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Argus Air Daily

Environmental commodity markets coverage

Issue 26-146 | Monday 3 August 2026

MARKETS AND NEWS

- California Carbon Allowances (CCAs) neared a three-week high on Monday.
- Regional Greenhouse Gas Initiative (RGGI) CO₂ allowances fell.
- California Low Carbon Fuel Standard (LCFS) credits rose slowly higher in a session with little activity for other programs.
- PJM Class I renewable energy certificates (RECs) decreased, while Pennsylvania Tier II credits began the week trading higher.
- Cross-State Air Pollution Rule (CSAPR) allowances were flat on Monday.
- The US Environmental Protection Agency (EPA) has ruled on six Renewable Fuel Standard (RFS) waiver requests from federal 2023-24 biofuel blending requirements, declaring most ineligible, the agency said.

Global emissions pricing

	Price	±
Global compliance carbon index \$/t	77.88	-0.20
Global green power index \$/MWh	3.50	-0.04

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KEY MARKET PRICES

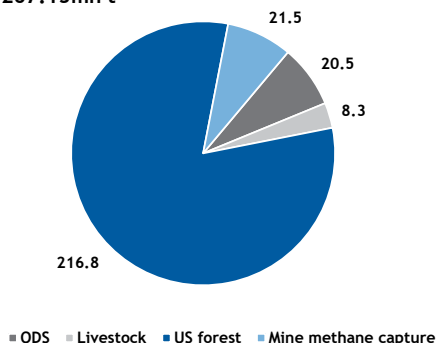
Carbon						\$/t
	Vintage	Delivery	MTD	Price	±	
CCA	2026	Dec 26		33.03	+0.39	
CCA VWA	2024-26	Dec 26	32.92			
RGGI CO ₂ allowances	2026	Dec 26		39.10	-0.16	
RGGI CO ₂ VWA	2024-26	Dec 26	39.10			
CCA/CCO 3				14.58	+0.39	
CCA/CCO 8				14.78	+0.39	
CCA/CCOG				13.96	+0.39	
Renewable fuels						¢/RIN
	Vintage	Delivery	Price	±	±2025	
LCFS California \$/t		spot	80.75	0.25		
LCFS Oregon \$/t		spot	140.00	0.00		
Renewable fuel (ethanol D6)	2026		216.63	5.38	+1.50	
Biomass-based diesel (D4)	2026		221.50	5.75	+2.00	
Cellulosic biofuel (D3)	2026		251.00	6.50	nc	
Advanced biofuel (D5)	2026		220.50	5.75	+2.00	
RECs						\$/MWh
	Vintage	Bid	Ask	Price	±	
RECs						
Massachusetts Class I	2026	38.50	39.00	38.75	nc	
Connecticut Class I	2026	38.60	39.10	38.85	nc	
New Jersey Class I	2026	26.75	27.25	27.00	nc	
Pennsylvania Tier I	2026	24.40	24.90	24.65	nc	
Maryland Tier I	2026	24.40	24.90	24.65	nc	
PJM tri-qualified Class I	2026	26.75	27.25	27.00	nc	
SRECs						
New Jersey	2026	191.00	195.00	193.00	-1.00	
Maryland	2026	42.75	43.25	43.00	nc	
Washington DC	2026	330.00	380.00	355.00	nc	
Green-e eligible RECs, 31 Jul						
National any	2026	1.65	1.75	1.70	nc	
Texas wind	2026	1.85	1.95	1.90	nc	
SO ₂ and NO _x allowances						\$/st
Vintage	Vintage	Bid	Ask	Price	±	
SO ₂ Cross-State Group 1	2026	2.00	4.00	3.00	nc	
SO ₂ Cross-State Group 2	2026	1.00	3.00	2.00	nc	
NO _x Cross-State annual	2026	2.00	4.00	3.00	nc	
NO _x Cross-State Group 2 seasonal	2026	1,275.00	1,465.00	1,370.00	nc	
NO _x Cross-State Expanded Group 2 seasonal	2026	1,250.00	1,350.00	1,300.00	nc	

*Tables include hyperlinks to those values maintained in the Argus database.

MARKET MOVES

CCOs issued to date, as of 21 Jul

Total CCOs: 267.13mn t



Market movers

	Price	%±
Largest gains		
British Columbia LCFS credits prompt, 2026, 2026, CAD/t	215.00	+4.88%
RIN advanced biofuel (D5), 2024, €/RIN	212.50	+3.53%
RIN renewable fuel (Ethanol D6), 2024, €/RIN	213.50	+3.52%
Largest losses		
Canada CFR gaseous credits prompt, 2026, 2026, CAD/t	405.00	-4.71%
Canada CFR credits prompt, 2026, 2026, CAD/t	420.00	-4.55%
PJM tri-qualified Class I year, 2028, \$/MWh	28.25	-0.88%

