

# Return of Organization Exempt From Income Tax

**2012**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

**A For the 2012 calendar year, or tax year beginning** , 2012, and ending , 20

|   |  |  |   |
|---|--|--|---|
| <b>B</b> Check if applicable:<br><br><input type="checkbox"/> Address change<br><input type="checkbox"/> Name change<br><input type="checkbox"/> Initial return<br><input type="checkbox"/> Terminated<br><input type="checkbox"/> Amended return<br><input type="checkbox"/> Application pending | <b>C</b> Name of organization<br>REGIONAL GREENHOUSE GAS INITIATIVE, INC.<br>Doing Business As                       |  | <b>D</b> Employer identification number<br>35-2316710 |
|   | Number and street (or P.O. box if mail is not delivered to street address) Room/suite<br>90 CHURCH STREET, 4TH FLOOR |  | <b>E</b> Telephone number<br>(212) 417-7327           |
|   | City, town or post office, state, and ZIP code<br>NEW YORK, NY 10007   |  |   |
|   | <b>F</b> Name and address of principal officer: COLLIN O'MARA<br>SAME AS ABOVE ADDRESS ,                             |  | <b>G</b> Gross receipts \$ 1,901,605.                 |
| <b>I</b> Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527  |  | <b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br><b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No<br><small>If "No," attach a list. (see instructions)</small> |   |
| <b>J</b> Website: ▶ WWW.RGGI.ORG  |  | <b>H(c)</b> Group exemption number ▶   |   |
| <b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶   |  | <b>L</b> Year of formation: 2007   | <b>M</b> State of legal domicile: DE                  |

**Part I Summary**

|                                    |  |   |  |            |
|------------------------------------|--|---|--|------------|
| <b>Activities &amp; Governance</b> | 1  | Briefly describe the organization's mission or most significant activities:<br>PROVIDES TECHNICAL AND SCIENTIFIC ADVISORY SERVICES TO THE SIGNATORY STATES OF THE U.S. IN THE DEVELOPMENT AND IMPLEMENTATION OF A MULTI-STATE CAP AND TRADE PROGRAM TO REDUCE AIR POLLUTANTS. |  |            |
|                                    | 2  | Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.   |  |            |
|                                    | 3  | Number of voting members of the governing body (Part VI, line 1a)   | 3  | 18.        |
|                                    | 4  | Number of independent voting members of the governing body (Part VI, line 1b)   | 4  | 18.        |
|                                    | 5  | Total number of individuals employed in calendar year 2012 (Part V, line 2a)  | 5  | 7.         |
|                                    | 6  | Total number of volunteers (estimate if necessary)  | 6  |            |
|                                    | 7a   | Total unrelated business revenue from Part VIII, column (C), line 12  | 7a   | 0          |
|                                    | b Net unrelated business taxable income from Form 990-T, line 34 | 7b  | 0  |            |
| <b>Revenue</b>                     | 8  | Contributions and grants (Part VIII, line 1h)   | 0  | 0          |
|                                    | 9  | Program service revenue (Part VIII, line 2g)  | 1,820,393.   | 1,900,514. |
|                                    | 10   | Investment income (Part VIII, column (A), lines 3, 4, and 7d)   | 2,048.   | 1,091.     |
|                                    | 11   | Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)  | 0  | 0          |
|                                    | 12   | Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)  | 1,822,441.   | 1,901,605. |
|                                    | <b>Expenses</b>  | 13  | Grants and similar amounts paid (Part IX, column (A), lines 1-3) | 0          |
| 14                                 |  | Benefits paid to or for members (Part IX, column (A), line 4)   | 0  | 0          |
| 15                                 |  | Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)   | 613,148.   | 581,630.   |
| 16a                                |  | Professional fundraising fees (Part IX, column (A), line 11e)   | 0  | 0          |
|                                    |  | b Total fundraising expenses (Part IX, column (D), line 25) ▶   | 0  |            |
| 17                                 |  | Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)  | 1,209,293.   | 1,318,884. |
| 18                                 |  | Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)   | 1,822,441.   | 1,900,514. |
| 19                                 |  | Revenue less expenses. Subtract line 18 from line 12  | 0  | 1,091.     |
| <b>Net Assets or Fund Balances</b> | 20   | Total assets (Part X, line 16)  | 1,428,302.   | 1,087,235. |
|                                    | 21   | Total liabilities (Part X, line 26)   | 1,391,621.   | 1,049,463. |
|                                    | 22   | Net assets or fund balances. Subtract line 21 from line 20  | 36,681.  | 37,772.    |

**Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

|                               |   |                          |                         |  |
|-------------------------------|---|--------------------------|-------------------------|--|
| <b>Sign Here</b>              | Signature of officer<br>  | Date<br>5-3-13           |                         |  |
|                               | Type or print name and title<br>James Volz Treasurer            |                          |                         |  |
| <b>Paid Preparer Use Only</b> | Print/Type preparer's name<br><b>JAMES J. REILLY</b>            | Preparer's signature<br> | Date<br>APR 30 2013     | Check <input type="checkbox"/> if self-employed<br>PTIN<br>P00183769 |
|                               | Firm's name ▶ CONDON O'MEARA MCGINTY & DONNELLY L               |                          | Firm's EIN ▶ 13-3628255 |  |
|                               | Firm's address ▶ ONE BATTERY PARK PLAZA NEW YORK, NY 10004-1405 |                          | Phone no. 212-661-7777  |  |

May the IRS discuss this return with the preparer shown above? (see instructions)  Yes  No

For Paperwork Reduction Act Notice, see the separate instructions.

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III [X]



1 Briefly describe the organization's mission: SEE SCHEDULE O

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [ ] Yes [X] No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [ ] Yes [X] No

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: ) (Expenses \$ 618,795. including grants of \$ ) (Revenue \$ 745,324. )

AUCTIONS: PROVIDED TECHNICAL SUPPORT TO THE SIGNATORY STATES IN THE DEVELOPMENT AND EXECUTION OF AUCTION PLATFORMS FOR ALLOWANCES TO EMIT CARBON DIOXIDE. THIS RESULTED IN PUBLICATION OF AUCTION NOTICES AND MATERIALS.

4b (Code: ) (Expenses \$ 548,667. including grants of \$ ) (Revenue \$ 660,856. )

PROGRAM REVIEW AND EVALUATION: THE SIGNATORY STATES CONDUCTED A PROGRAM REVIEW OF THE CO2 BUDGET TRADING PROGRAMS. PROPOSED AMENDMENTS TO THE PROGRAM HAVE BEEN INCORPORATED IN AN UPDATED MODEL RULE (RELEASED ON FEBRUARY 7, 2013) THAT WILL GUIDE EACH STATE AS IT FOLLOWS ITS OWN STATUTORY AND/OR REGULATORY PROCEDURES TO PROPOSE UPDATES TO ITS CO2 BUDGET TRADING PROGRAM. EXPENSES INCLUDE TECHNICAL ANALYSIS (\$40,341) TO SUPPORT PROGRAM REVIEW AND EVALUATION.

