-Materials/Verifier Accreditation App Model.pdf](https://www.rggi.org/sites/default/files/Uploads/Offsets/Model-Materials/Verifier%20Accreditation%20App%20Model.pdf);

[https://www.rggi.org/sites/default/files/Uploads/Offsets/Model-Materials/Verifier COI form 5 14 09.pdf](https://www.rggi.org/sites/default/files/Uploads/Offsets/Model-Materials/Verifier%20COI%20form%205%2014%2009.pdf)

Are procedures in place requiring that... (Paragraph 3.3.4)

a) the renewal of any activity at the end of its crediting period includes a reevaluation of its baselines, and procedures and assumptions for quantifying, monitoring, and verifying mitigation, including the baseline scenario? YES

b) the same procedures apply to activities that wish to undergo verification but have not done so within the programme's allowable number of years between verification events? YES

Summarize and provide evidence of the policies and procedures referred to in a) and b), including identifying the allowable number of years between verification events:

- Renewal of any activity at the end of its crediting period or outside the allowable number of years includes a reevaluation of its baselines, and procedures and assumptions for quantifying, monitoring, and verifying mitigation, including the baseline scenario. This can be seen through the Model Rule Revision process along with state regulations detailing crediting period renewals. <https://www.rggi.org/program-overview-and-design/state-regulations>; <https://www.rggi.org/program-overview-and-design/program-review>

Are procedures in place to transparently identify units that are issued ex-ante and thus ineligible for use in the CORSIA? (Paragraph 3.3.5) YES

Provide evidence of the policies and procedures referred to above:

All credits have identifying information including dates ensuring the ability to transparently identify units that are issued ex-ante and thus ineligible for use in the CORSIA.

[https://www.rggi.org/sites/default/files/Uploads/Auction-Materials/38/RGGI CO2 Allowance Auction FAQs Jan 10 2017.pdf](https://www.rggi.org/sites/default/files/Uploads/Auction-Materials/38/RGGI%20CO2%20Allowance%20Auction%20FAQs%20Jan%2010%202017.pdf)

Question 4.5 Represent permanent emissions reductions

List all emissions sectors (if possible, activity types) supported by the Programme that present a potential risk of reversal of emissions reductions, avoidance, or carbon sequestration:

Offsets from five categories of CO2 offset allowances that present a risk are.

- Landfill methane capture

- Forestry or afforestation

What is the minimum scale of reversal for which the Programme provisions or measures require a response? (Quantify if possible)

Afforestation and Landfill methane both have a 10% discount. Please see details here:

https://www.rggi.org/sites/default/files/Uploads/Offsets/Revised_Offset_Handbook_2015_05_13.pdf

Forestry reversals are accounted for under the RGGI protocol.

https://www.rggi.org/sites/default/files/Uploads/Design-Archive/2012-Review/2013-later-materials/Forest_Protocol_FINAL.pdf

For sectors/activity types identified in the first question in this section, are procedures and measures in place to require and support these activities to...

- undertake a risk assessment that accounts for, inter alia, any potential causes, relative scale, and relative likelihood of reversals? (Paragraph 3.5.2) YES**
- monitor identified risks of reversals? (Paragraph 3.5.3) YES**
- mitigate identified risks of reversals? (Paragraph 3.5.3) YES**
- ensure full compensation for material reversals of mitigation issued as emissions units and used toward offsetting obligations under the CORSIA? (Paragraph 3.5.4) YES**

Summarize and provide evidence of the policies and procedures referred to in a) through d):

There are policies in place to undertake a risk assessment, monitor and mitigate identified risks of reversals and ensure full compensation for material reversals of mitigation issued as emissions units and used toward offsetting obligations under the CORSIA. Please see the sources with these details here:

https://www.rggi.org/sites/default/files/Uploads/Design-Archive/2012-Review/2013-later-materials/Forest_Protocol_FINAL.pdf; https://www.rggi.org/sites/default/files/Uploads/Offsets/Model-Materials/Landfill_Methane_Capture_and_Destruction_Model.pdf

Are provisions in place that... (Paragraph 3.5.5)

- confer liability on the activity proponent to monitor, mitigate, and respond to reversals in a manner mandated in the programme procedures? YES**
- require activity proponents, upon being made aware of a material reversal event, to notify the programme within a specified number of days? YES**
- confer responsibility to the programme to, upon such notification, ensure and confirm that such reversals are fully compensated in a manner mandated in the programme procedures? YES**

Summarize and provide evidence of the policies and procedures referred to in a) through c), including indicating the number of days within which activity proponents must notify the programme of a material reversal event: YES

Offset developers (activity proponents) are responsible for preparing and reacting/compensating for reversals. Reversal notification timing is based on state specifications, e.g. as noted under section 7 of

forestry offset protocols https://www.rggi.org/sites/default/files/Uploads/Design-Archive/2012-Review/2013-later-materials/Forest_Protocol_FINAL.pdf

