

RGGI Auction 34 was held on December 7, 2016 and monitored by Potomac Economics, an independent monitor of electricity markets retained to evaluate the RGGI CO<sub>2</sub> allowance market. Potomac observed the auction and found no material evidence of collusion or manipulation by bidders.

Below are key data and information on the results of the auction. Detailed analysis is available in the [Market Monitor Report for Auction 34](#).

### 1. Auction Statistics:

#### Current Control Period Offering

- Offering: 14,791,315
- 2016 CCR Allowances Available: 10,000,000
- Quantity Sold: 14,791,315
- Clearing Price: \$3.55
- Number of Bidders: 33
- Ratio of Bids to Initial Supply: 2.4
- Percent Won by Compliance Entities: 71%
- Percent Won by Compliance-Oriented Entities: 40%

### 2. Auction Participation:

A total of 48 potential bidders, listed by name in section 4 below, submitted an Intent to Bid in the auction.

The market monitor's report summarizes auction participation for three categories: Compliance Entities; Compliance-Oriented Entities; and Other Entities. Compliance Entities include firms with a compliance obligation, and their affiliates. Compliance-Oriented Entities are Compliance Entities that (in the market monitor's assessment) appear to acquire and hold allowances primarily to satisfy their compliance obligations. Other Entities include firms without any compliance obligation, as well as firms that have compliance obligations, but which hold a number of allowances that (in the market monitor's assessment) suggests that they are also buying for re-sale or some other investment purpose.

In Auction 34, Compliance-Oriented Entities purchased 40 percent of allowances.

In Auction 34, Compliance Entities purchased 71 percent of the allowances sold.

In the first 34 RGGI auctions, Compliance Entities purchased 77 percent of the allowances sold.

53 percent of allowances in circulation will be held by Compliance-Oriented Entities following the settlement of allowances sold in Auction 34.

59 percent of allowances in circulation will be held for compliance purposes following the settlement of allowances sold in Auction 34. The number of allowances that are believed to be held for compliance purposes includes 100 percent of the allowances held by Compliance-Oriented Entities, and a portion of allowances held by Other Entities for compliance purposes.

### **3. Dispersion of Bids**

In the offering of allowances for the current control period, bids were submitted by 21 Compliance-Oriented Entities and 12 Other Entities.

One Compliance-Oriented Entity and six Other Entities submitted bids for a large quantity of allowances (i.e., at least 2 million tons). Overall, Compliance-Oriented Entities accounted for 27 percent of the quantity of allowances for which bids were submitted. The quantity of allowances for which bids were submitted was 2.4 times the initial offering of 14,791,315 allowances.

### **4. Potential Bidders**

The following 48 potential bidders submitted their intent to bid in the auction.

- Astoria Energy, LLC
- Biourja Nehme Commodities, LLC
- BP Products North America Inc.
- Brooklyn Navy Yard Cogen Partners, LP
- Kendall Green Energy, LLC
- KMC Thermo, LLC
- Koch Supply & Trading, LLC
- Luminus Energy Partners LLC

- Caithness Long Island, LLC
- Calpine Energy Services, LP
- Castleton Commodities Merchant Trading, LP
- Cayuga Operating Company, LLC
- City of Dover
- Consolidated Edison Comp. of NY, Inc.
- Delaware City Refining Company, LLC
- Delaware Municipal Electrical Corp.
- Direct Energy Business Marketing, LLC
- Dominion Energy Marketing, Inc.
- DRW Commodities, LLC
- DTE Energy Trading, Inc.
- Energie Row, LLC
- Exelon Generation Company, LLC
- Five Rings Capital, LLC
- GDF SUEZ Energy Marketing NA, Inc.
- GenOn Energy Management, LLC
- Hawkeye Energy Greenport
- Indeck-Corinth Limited Partnership
- J-Power USA Development Co., Ltd.
- Macquarie Energy, LLC
- Massachusetts Muni. Wholesale
- Maxim Power (USA), Inc.
- Mercuria Energy America, LLC
- Morgan Stanley Capital Group
- National Grid Gen. dba National Grid
- NextEra Energy Power Marketing
- Old Dominion Electric Company
- Power Authority of the State of New York
- PSEG Energy Resources & Services
- Public Service Company of New Jersey
- RBC
- Selkirk Cogen Partners, LLC
- Statkraft Markets GmbH
- Taunton Municipal Light & Power
- Verso Corporation
- Village of Freeport
- Vitol Inc.
- Wallingford Energy, LLC