4c (Code: ) (Expenses \$ 217,787. including grants of \$ ) (Revenue \$ 262,319. )

MARKET MONITORING: DEVELOPED TECHNIQUES TO MONITOR MARKET ACTIVITY WHICH RESULTED IN QUARTERLY REPORTS OF MARKET ACTIVITY.

4d Other program services (Describe in Schedule O.)

(Expenses \$ 192,627. including grants of \$ ) (Revenue \$ 232,015. )

4e Total program service expenses 1,577,876.

Part IV Checklist of Required Schedules

Table with 3 columns: Question, Yes, No. Contains 20 main questions and sub-questions (a-f) regarding organizational reporting requirements for various schedules (A-H).

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**Part IV Checklist of Required Schedules (continued)**

|      |   | Yes | No |
|------|---|-----|----|
| 21   | Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II.</i> . . . . .   |     | X  |
| 22   | Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III.</i> . . . . .   |     | X  |
| 23   | Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J.</i> . . . . .  | X   |    |
| 24 a | Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25.</i> . . . . .                             |     | X  |
| b    | Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .   |     |    |
| c    | Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .  |     |    |
| d    | Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .   |     |    |
| 25 a | <b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I.</i> . . . . .  |     | X  |
| b    | Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I.</i> . . . . .                                       |     | X  |
| 26   | Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II.</i> . . . . .  |     | X  |
| 27   | Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III.</i> . . . . . |     | X  |
| 28   | Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):   |     |    |
| a    | A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i> . . . . .   |     | X  |
| b    | A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i> . . . . .  |     | X  |
| c    | An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV.</i> . . . . .  |     | X  |
| 29   | Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M.</i> . . . . .  |     | X  |
| 30   | Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M.</i> . . . . .  |     | X  |
| 31   | Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I.</i> . . . . .  |     | X  |
| 32   | Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II.</i> . . . . .  |     | X  |
| 33   | Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I.</i> . . . . .  |     | X  |
| 34   | Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1.</i> . . . . .  |     | X  |
| 35 a | Did the organization have a controlled entity within the meaning of section 512(b)(13)? . . . . .   |     | X  |
| b    | If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2.</i> . . . . .   |     |    |
| 36   | <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2.</i> . . . . .   |     | X  |
| 37   | Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI.</i> . . . . .   |     | X  |
| 38   | Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O . . . . .   | X   |    |

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Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V.

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Table with columns for question number, question text, and Yes/No response boxes. Includes questions 1a-14b regarding Form 1096, Form W-2G, backup withholding, Form W-3, unrelated business gross income, foreign accounts, prohibited tax shelter transactions, annual gross receipts, deductible contributions, and Section 501(c)(7), (12), (29) organizations.

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI. [X]

Section A. Governing Body and Management

Table with columns for question number, Yes, and No. Includes a large 'COPY' watermark. Rows 1a-9.

- 1a Enter the number of voting members of the governing body at the end of the tax year.
1b Enter the number of voting members included in line 1a, above, who are independent.
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?
5 Did the organization become aware during the year of a significant diversion of the organization's assets?
6 Did the organization have members or stockholders?
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?
7b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:
a The governing body?
b Each committee with authority to act on behalf of the governing body?
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O.

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with columns for question number, Yes, and No. Rows 10a-16b.

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed - DELAWARE AND NEW YORK
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
[X] Own website [ ] Another's website [X] Upon request [ ] Other (explain in Schedule O)
19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: DAVID TERRIO, BTQ FINANCIAL, 80 BROAD STREET, NEW YORK, NY 10004 212-901-2445

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response to any question in this Part VII  X

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

**1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

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- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

X Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

| (A)<br>Name and Title                      | (B)<br>Average hours per week (list any hours for related organizations below dotted line) | (C)<br>Position<br>(do not check more than one box, unless person is both an officer and a director/trustee) |                       |         |              |                              |        | (D)<br>Reportable compensation from the organization (W-2/1099-MISC) | (E)<br>Reportable compensation from related organizations (W-2/1099-MISC) | (F)<br>Estimated amount of other compensation from the organization and related organizations |
|--|--|--|-----------------------|---------|--------------|------------------------------|--------|--|---|---|
|  |  | Individual trustee or director   | Institutional trustee | Officer | Key employee | Highest compensated employee | Former |  |   |   |
| (1) COLLIN O'MARA<br>DIRECTOR & CHAIR      | 5.00   | X  |                       | X       |              |                              |        | 0  | 0   | 0   |
| (2) DANIEL ESTY<br>DIRECTOR & VICE CHAIR   | 5.00   | X  |                       | X       |              |                              |        | 0  | 0   | 0   |
| (3) DAVID LITTELL<br>DIRECTOR & VICE CHAIR | 5.00   | X  |                       | X       |              |                              |        | 0  | 0   | 0   |
| (4) KEN KIMMELL<br>DIRECTOR & SECRETARY    | 5.00   | X  |                       | X       |              |                              |        | 0  | 0   | 0   |
| (5) JAMES VOLZ<br>DIRECTOR & TREASURER     | 5.00   | X  |                       | X       |              |                              |        | 0  | 0   | 0   |
| (6) JOHN W. BETKOWSKI<br>DIRECTOR          | 3.00   | X  |                       |         |              |                              |        | 0  | 0   | 0   |
| (7) PATRICIA AHO<br>DIRECTOR               | 3.00   | X  |                       |         |              |                              |        | 0  | 0   | 0   |
| (8) ROBERT SUMMERS<br>DIRECTOR             | 3.00   | X  |                       |         |              |                              |        | 0  | 0   | 0   |
| (9) KELLY SPEAKES-BACKMAN<br>DIRECTOR      | 3.00   | X  |                       |         |              |                              |        | 0  | 0   | 0   |
| (10) MARK SYLVIA<br>DIRECTOR               | 3.00   | X  |                       |         |              |                              |        | 0  | 0   | 0   |
| (11) THOMAS BURACK<br>DIRECTOR             | 3.00   | X  |                       |         |              |                              |        | 0  | 0   | 0   |
| (12) ROBERT SCOTT<br>DIRECTOR              | 3.00   | X  |                       |         |              |                              |        | 0  | 0   | 0   |
| (13) MARION GOLD<br>DIRECTOR               | 3.00   | X  |                       |         |              |                              |        | 0  | 0   | 0   |
| (14) JOSEPH MARTENS<br>DIRECTOR            | 3.00   | X  |                       |         |              |                              |        | 0  | 0   | 0   |