Does the programme have the capability to ensure that any emissions units which compensate for the material reversal of mitigation issued as emissions units and used toward offsetting obligations under the CORSIA are fully eligible for use under the CORSIA? (Paragraph 3.5.6) YES

Summarize and provide evidence of the policies and procedures referred to above:

RGGI ensures that any units used will fulfill the other key requirements of CORSIA and therefore be eligible substitutes. <https://www.rggi.org/allowance-tracking/offsets/verification-process>

Would the programme be willing and able, upon request, to demonstrate that its permanence provisions can fully compensate for the reversal of mitigation issued as emissions units and used under the CORSIA? (Paragraph 3.5.7) YES

Question 4.6 Assess and mitigate against potential increase in emissions elsewhere

List all emissions sectors (if possible, activity types) supported by the programme that present a potential risk of material emissions leakage:

There is not a material risk of emissions leakage from the RGGI program. A basic analysis of leakage is available here: https://www.rggi.org/sites/default/files/Uploads/Electricity-Monitoring-Reports/2015_Elec_Monitoring_Report.pdf

For project based RGGI offset allowances, they have individual protocols that protect against leakage. E.g. <https://www.rggi.org/allowance-tracking/offsets/offset-categories/forestry-afforestation> ; https://eregulations.ct.gov/eRegsPortal/Browse/RCSA/Title_22aSubtitle_22a-174Section_22a-174-31a/

Are measures in place to assess and mitigate incidences of material leakage of emissions that may result from the implementation of an offset project or programme? (Paragraph 3.6) YES

Summarize and provide evidence of the policies and procedures referred to above:

RGGI continues to ensure that material leakage is avoided, this work is bolstered by the addition of states to the program increasing the size of the program and therefore reducing possibilities for leakage. <https://www.rggi.org/program-overview-and-design/new-participation>

Are provisions in place requiring activities that pose a risk of leakage when implemented at the project-level to be implemented at a national level, or on an interim basis on a subnational level, in order to mitigate the risk of leakage? (Paragraph 3.6.2) YES

Summarize and provide evidence of the policies and procedures referred to above: Are procedures in place requiring and supporting activities to monitor identified leakage? (Paragraph 3.6.3) YES

Summarize and provide evidence of the policies and procedures referred to above.

RGGI is currently at the jurisdictional level. <https://www.rggi.org/program-overview-and-design/elements>

Are procedures in place requiring activities to deduct from their accounting emissions from any identified leakage that reduces the mitigation benefits of the activities? (Paragraph 3.6.4) YES

Summarize and provide evidence of the policies and procedures referred to above:

Adjustments are made to the RGGI allowances based on periodic cap revisions along with bank adjustments to update based on any leakages that would impact and lead to an imbalance.

https://www.rggi.org/sites/default/files/Uploads/Design-Archive/Model-Rule/2017-Program-Review-Update/2017_Model_Rule_revised.pdf

For offset allowances, the individual state protocols put procedures in place requiring activities to deduct from their accounting emissions from any identified leakage that reduces the mitigation benefits of the activities. <https://www.rggi.org/allowance-tracking/offsets/verification-process>

Question 4.7 Are only counted once towards a mitigation obligation

Does the Programme have measures in place for the following:

a) to ensure the transparent transfer of units between registries; and that only one unit is issued for one tonne of mitigation (Paragraphs 3.7.1 and 3.7.5) YES

b) to ensure that one unit is issued or transferred to, or owned or cancelled by, only one entity at any given time? (Paragraphs 3.7.2 and 3.7.6) YES

c) to discourage and prohibit the double-selling of units, which occurs when one or more entities sell the same unit more than once? (Paragraph 3.7.7) YES

d) to require and demonstrate that host countries of emissions reduction activities agree to account for any offset units issued as a result of those activities such that double claiming does not occur between the airline and the host country of the emissions reduction activity? (Paragraph 3.7.3) YES

Summarize and provide evidence of the policies and procedures referred to in a) through d):

Each allowances represents 1tCO₂e ensuring only one unit is issued for one tonne of mitigation, and are held by only one entity at a time and are not double sold due to transparent tracking, see RGGI FAQ and state regulations: https://www.rggi.org/sites/default/files/Uploads/Auction-Materials/38/RGGI_CO2_Allowance_Auction_FAQs_Jan_10_2017.pdf; <https://www.rggi.org/program-overview-and-design/state-regulations>

Does the Programme have procedures in place for the following: (Paragraph 3.7.8)

a) to obtain, or require activity proponents to obtain and provide to the programme, written attestation from the host country's national focal point or focal point's designee? YES

b) for the attestation(s) to specify, and describe any steps taken, to prevent mitigation associated with units used by operators under CORSIA from also being claimed toward a host country's national mitigation target(s) / pledge(s)? YES

c) for Host country attestations to be obtained and made publicly available prior to the use of units from the host country in the CORSIA? YES