**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** (continued)

| (A)<br>Name and title  | (B)<br>Average hours per week (list any hours for related organizations below dotted line) | (C)<br>Position (do not check more than one box, unless person is both an officer and a director/trustee) |                       |         |              |                              |          | (D)<br>Reportable compensation from the organization (W-2/1099-MISC) | (E)<br>Reportable compensation from related organizations (W-2/1099-MISC) | (F)<br>Estimated amount of other compensation from the organization and related organizations |
|--|--|---|-----------------------|---------|--------------|------------------------------|----------|--|---|---|
|  |  | Individual trustee or director  | Institutional trustee | Officer | Key employee | Highest compensated employee | Former   |  |   |   |
| 15) GARRY A. BROWN<br>DIRECTOR                                 | 3.00   | X   |                       |         |              |                              |          | 0  | 0   |   |
| 16) JANET COIT<br>DIRECTOR                                     | 3.00   | X   |                       |         |              |                              |          | 0  | 0   |   |
| 17) ARNETTA MCRAE<br>DIRECTOR                                  | 3.00   | X   |                       |         |              |                              |          | 0  | 0   |   |
| 18) JUSTIN JOHNSON<br>DIRECTOR                                 | 3.00   | X   |                       |         |              |                              |          | 0  | 0   |   |
| 19) JOANNE MORIN<br>DIRECTOR                                   | 3.00   | X   |                       |         |              |                              |          | 0  | 0   |   |
| 20) KENNETH PAYNE<br>DIRECTOR                                  | 3.00   | X   |                       |         |              |                              |          | 0  | 0   |   |
| 21) NICOLE G. SINGH<br>EXECUTIVE DIRECTOR                      | 50.00  |   |                       |         | X            |                              | 140,000. | 0  | 23,680.   |   |
| <b>1b Sub-total</b>  |  |   |                       |         |              |                              |          | 0  | 0   | 0   |
| <b>c Total from continuation sheets to Part VII, Section A</b> |  |   |                       |         |              |                              |          | 140,000.   | 0   | 23,680.   |
| <b>d Total (add lines 1b and 1c)</b>                           |  |   |                       |         |              |                              |          | 140,000.   | 0   | 23,680.   |

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2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **1**

|  | Yes | No |
|--|-----|----|
| 3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual  |     | X  |
| 4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual | X   |    |
| 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person                       |     | X  |

**Section B. Independent Contractors**

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

| (A)<br>Name and business address | (B)<br>Description of services | (C)<br>Compensation |
|----------------------------------|--------------------------------|---------------------|
| ATTACHMENT 1                     |                                |                     |
|                                  |                                |                     |
|                                  |                                |                     |
|                                  |                                |                     |
|                                  |                                |                     |

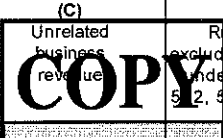
2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **4**



**Part VIII Statement of Revenue**

Check if Schedule O contains a response to any question in this Part VIII

|   |  |   | (A)<br>Total revenue | (B)<br>Related or<br>exempt<br>function<br>revenue | (C)<br>Unrelated<br>business<br>revenue | (D)<br>Revenue<br>excluded from tax<br>under sections<br>512, 513, or 514 |  |
|---|--|---|----------------------|--|---|---|--|
| <b>Contributions, Gifts, Grants<br/>and Other Similar Amounts</b> | <b>1a</b>  | Federated campaigns . . . . . <b>1a</b>   |                      |  |   |   |  |
|   | <b>b</b>   | Membership dues . . . . . <b>1b</b>   |                      |  |   |   |  |
|   | <b>c</b>   | Fundraising events . . . . . <b>1c</b>  |                      |  |   |   |  |
|   | <b>d</b>   | Related organizations . . . . . <b>1d</b>   |                      |  |   |   |  |
|   | <b>e</b>   | Government grants (contributions) . . . . . <b>1e</b>   |                      |  |   |   |  |
|   | <b>f</b>   | All other contributions, gifts, grants,<br>and similar amounts not included above . . . . . <b>1f</b> |                      |  |   |   |  |
|   | <b>g</b>   | Noncash contributions included in lines 1a-1f: \$   |                      |  |   |   |  |
|   | <b>h</b>   | <b>Total.</b> Add lines 1a-1f . . . . .   | 0                    |  |   |   |  |
| <b>Program Service Revenue</b>                                    | <b>2a</b>  | STATE REVENUES  | 541900               | 1,900,514.   | 1,900,514.                              |   |  |
|   | <b>b</b>   |   |                      |  |   |   |  |
|   | <b>c</b>   |   |                      |  |   |   |  |
|   | <b>d</b>   |   |                      |  |   |   |  |
|   | <b>e</b>   |   |                      |  |   |   |  |
|   | <b>f</b>   | All other program service revenue . . . . .   |                      |  |   |   |  |
|   | <b>g</b>   | <b>Total.</b> Add lines 2a-2f . . . . .   | 1,900,514.           |  |   |   |  |
| <b>Other Revenue</b>  | <b>3</b>   | Investment income (including dividends, interest, and<br>other similar amounts) . . . . .             |                      | 1,091.   |   | 1,091.  |  |
|   | <b>4</b>   | Income from investment of tax-exempt bond proceeds . . . . .  |                      | 0  |   |   |  |
|   | <b>5</b>   | Royalties . . . . .   |                      | 0  |   |   |  |
|   | <b>6a</b>  | Gross rents . . . . .   | (i) Real             |  |   |   |  |
|   |  |   | (ii) Personal        |  |   |   |  |
|   |  |   |                      |  |   |   |  |
|   | <b>b</b>   | Less: rental expenses . . . . .   |                      |  |   |   |  |
|   | <b>c</b>   | Rental income or (loss) . . . . .   |                      |  |   |   |  |
|   | <b>d</b>   | Net rental income or (loss) . . . . .   |                      | 0  |   |   |  |
|   | <b>7a</b>  | Gross amount from sales of<br>assets other than inventory   | (i) Securities       |  |   |   |  |
|   |  |   | (ii) Other           |  |   |   |  |
|   |  |   |                      |  |   |   |  |
|   |  |   |                      |  |   |   |  |
|   | <b>b</b>   | Less: cost or other basis<br>and sales expenses . . . . .   |                      |  |   |   |  |
|   | <b>c</b>   | Gain or (loss) . . . . .  |                      |  |   |   |  |
| <b>d</b>  | Net gain or (loss) . . . . .   |   | 0                    |  |   |   |  |
| <b>8a</b>   | Gross income from fundraising<br>events (not including \$ _____<br>of contributions reported on line 1c).<br>See Part IV, line 18 . . . . . <b>a</b> |   |                      |  |   |   |  |
| <b>b</b>  | Less: direct expenses . . . . . <b>b</b>   |   |                      |  |   |   |  |
| <b>c</b>  | Net income or (loss) from fundraising events . . . . .   |   | 0                    |  |   |   |  |
| <b>9a</b>   | Gross income from gaming activities.<br>See Part IV, line 19 . . . . . <b>a</b>  |   |                      |  |   |   |  |
| <b>b</b>  | Less: direct expenses . . . . . <b>b</b>   |   |                      |  |   |   |  |
| <b>c</b>  | Net income or (loss) from gaming activities . . . . .  |   | 0                    |  |   |   |  |
| <b>10a</b>  | Gross sales of inventory, less<br>returns and allowances . . . . . <b>a</b>  |   |                      |  |   |   |  |
| <b>b</b>  | Less: cost of goods sold . . . . . <b>b</b>  |   |                      |  |   |   |  |
| <b>c</b>  | Net income or (loss) from sales of inventory . . . . .   |   | 0                    |  |   |   |  |
| <b>Miscellaneous Revenue</b>                                      |  | <b>Business Code</b>  |                      |  |   |   |  |
| <b>11a</b>  |  |   |                      |  |   |   |  |
| <b>b</b>  |  |   |                      |  |   |   |  |
| <b>c</b>  |  |   |                      |  |   |   |  |
| <b>d</b>  | All other revenue . . . . .  |   |                      |  |   |   |  |
| <b>e</b>  | <b>Total.</b> Add lines 11a-11d . . . . .  |   | 0                    |  |   |   |  |
| <b>12</b>   | <b>Total revenue.</b> See instructions . . . . .   |   | 1,901,605.           | 1,900,514.   |   | 1,091.  |  |



**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response to any question in this Part IX

| Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.  | (A)<br>Total expenses | (B)<br>Program service expenses | (C)<br>Management and general expenses | (D)<br>Fundraising expenses |
|---|-----------------------|---------------------------------|--|-----------------------------|
| 1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21 . . . . .   | 0                     |                                 |  |                             |
| 2 Grants and other assistance to individuals in the United States. See Part IV, line 22 . . . . .   | 0                     |                                 |  |                             |
| 3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16 . . . . .  | 0                     |                                 |  |                             |
| 4 Benefits paid to or for members . . . . .   | 0                     |                                 |  |                             |
| 5 Compensation of current officers, directors, trustees, and key employees . . . . .  | 0                     |                                 |  |                             |
| 6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .   | 0                     |                                 |  |                             |
| 7 Other salaries and wages . . . . .  | 456,045.              | 323,792.                        | 132,253.                               |                             |
| 8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) . . . . .  | 39,430.               | 26,384.                         | 13,046.                                |                             |
| 9 Other employee benefits . . . . .   | 51,256.               | 34,342.                         | 16,914.                                |                             |
| 10 Payroll taxes . . . . .  | 34,899.               | 23,382.                         | 11,517.                                |                             |
| 11 Fees for services (non-employees):   |                       |                                 |  |                             |
| a Management . . . . .  | 0                     |                                 |  |                             |
| b Legal . . . . .   | 9,939.                | 4,942.                          | 4,997.                                 |                             |
| c Accounting . . . . .  | 94,400.               |                                 | 94,400.                                |                             |
| d Lobbying . . . . .  | 0                     |                                 |  |                             |
| e Professional fundraising services. See Part IV, line 17 . . . . .   | 0                     |                                 |  |                             |
| f Investment management fees . . . . .  | 0                     |                                 |  |                             |
| g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.) . . . . .  | -42.                  | 30.                             | -72.                                   |                             |
| 12 Advertising and promotion . . . . .  | 0                     |                                 |  |                             |
| 13 Office expenses . . . . .  | 36,051.               | 24,896.                         | 11,155.                                |                             |
| 14 Information technology . . . . .   | 1,513.                | 1,061.                          | 452.                                   |                             |
| 15 Royalties . . . . .  | 0                     |                                 |  |                             |
| 16 Occupancy . . . . .  | 51,848.               | 36,294.                         | 15,554.                                |                             |
| 17 Travel . . . . .   | -106.                 | 260.                            | -366.                                  |                             |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .   | 0                     |                                 |  |                             |
| 19 Conferences, conventions, and meetings . . . . .   | 11,978.               | 6,037.                          | 5,941.                                 |                             |
| 20 Interest . . . . .   | 0                     |                                 |  |                             |
| 21 Payments to affiliates . . . . .   | 0                     |                                 |  |                             |
| 22 Depreciation, depletion, and amortization . . . . .  | 2,496.                |                                 | 2,496.                                 |                             |
| 23 Insurance . . . . .  | 18,811.               | 13,168.                         | 5,643.                                 |                             |
| 24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)  |                       |                                 |  |                             |
| a AUCTIONS  | 420,000.              | 420,000.                        |  |                             |
| b EMISSIONS ALLOWANCE TRACKING  | 130,743.              | 130,743.                        |  |                             |
| c MARKET MONITORING   | 147,820.              | 147,820.                        |  |                             |
| d PROGRAM REVIEW & EVALUATION   | 332,060.              | 332,060.                        |  |                             |
| e All other expenses  | 61,373.               | 52,665.                         | 8,708.                                 |                             |
| 25 Total functional expenses. Add lines 1 through 24e   | 1,900,514.            | 1,577,876.                      | 322,638.                               |                             |
| 26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) . . . . . | 0                     |                                 |  |                             |

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**Part X Balance Sheet**

Check if Schedule O contains a response to any question in this Part X

|   |  | (A)                |            | (B)               |
|---|--|--------------------|------------|-------------------|
|   |  | Beginning of year  |            | End of year       |
| <b>Assets</b>   | <b>1</b> Cash - non-interest-bearing   | 757,130            |            | 526,844.          |
|   | <b>2</b> Savings and temporary cash investments  | 534,527.           | <b>2</b>   | 535,618.          |
|   | <b>3</b> Pledges and grants receivable, net  | 0                  | <b>3</b>   | 0                 |
|   | <b>4</b> Accounts receivable, net  | 0                  | <b>4</b>   | 0                 |
|   | <b>5</b> Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L   | 0                  | <b>5</b>   | 0                 |
|   | <b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L | 0                  | <b>6</b>   | 0                 |
|   | <b>7</b> Notes and loans receivable, net   | 0                  | <b>7</b>   | 0                 |
|   | <b>8</b> Inventories for sale or use   | 0                  | <b>8</b>   | 0                 |
|   | <b>9</b> Prepaid expenses and deferred charges   | 34,791.            | <b>9</b>   | 21,011.           |
|   | <b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D   | <b>10a</b> 12,500. |            |                   |
|   | <b>b</b> Less: accumulated depreciation  | <b>10b</b> 8,738.  | 6,258.     | <b>10c</b> 3,762. |
|   | <b>11</b> Investments - publicly traded securities   | 0                  | <b>11</b>  | 0                 |
|   | <b>12</b> Investments - other securities. See Part IV, line 11   | 0                  | <b>12</b>  | 0                 |
|   | <b>13</b> Investments - program-related. See Part IV, line 11  | 0                  | <b>13</b>  | 0                 |
|   | <b>14</b> Intangible assets  | 0                  | <b>14</b>  | 0                 |
|   | <b>15</b> Other assets. See Part IV, line 11   | 95,596.            | <b>15</b>  | 0                 |
| <b>16 Total assets.</b> Add lines 1 through 15 (must equal line 34) | 1,428,302.   | <b>16</b>          | 1,087,235. |                   |
| <b>Liabilities</b>  | <b>17</b> Accounts payable and accrued expenses  | 208,882.           | <b>17</b>  | 163,214.          |
|   | <b>18</b> Grants payable   | 0                  | <b>18</b>  | 0                 |
|   | <b>19</b> Deferred revenue   | 1,144,938.         | <b>19</b>  | 886,249.          |
|   | <b>20</b> Tax-exempt bond liabilities  | 0                  | <b>20</b>  | 0                 |
|   | <b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D  | 0                  | <b>21</b>  | 0                 |
|   | <b>22</b> Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L   | 0                  | <b>22</b>  | 0                 |
|   | <b>23</b> Secured mortgages and notes payable to unrelated third parties   | 0                  | <b>23</b>  | 0                 |
|   | <b>24</b> Unsecured notes and loans payable to unrelated third parties   | 0                  | <b>24</b>  | 0                 |
|   | <b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D  | 37,801.            | <b>25</b>  | 0                 |
|   | <b>26 Total liabilities.</b> Add lines 17 through 25   | 1,391,621.         | <b>26</b>  | 1,049,463.        |
| <b>Net Assets or Fund Balances</b>                                  | <b>Organizations that follow SFAS 117 (ASC 958), check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 29, and lines 33 and 34.</b>  |                    |            |                   |
|   | <b>27</b> Unrestricted net assets  | 36,681.            | <b>27</b>  | 37,772.           |
|   | <b>28</b> Temporarily restricted net assets  | 0                  | <b>28</b>  | 0                 |
|   | <b>29</b> Permanently restricted net assets  | 0                  | <b>29</b>  | 0                 |
|   | <b>Organizations that do not follow SFAS 117 (ASC 958), check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</b>   |                    |            |                   |
|   | <b>30</b> Capital stock or trust principal, or current funds   |                    | <b>30</b>  |                   |
|   | <b>31</b> Paid-in or capital surplus, or land, building, or equipment fund   |                    | <b>31</b>  |                   |
|   | <b>32</b> Retained earnings, endowment, accumulated income, or other funds   |                    | <b>32</b>  |                   |
| <b>33</b> Total net assets or fund balances                         | 36,681.  | <b>33</b>          | 37,772.    |                   |
| <b>34</b> Total liabilities and net assets/fund balances            | 1,428,302.   | <b>34</b>          | 1,087,235. |                   |