Summarize and provide evidence of the policies and procedures referred to in a) through c):

Operations are only in the United States which currently is withdrawing from the Paris Agreement. If a reversal in policy takes place, RGGI as a major carbon market would be incorporated into considerations to ensure that double counting would not take place. RGGI has made statements on alignment:

https://www.rggi.org/sites/default/files/Uploads/Program-Review/8-23-2017/DE_Release.pdf

Does the Programme have procedures in place requiring... (Paragraph 3.7.9)

- a) that activities take approach(es) described in (any or all of) these sub-paragraphs to prevent double-claiming?

Emissions units are created where mitigation is not also counted toward national target(s) / mitigation contributions / mitigation commitments. (Paragraph 3.7.9.1)

Mitigation from emissions units used by operators under the CORSIA is appropriately accounted for by the host country when claiming achievement of its target(s) / pledges(s) / mitigation contributions / mitigation commitments, in line with the relevant and applicable international provisions. (Paragraph 3.7.9.2)

Programme procedures provide for the use of method(s) to avoid double-claiming which are not listed above (Paragraph 3.7.9.3)

- b) that Host Country attestations confirm the use of approach(es) referred to in the list above? YES

Summarize and provide evidence of the policies and procedures referred to in a) and b):

RGGI provides assurances that units will not be double counted under any program. The U.S. would be expected to include RGGI if it decided to re-enter the Paris Agreement.

[https://www.rggi.org/sites/default/files/Uploads/Auction-](https://www.rggi.org/sites/default/files/Uploads/Auction-Materials/38/RGGI_CO2_Allowance_Auction_FAQs_Jan_10_2017.pdf)

[Materials/38/RGGI CO2 Allowance Auction FAQs Jan 10 2017.pdf](https://www.rggi.org/sites/default/files/Uploads/Auction-Materials/38/RGGI_CO2_Allowance_Auction_FAQs_Jan_10_2017.pdf); Offset example

https://www.rggi.org/sites/default/files/Uploads/Offsets/Revised_Offset_Handbook_2015_05_13.pdf

Does the Programme... (Paragraph 3.7.10)

- a) make publicly available any national government decisions related to accounting for units used in ICAO, including the contents of host country attestations described in paragraph 3.7.8? claiming. YES

Summarize and provide evidence of the policies and procedures referred to in a) and b):

United States is currently pulling out of the Paris Agreement. No decisions on units at this time.

Does the Programme have procedures in place to compare countries' accounting for emissions units in national emissions reports against the volumes of eligible units issued by the programme and used under the CORSIA which the host country's national reporting focal point or designee otherwise attested to its intention to not double-claim? (Paragraph 3.7.11) YES

Summarize and provide evidence of the policies and procedures referred to above

RGGI provides assurances that units will not be double counted under any program. The U.S. would be expected to include RGGI if it decided to re-enter the Paris Agreement.

[https://www.rggi.org/sites/default/files/Uploads/Auction-](https://www.rggi.org/sites/default/files/Uploads/Auction-Materials/38/RGGI_CO2_Allowance_Auction_FAQs_Jan_10_2017.pdf)

[Materials/38/RGGI CO2 Allowance Auction FAQs Jan 10 2017.pdf](https://www.rggi.org/sites/default/files/Uploads/Auction-Materials/38/RGGI_CO2_Allowance_Auction_FAQs_Jan_10_2017.pdf); Offset example

https://www.rggi.org/sites/default/files/Uploads/Offsets/Revised_Offset_Handbook_2015_05_13.pdf

Does the Programme have procedures in place for the programme, or proponents of the activities it supports, to compensate for, replace, or otherwise reconcile double-claimed mitigation associated with units used under the CORSIA which the host country's national accounting focal point or designee otherwise attested to its intention to not double-claim? (Paragraph 3.7.13) YES

Summarize and provide evidence of the policies and procedures referred to above

Would the Programme be willing and able, upon request, to report to ICAO's relevant bodies, as requested, performance information related to, inter alia, any material instances of and programme responses to country-level double-claiming; the nature of, and any changes to, the the number, scale, and/or scope of host country attestations; any relevant changes to related programme measures? (Paragraph 3.7.12) YES

Are procedures in place to ensure that offset projects do not violate local, state/provincial, national or international regulations or obligations? (Paragraph 3.8) YES

Summarize and provide evidence of the policies and procedures referred to above:

The projects are all run by state governments and therefore are aligned with regulations.