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response to any question in this Part XI

|    |  |            |
|----|--|------------|
| 1  | Total revenue (must equal Part VIII, column (A), line 12)  | 1,901,605. |
| 2  | Total expenses (must equal Part IX, column (A), line 25)   | 1,800,514. |
| 3  | Revenue less expenses. Subtract line 2 from line 1   | 1,091.     |
| 4  | Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))                      | 36,681.    |
| 5  | Net unrealized gains (losses) on investments   | 0          |
| 6  | Donated services and use of facilities   | 0          |
| 7  | Investment expenses  | 0          |
| 8  | Prior period adjustments   | 0          |
| 9  | Other changes in net assets or fund balances (explain in Schedule O)   | 0          |
| 10 | Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B)) | 37,772.    |

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**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response to any question in this Part XII

- 1 Accounting method used to prepare the Form 990:  Cash  Accrual  Other \_\_\_\_\_  
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.
- 2a Were the organization's financial statements compiled or reviewed by an independent accountant? .....  
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:  
 Separate basis  Consolidated basis  Both consolidated and separate basis
- b Were the organization's financial statements audited by an independent accountant? .....  
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:  
 Separate basis  Consolidated basis  Both consolidated and separate basis
- c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.
- 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? .....
- b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

|    | Yes | No |
|----|-----|----|
| 2a |     | X  |
| 2b | X   |    |
| 2c | X   |    |
| 3a |     | X  |
| 3b |     |    |

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

**Public Charity Status and Public Support**

OMB No. 1545-0047

**2012**

Department of the Treasury  
Internal Revenue Service

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

**CO** **Open to Public Inspection**  
Employer identification number  
**35-2316710**

Name of the organization

REGIONAL GREENHOUSE GAS INITIATIVE, INC.

Employer identification number

35-2316710

**Part I Reason for Public Charity Status** (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1  A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2  A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3  A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4  A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: \_\_\_\_\_
- 5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6  A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8  A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9  An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10  An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11  An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
  - a  Type I    b  Type II    c  Type III-Functionally integrated    d  Type III-Non-functionally integrated
- e  By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
  - (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? 

|          |     |    |
|----------|-----|----|
|          | Yes | No |
| 11g(i)   |     |    |
| 11g(ii)  |     |    |
| 11g(iii) |     |    |
  - (ii) A family member of a person described in (i) above? .....
  - (iii) A 35% controlled entity of a person described in (i) or (ii) above? .....
- h Provide the following information about the supported organization(s).

| (i) Name of supported organization | (ii) EIN | (iii) Type of organization (described on lines 1-9 above or IRC section (see instructions)) | (iv) Is the organization in col. (i) listed in your governing document? |    | (v) Did you notify the organization in col. (i) of your support? |    | (vi) Is the organization in col. (i) organized in the U.S.? |    | (vii) Amount of monetary support |
|------------------------------------|----------|---|---|----|--|----|---|----|----------------------------------|
|                                    |          |   | Yes   | No | Yes  | No | Yes   | No |                                  |
| (A)                                |          |   |   |    |  |    |   |    |                                  |
| (B)                                |          |   |   |    |  |    |   |    |                                  |
| (C)                                |          |   |   |    |  |    |   |    |                                  |
| (D)                                |          |   |   |    |  |    |   |    |                                  |
| (E)                                |          |   |   |    |  |    |   |    |                                  |
| <b>Total</b>                       |          |   |   |    |  |    |   |    |                                  |

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2012

**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**  
 (Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

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**Section A. Public Support**

| Calendar year (or fiscal year beginning in) ▶   | (a) 2008 | (b) 2009 | (c) 2010 | (d) 2011 | (e) 2012 | (f) Total |
|---|----------|----------|----------|----------|----------|-----------|
| <b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") . . . . .   | 608,100. | 178,050. | 0        | 0        | 0        | 786,150.  |
| <b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .  |          |          |          |          |          | 0         |
| <b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .  |          |          |          |          |          | 0         |
| <b>4 Total.</b> Add lines 1 through 3. . . . .  | 608,100. | 178,050. |          |          |          | 786,150.  |
| <b>5</b> The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f). . . . . |          |          |          |          |          | 0         |
| <b>6 Public support.</b> Subtract line 5 from line 4.   |          |          |          |          |          | 786,150.  |

**Section B. Total Support**

| Calendar year (or fiscal year beginning in) ▶  | (a) 2008 | (b) 2009 | (c) 2010 | (d) 2011 | (e) 2012  | (f) Total                |
|--|----------|----------|----------|----------|-----------|--------------------------|
| <b>7</b> Amounts from line 4 . . . . .   | 608,100. | 178,050. |          |          |           | 786,150.                 |
| <b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . . . . .  | 20,140.  | 29,797.  | 2,347.   | 2,048.   | 1,091.    | 55,423.                  |
| <b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on . . . . .  |          |          |          |          |           | 0                        |
| <b>10</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) . . . . .  |          |          |          |          |           | 0                        |
| <b>11 Total support.</b> Add lines 7 through 10. . . . .   |          |          |          |          |           | 841,573.                 |
| <b>12</b> Gross receipts from related activities, etc. (see instructions) . . . . .  |          |          |          |          | <b>12</b> | 8,249,508.               |
| <b>13 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> . . . . . |          |          |          |          |           | <input type="checkbox"/> |

**Section C. Computation of Public Support Percentage**

|  |           |                                     |
|--|-----------|-------------------------------------|
| <b>14</b> Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f)) . . . . .   | <b>14</b> | 93.41%                              |
| <b>15</b> Public support percentage from 2011 Schedule A, Part II, line 14 . . . . .   | <b>15</b> | %                                   |
| <b>16a 33 1/3% support test - 2012.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization . . . . .   |           | <input checked="" type="checkbox"/> |
| <b>b 33 1/3% support test - 2011.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization . . . . .  |           | <input type="checkbox"/>            |
| <b>17a 10%-facts-and-circumstances test - 2012.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization . . . . .    |           | <input type="checkbox"/>            |
| <b>b 10%-facts-and-circumstances test - 2011.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization . . . . . |           | <input type="checkbox"/>            |
| <b>18 Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions . . . . .   |           | <input type="checkbox"/>            |

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

COPY

**Section A. Public Support**

| Calendar year (or fiscal year beginning in) ►   | (a) 2008 | (b) 2009 | (c) 2010 | (d) 2011 | (e) 2012 | (f) Total |
|---|----------|----------|----------|----------|----------|-----------|
| <b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")   |          |          |          |          |          |           |
| <b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose . . . . . |          |          |          |          |          |           |
| <b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513 . . . . .   |          |          |          |          |          |           |
| <b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .  |          |          |          |          |          |           |
| <b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .  |          |          |          |          |          |           |
| <b>6 Total.</b> Add lines 1 through 5 . . . . .   |          |          |          |          |          |           |
| <b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons . . . . .  |          |          |          |          |          |           |
| <b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year . . . . .           |          |          |          |          |          |           |
| <b>c</b> Add lines 7a and 7b. . . . .   |          |          |          |          |          |           |
| <b>8 Public support</b> (Subtract line 7c from line 6.) . . . . .   |          |          |          |          |          |           |

**Section B. Total Support**

| Calendar year (or fiscal year beginning in) ►   | (a) 2008 | (b) 2009 | (c) 2010 | (d) 2011 | (e) 2012 | (f) Total |
|---|----------|----------|----------|----------|----------|-----------|
| <b>9</b> Amounts from line 6. . . . .   |          |          |          |          |          |           |
| <b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . . . . .   |          |          |          |          |          |           |
| <b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 . . . . .  |          |          |          |          |          |           |
| <b>c</b> Add lines 10a and 10b . . . . .  |          |          |          |          |          |           |
| <b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on . . . . .   |          |          |          |          |          |           |
| <b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) . . . . .   |          |          |          |          |          |           |
| <b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.) . . . . .  |          |          |          |          |          |           |
| <b>14 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> . . . . . <input type="checkbox"/> |          |          |          |          |          |           |

**Section C. Computation of Public Support Percentage**

|   |           |   |
|---|-----------|---|
| <b>15</b> Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f)). . . . . | <b>15</b> | % |
| <b>16</b> Public support percentage from 2011 Schedule A, Part III, line 15 . . . . .                     | <b>16</b> | % |

**Section D. Computation of Investment Income Percentage**

|   |           |   |
|---|-----------|---|
| <b>17</b> Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f)) . . . . . | <b>17</b> | % |
| <b>18</b> Investment income percentage from 2011 Schedule A, Part III, line 17 . . . . .                        | <b>18</b> | % |

**19a 33 1/3 % support tests - 2012.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3 %, and line 17 is not more than 33 1/3 %, check this box and **stop here**. The organization qualifies as a publicly supported organization ►

**b 33 1/3 % support tests - 2011.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3 %, and line 18 is not more than 33 1/3 %, check this box and **stop here**. The organization qualifies as a publicly supported organization ►

**20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ►

**Part IV** **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

**COPY**



SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2012

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. Attach to Form 990. See separate instructions.

Department of the Treasury Internal Revenue Service

Open to Public Inspection

Name of the organization

Employer identification number

REGIONAL GREENHOUSE GAS INITIATIVE, INC.

35-2316710

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include Total number at end of year, Aggregate contributions, Aggregate grants, Aggregate value, and questions about donor information.

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

Table with 2 columns: Held at the End of the Tax Year. Rows include Purpose(s) of conservation easements, Total number of easements, Total acreage, Number of easements on historic structures, and monitoring expenses.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Table with 2 columns: \$, \$, \$, \$, \$, \$. Rows include questions about reporting art and historical treasures.

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2012

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** (continued)



- 3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a  Public exhibition
  - b  Scholarly research
  - c  Preservation for future generations
  - d  Loan or exchange programs
  - e  Other
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? . . . . .  Yes  No

**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? . . . . .  Yes  No
- b If "Yes," explain the arrangement in Part XIII and complete the following table:
- |   | Amount |
|---|--------|
| c Beginning balance . . . . .             | 1c     |
| d Additions during the year . . . . .     | 1d     |
| e Distributions during the year . . . . . | 1e     |
| f Ending balance . . . . .                | 1f     |
- 2a Did the organization include an amount on Form 990, Part X, line 21? . . . . .  Yes  No
- b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII. . . . .  Yes  No

**Part V Endowment Funds.** Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

|  | (a) Current year | (b) Prior year | (c) Two years back | (d) Three years back | (e) Four years back |
|--|------------------|----------------|--------------------|----------------------|---------------------|
| 1a Beginning of year balance . . . . .                     |                  |                |                    |                      |                     |
| b Contributions . . . . .                                  |                  |                |                    |                      |                     |
| c Net investment earnings, gains, and losses . . . . .     |                  |                |                    |                      |                     |
| d Grants or scholarships . . . . .                         |                  |                |                    |                      |                     |
| e Other expenditures for facilities and programs . . . . . |                  |                |                    |                      |                     |
| f Administrative expenses . . . . .                        |                  |                |                    |                      |                     |
| g End of year balance . . . . .                            |                  |                |                    |                      |                     |

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment ▶ \_\_\_\_\_ %
  - b Permanent endowment ▶ \_\_\_\_\_ %
  - c Temporarily restricted endowment ▶ \_\_\_\_\_ %
- The percentages in lines 2a, 2b, and 2c should equal 100%.
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- |   | Yes    | No |
|---|--------|----|
| (i) unrelated organizations . . . . .   | 3a(i)  |    |
| (ii) related organizations . . . . .  | 3a(ii) |    |
| b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? . . . . . | 3b     |    |
- 4 Describe in Part XIII the intended uses of the organization's endowment funds.