<https://www.rggi.org/program-overview-and-design/state-regulations>

Describe, and provide evidence that demonstrates, how the programme complies with social and environmental safeguards: (Paragraph 3.8)

State regulations provides assurances that the programme complies with social and environmental safeguards through programs and verification. <https://www.rggi.org/allowance-tracking/offsets/application-process>; the positive social and environmental impact is also quantified in regular reports:

https://www.rggi.org/sites/default/files/Uploads/Proceeds/RGGI_Proceeds_Report_2017.pdf

Describe, and provide evidence of the programme's public disclosure of, the institutions, processes, and procedures that are used to implement, monitor, and enforce safeguards to identify, assess and manage environmental and social risks: (Paragraph 3.8)

State regulations provides public assurances that the programme complies with social and environmental safeguards through programs and verification. <https://www.rggi.org/allowance-tracking/offsets/application-process>

PART 5: Programme comments

Are there any additional comments the programme wishes to make to support the information provided in this form?

Please let us know if any additional information or clarification is needed.

See signature page as separate attachment.

SECTION IV: SIGNATURE

I certify that I am the administrator or authorized representative (“Programme Representative”) of the emissions unit programme (“Programme”) represented in a) this form, b) evidence accompanying this form, and c) any subsequent oral and/or written correspondence (a-c: “Programme Submission”) between the Programme and ICAO; and that I am duly authorized to represent the Programme in all matters related to ICAO’s analysis of this application form; and that ICAO will be promptly informed of any changes to the contact person(s) or contact information listed in this form.

As the Programme Representative, I certify that all information in this form is true, accurate, and complete to the best of my knowledge.

As the Programme Representative, I acknowledge that:

the Programme’s participation in the assessment does not guarantee, equate to, or prejudice future decisions by Council regarding CORSIA-eligible emissions units; and

the ICAO is not responsible for and shall not be liable for any losses, damages, liabilities, or expenses that the Programme may incur arising from or associated with its voluntary participation in the assessment; and

as a condition of participating in the assessment, the Programme will not at any point publicly disseminate, communicate, or otherwise disclose the nature, content, or status of communications between the Programme and ICAO, and of the assessment process generally, unless the Programme has received prior notice from the ICAO Secretariat that such information has been and/or can be publicly disclosed.

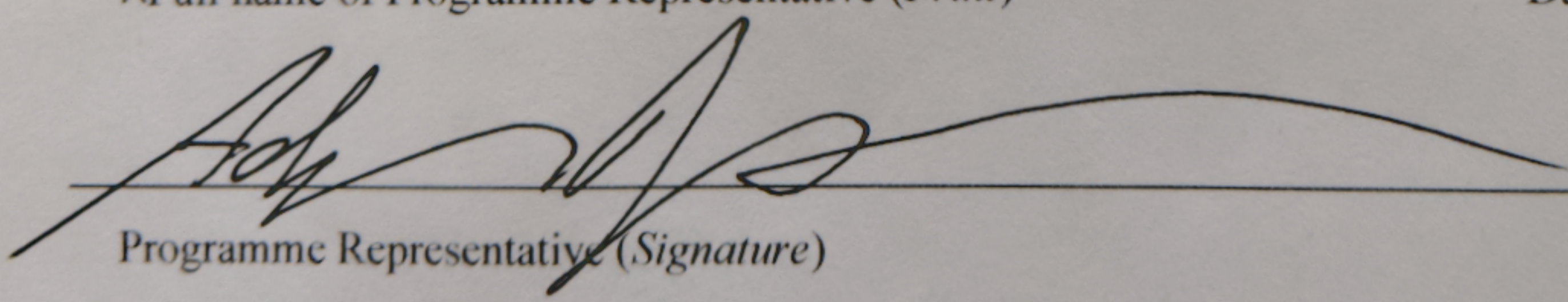
*Signe
d:*

Adrienne von Schulthess

04/17/20

Full name of Programme Representative (*Print*)

Date signed (*Print*)


Programme Representative (*Signature*)

(This signature page may be printed, signed, scanned and submitted as a separate file attachment)



ICAO

Programme Application Form, Appendix B

Programme Assessment Scope

CONTENTS: With this document, programmes may define which of their activities they are submitting for assessment by the TAB. The two sheets are described below:

- Sheet A) Activities the programme describes in this form, which will be assessed by ICAO's T.
- Sheet B) List of all methodologies / protocols that support activities described under Sheet A

AB

view; State regulations based on rule: <https://www.rggi.org/program-overview-and-design/state-regulations>



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Programme Application Form, Appendix C

Programme Exclusions Scope

CONTENTS: With this document, programmes may define which of their activities they are **excluding** from TAB's assessment. The two sheets are described below:

- Sheet A) Activities the programme describes in this form will be **excluded** from assessment by
- Sheet B) List of all methodologies / protocols that support activities described under Sheet A

γ ICAO's TAB