**Part VI Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

| Description of property   | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|---|--------------------------------------|---------------------------------|------------------------------|----------------|
| 1a Land . . . . .   |                                      |                                 |                              |                |
| b Buildings . . . . .   |                                      |                                 |                              |                |
| c Leasehold improvements . . . . .  |                                      |                                 |                              |                |
| d Equipment . . . . .   |                                      | 12,500.                         | 8,738.                       | 3,762.         |
| e Other . . . . .   |                                      |                                 |                              |                |
| <b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c). . . . . ▶ |                                      |                                 |                              | 3,762.         |

**Part VII Investments - Other Securities.** See Form 990, Part X, line 12.

| (a) Description of security or category<br>(including name of security)   | (b) Book value | (c) Method of valuation:<br>Cost or end-of-year market value |
|---|----------------|--|
| (1) Financial derivatives   |                | <b>COPY</b>  |
| (2) Closely-held equity interests   |                |  |
| (3) Other   |                |  |
| (A)   |                |  |
| (B)   |                |  |
| (C)   |                |  |
| (D)   |                |  |
| (E)   |                |  |
| (F)   |                |  |
| (G)   |                |  |
| (H)   |                |  |
| (I)   |                |  |
| <b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 12.) |                |  |

**Part VIII Investments - Program Related.** See Form 990, Part X, line 13.

| (a) Description of investment type  | (b) Book value | (c) Method of valuation:<br>Cost or end-of-year market value |
|---|----------------|--|
| (1)   |                |  |
| (2)   |                |  |
| (3)   |                |  |
| (4)   |                |  |
| (5)   |                |  |
| (6)   |                |  |
| (7)   |                |  |
| (8)   |                |  |
| (9)   |                |  |
| (10)  |                |  |
| <b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 13.) |                |  |

**Part IX Other Assets.** See Form 990, Part X, line 15.

| (a) Description   | (b) Book value |
|---|----------------|
| (1)   |                |
| (2)   |                |
| (3)   |                |
| (4)   |                |
| (5)   |                |
| (6)   |                |
| (7)   |                |
| (8)   |                |
| (9)   |                |
| (10)  |                |
| <b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.) |                |

**Part X Other Liabilities.** See Form 990, Part X, line 25.

| 1. (a) Description of liability   | (b) Book value |
|---|----------------|
| (1) Federal income taxes  |                |
| (2)   |                |
| (3)   |                |
| (4)   |                |
| (5)   |                |
| (6)   |                |
| (7)   |                |
| (8)   |                |
| (9)   |                |
| (10)  |                |
| (11)  |                |
| <b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.) |                |

2. FIN 48 (ASC 740) Footnote. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII.

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Table with 5 main rows and sub-rows (a-e) for adjustments. Total revenue reported as 1,901,605. Includes a large 'COPY' watermark.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

Table with 5 main rows and sub-rows (a-e) for adjustments. Total expenses reported as 1,900,514.

Part XIII Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

LIABILITY FOR UNCERTAIN TAX POSITIONS

PART X - LINE 2

AS OF DECEMBER 31, 2012, NO AMOUNTS HAVE BEEN RECOGNIZED FOR ANY

UNCERTAIN INCOME TAX POSITIONS. IN ADDITION, THE CORPORATION'S TAX

RETURNS FOR THE YEARS 2009 AND FORWARD ARE SUBJECT TO THE USUAL REVIEW BY

THE APPROPRIATE TAXING AUTHORITIES.

**Part XIII** Supplemental Information *(continued)*

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**COPY**

**SCHEDULE J  
(Form 990)**

**Compensation Information**

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

**2012**

**Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

Name of the organization

REGIONAL GREENHOUSE GAS INITIATIVE, INC.

Employer identification number

85-2316710

**Part I Questions Regarding Compensation**

**1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- |  |  |
|--|--|
| <input type="checkbox"/> First-class or charter travel             | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions                     | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees   |
| <input type="checkbox"/> Discretionary spending account            | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

**b** If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

**3** Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- |  |   |
|--|---|
| <input type="checkbox"/> Compensation committee              | <input checked="" type="checkbox"/> Written employment contract                     |
| <input type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study                    |
| <input type="checkbox"/> Form 990 of other organizations     | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

**4** During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

**Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.**

**5** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
- b** Any related organization?
- If "Yes" to line 5a or 5b, describe in Part III.

**6** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
- b** Any related organization?
- If "Yes" to line 6a or 6b, describe in Part III.

**7** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

**8** Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

**9** If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

|           | Yes | No |
|-----------|-----|----|
| <b>1b</b> |     |    |
| <b>2</b>  |     |    |
| <b>4a</b> |     | X  |
| <b>4b</b> |     | X  |
| <b>4c</b> |     | X  |
| <b>5a</b> |     | X  |
| <b>5b</b> |     | X  |
| <b>6a</b> |     | X  |
| <b>6b</b> |     | X  |
| <b>7</b>  |     | X  |
| <b>8</b>  |     | X  |
| <b>9</b>  |     |    |

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

**Note.** The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

| (A) Name and Title                      | (B) Breakdown of W-2 and/or 1099-MISC compensation |                                     |                                     | (C) Retirement and other deferred compensation | (D) Nontaxable benefits | (E) Total of columns (B)(i)-(D) | (F) Compensation reported as deferred in prior Form 990 |
|---|--|-------------------------------------|-------------------------------------|--|-------------------------|---------------------------------|---|
|   | (i) Base compensation                              | (ii) Bonus & incentive compensation | (iii) Other reportable compensation |  |                         |                                 |   |
| NICOLE G. SINGH<br>1 EXECUTIVE DIRECTOR | 140,000  | 0                                   | 0                                   | 14,000   | 9,680                   | 163,680                         |   |
| 2                                       |  |                                     |                                     |  |                         |                                 |   |
| 3                                       |  |                                     |                                     |  |                         |                                 |   |
| 4                                       |  |                                     |                                     |  |                         |                                 |   |
| 5                                       |  |                                     |                                     |  |                         |                                 |   |
| 6                                       |  |                                     |                                     |  |                         |                                 |   |
| 7                                       |  |                                     |                                     |  |                         |                                 |   |
| 8                                       |  |                                     |                                     |  |                         |                                 |   |
| 9                                       |  |                                     |                                     |  |                         |                                 |   |
| 10                                      |  |                                     |                                     |  |                         |                                 |   |
| 11                                      |  |                                     |                                     |  |                         |                                 |   |
| 12                                      |  |                                     |                                     |  |                         |                                 |   |
| 13                                      |  |                                     |                                     |  |                         |                                 |   |
| 14                                      |  |                                     |                                     |  |                         |                                 |   |
| 15                                      |  |                                     |                                     |  |                         |                                 |   |
| 16                                      |  |                                     |                                     |  |                         |                                 |   |

COPY

**Part III Supplemental Information**

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.





SCHEDULE O  
(Form 990 or 990-EZ)

Supplemental Information to Form 990 or 990-EZ

OMB No. 1545-0047

2012

Open to Public  
Inspection

Department of the Treasury  
Internal Revenue Service

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.  
▶ Attach to Form 990 or 990-EZ.

Name of the organization

REGIONAL GREENHOUSE GAS INITIATIVE, INC.

Employee identification number

15-2316710

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

PART III - LINE 1

THE EXCLUSIVE PURPOSE FOR WHICH THE CORPORATION IS FORMED IS TO PROVIDE TECHNICAL AND SCIENTIFIC ADVISORY SERVICES TO THE STATES OF THE UNITED STATES THAT ARE SIGNATORY STATES TO A MEMORANDUM OF UNDERSTANDING PROVIDING FOR THE DEVELOPMENT AND IMPLEMENTATION OF A MULTI-STATE CAP AND TRADE PROGRAM, KNOWN AS THE REGIONAL GREENHOUSE GAS INITIATIVE (OR ITS SUCCESSOR), TO REDUCE AIR POLLUTANTS THAT CONTRIBUTE TO CLIMATE CHANGE, AND TO PERFORM ANY OTHER CHARITABLE OR SCIENTIFIC FUNCTION RELATED TO THE REDUCTION OF GREENHOUSE GAS EMISSIONS OR THE INCREASE IN CARBON SEQUESTRATION ON BEHALF OF THE SIGNATORY STATES.

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

PART III - LINE 4D

EMISSIONS ALLOWANCE TRACKING SYSTEM: MAINTAINED A DATABASE, USER GUIDE AND PUBLIC REPORTING CAPABILITY TO TRACK EMISSIONS AND ALLOWANCE TRANSFERS. THIS SYSTEM IS AVAILABLE AT WWW.RGGI.ORG. EXPENSES: \$192,627. REVENUE: \$232,015.

GOVERNANCE, MANAGEMENT, AND DISCLOSURE

PART VI, SECTION A - QUESTION 7A

THE BOARD SHALL CONSIST OF TWO DIRECTORS FROM EACH SIGNATORY STATE, AS FOLLOWS: (1) THE CHAIR, OR THE COMMISSIONER DESIGNATED BY THE CHAIR, OF

Name of the organization

REGIONAL GREENHOUSE GAS INITIATIVE, INC.

Employer identification number

35-2316710

**COPY**

THE SIGNATORY STATE'S ENERGY REGULATORY AGENCY; (2) THE CHIEF EXECUTIVE  
 OF THE SIGNATORY STATE'S ENVIRONMENTAL REGULATORY AGENCY OR DEPARTMENT;  
 OR (3) IN THE EVENT THAT THE GOVERNOR OF A SIGNATORY STATE DETERMINES  
 THAT A STATE OFFICIAL OTHER THAN THE AFOREMENTIONED IS THE APPROPRIATE  
 REPRESENTATIVE TO ACT AS A DIRECTOR, THE GOVERNOR OF THAT SIGNATORY STATE  
 SHALL SO NOTIFY THE CHAIR OF THE CORPORATION IN WRITING AND SUCH OTHER  
 OFFICIAL SHALL BE A DIRECTOR FROM THAT SIGNATORY STATE. EACH OF THE  
 AFOREMENTIONED OFFICERS SHALL SERVE AS AN EX OFFICIO DIRECTOR OF THE  
 CORPORATION. EACH SUCH EX OFFICIO DIRECTOR SHALL PROVIDE WRITTEN NOTICE  
 TO THE CHAIR OF HIS OR HER ACCEPTANCE OF THE POSITION OF DIRECTOR OF THE  
 CORPORATION.

GOVERNANCE, MANAGEMENT, AND DISCLOSURE

PART VI, SECTION B - QUESTION 11B

THE PROCESS THAT THE ORGANIZATION USES TO REVIEW THE FORM 990 IS AS  
 FOLLOWS: 1-COPY OF THE FORM 990 IS PRESENTED TO THE AUDIT COMMITTEE;  
 2-COPY OF THE FORM 990 IS DISTRIBUTED TO THE EXECUTIVE COMMITTEE VIA  
 EMAIL; AND 3-COPY OF THE FORM 990 IS DISTRIBUTED TO THE ENTIRE BOARD OF  
 DIRECTORS VIA EMAIL. ANY COMMENTS RECEIVED FROM THESE PROCESSES ARE  
 CONSIDERED, AFTER DUE TIME FOR RESPONSES TO BE RECEIVED. THE AUDIT  
 COMMITTEE HAS FINAL AUTHORITY OVER THE RETURN.

GOVERNANCE, MANAGEMENT, AND DISCLOSURE

PART VI, SECTION B - QUESTION 12C

THE CONFLICT OF INTEREST DISCLOSURE QUESTIONNAIRE IS UPDATED ANNUALLY BY  
 DIRECTORS, OFFICERS AND EMPLOYEES. IN ADDITION, ALL NEWLY APPOINTED

Name of the organization

REGIONAL GREENHOUSE GAS INITIATIVE, INC.

Employer identification number

35-2316710

**COPY**

DIRECTORS MUST COMPLETE A CONFLICT OF INTEREST DISCLOSURE QUESTIONNAIRE

PRIOR TO PARTICIPATING IN ANY ACTION OR DELIBERATION OF THE BOARD.

GOVERNANCE, MANAGEMENT, AND DISCLOSURE

PART VI, SECTION B - QUESTION 15A

THE PROCESS INCLUDES REVIEW OF DATA PROVIDED BY THE NONPROFIT  
COORDINATING COMMITTEE OF NEW YORK AND BOARD MEMBERS KNOWLEDGE OF OTHER  
COMPARABLE ORGANIZATIONS.

GOVERNANCE, MANAGEMENT, AND DISCLOSURE

PART VI, SECTION B - QUESTION 15B

THE SALARY AMOUNTS WERE REVIEWED BY THE BOARD OF DIRECTORS IN THE COURSE  
OF THEIR REVIEW OF THE BUDGET. THAT DETERMINATION WAS SUPPORTED BY A  
REVIEW OF DATA FROM THE NONPROFIT COORDINATING COMMITTEE OF NEW YORK.

GOVERNANCE, MANAGEMENT, AND DISCLOSURE

PART VI, SECTION C - QUESTION 19

THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST  
POLICY, AUDITED FINANCIAL STATEMENTS AND MINUTES OF MEETINGS OF THE BOARD  
OF DIRECTORS AVAILABLE TO THE PUBLIC THROUGH THE ORGANIZATION'S WEBSITE.

ATTACHMENT 1990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

| <u>NAME AND ADDRESS</u>   | <u>DESCRIPTION OF SERVICES</u> | <u>COMPENSATION</u> |
|---|--------------------------------|---------------------|
| WORLD ENERGY SOLUTIONS, INC.<br>100 FRONT STREET<br>WORCESTER, MA 01608 | AUCTION SERVICES               | 421,928.            |
| ICF INCORPORATED, LLC<br>9300 LEE HIGHWAY                               | PROG. REVIEW & EVAL.           | 207,805.            |

Name of the organization

REGIONAL GREENHOUSE GAS INITIATIVE, INC.

Employer identification number

35-2316710

ATTACHMENT 1 (CONT'D)

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS**COPY**

| <u>NAME AND ADDRESS</u>   | <u>DESCRIPTION OF SERVICES</u> | <u>COMPENSATION</u> |
|---|--------------------------------|---------------------|
| FAIRFAX, VA 22031   |                                |                     |
| POTOMAC ECONOMICS, LTD.<br>9990 FAIRFAX BLVD.<br>FAIRFAX, VA 22030    | MARKET MONITORING              | 165,818.            |
| SRA INTERNATIONAL, INC.<br>4300 FAIR LAKES COURT<br>FAIRFAX, VA 22033 | ALLOWANCE TRACKING             | 129,008.            |
| NO OTHER CONTRACTORS PAID OVER \$100,000                              |                                |                     |