REGULATORY AND MARKET EVENTS CALENDAR

Date	Market	Event	More info
12-Aug	CCO	CARB issues California Carbon Offsets	https://ww2.arb.ca.gov/our-work/programs/compliance-offset-program
19-Aug	CCA	WCI quarterly carbon allowance auction	https://ww2.arb.ca.gov/our-work/programs/cap-and-trade-program/auction-information
26-Aug	CCO	CARB issues California Carbon Offsets	https://ww2.arb.ca.gov/our-work/programs/compliance-offset-program
26-Aug	CCA	WCI quarterly carbon allowance auction results	https://ww2.arb.ca.gov/our-work/programs/cap-and-trade-program/auction-information
31-Aug	REC	PJM July 2026 REC issuance	https://www.pjm-eis.com/reports-and-events/public-reports
9-Sep	RGGI	RGGI quarterly allowance auction	https://www.rggi.org/auctions/auction-materials
9-Sep	CCO	CARB issues California Carbon Offsets	https://ww2.arb.ca.gov/our-work/programs/compliance-offset-program
11-Sep	RGGI	RGGI quarterly allowance auction results	https://www.rggi.org/auctions/auction-results
23-Sep	CCO	CARB issues California Carbon Offsets	https://ww2.arb.ca.gov/our-work/programs/compliance-offset-program
14-Oct	CCO	CARB issues California Carbon Offsets	https://ww2.arb.ca.gov/our-work/programs/compliance-offset-program
28-Oct	CCO	CARB issues California Carbon Offsets	https://ww2.arb.ca.gov/our-work/programs/compliance-offset-program
30-Oct	REC	PJM September 2026 REC issuance	https://www.pjm-eis.com/reports-and-events/public-reports
30-Oct	LCFS	CARB publishes 2026 second quarter LCFS data	https://ww2.arb.ca.gov/resources/documents/low-carbon-fuel-standard-reporting-tool-quarterly-summaries
9-Nov	Carbon	UN Cop 31 begins	https://cop31.tr/
20-Nov	Carbon	UN Cop 31 scheduled final day	https://cop31.tr/
30-Nov	REC	PJM October 2026 REC issuance	https://www.pjm-eis.com/reports-and-events/public-reports
31-Dec	REC	PJM November 2026 REC issuance	https://www.pjm-eis.com/reports-and-events/public-reports

CARBON MARKETS

CANADA

Quebec carbon price for gasoline, diesel				C¢/l
Fuel	Price	±		
Gasoline	9.46	+0.11		
Diesel	12.07	+0.14		
<i>Represents the per-litre cost of compliance for distributors</i>				
Alberta CO ₂ offsets, 31 Jul				C\$/t
Vintage	Bid	Ask	Price	±
Renewable energy 2026	27.00	31.00	29.00	nc

WASHINGTON

Washington carbon allowances (WCA)						\$/t
Vintage	Delivery	Bid	Ask	Price	±	
2026	Aug 26	54.15	54.75	54.45	-0.25	
	Dec 26	54.95	55.55	55.25	-0.25	
WCA price for gasoline, diesel						¢/USG
Fuel	Price	±	Price	±		
Gasoline	Summer		Winter			
Regular	44.66	-0.20	43.61	-0.20		
Midgrade	44.72	-0.20	43.85	-0.21		
Premium	44.78	-0.20	44.10	-0.20		
Distillate	ULSD No. 2					
Ultra-low sulfur diesel			55.74	-0.26		
<i>Represents the per-gallon cost of compliance for distributors</i>						

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COMMENTARY

CCAs

California Carbon Allowances (CCAs) neared a three-week high on Monday.

CCAs for December 2026 rose by 39¢ to \$33.03/metric tonnes (t), while CCAs for December 2027 climbed by 39¢ to \$34.98/t.

Prompt-month CCAs added 38¢ to reach \$32.47/t.

The gains put CCAs at their highest level since 17 July,

CALIFORNIA

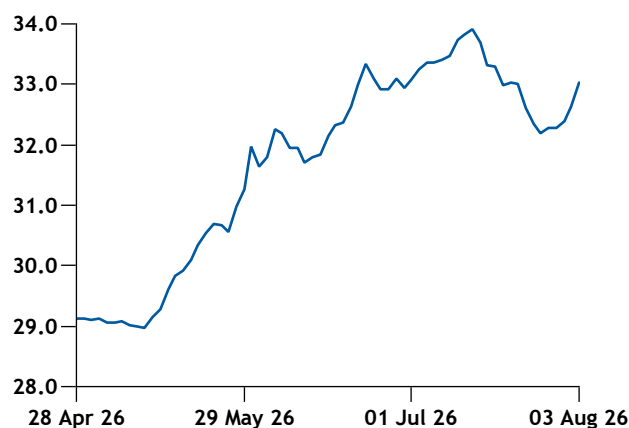
California carbon allowances (CCA)						\$/t
Vintage	Delivery	Bid	Ask	Price	±	
2026	Aug 26	32.42	32.52	32.47	+0.38	
	Dec 26	32.98	33.08	33.03	+0.39	
2027	Dec 27	34.93	35.03	34.98	+0.39	
CCA volume-weighted averages						\$/t
Vintage	Delivery	Low	High	VWA	MTD VWA	
2024-26	Dec 26	32.71	33.08	32.92	32.92	
Vintage	Delivery	Trades	MTD	Volume	MTD	
2024-26	Dec 26	278	278	1,055,000	1,055,000	
CCA carbon price for gasoline, diesel						¢/USG
Fuel	Price	±	Price	±		
Carbob	Summer		Winter			
Regular	26.17	+0.31	26.10	+0.31		
Midgrade	26.10	+0.30	26.10	+0.31		
Premium	26.05	+0.30	26.12	+0.31		
Distillate	ULSD No. 2					
Ultra-low sulfur diesel			33.24	+0.39		
<i>Represents the per-gallon cost of compliance for distributors</i>						
California Carbon offsets (CCO), 31 Jul						\$/t
	Bid	Ask	Price	±		
Seller-guaranteed (CCOG)	18.97	19.17	19.07	+0.27		
3-year invalidation (CCO 3)	18.35	18.55	18.45	+0.08		
8-year invalidation (CCO 8)	18.15	18.35	18.25	+0.08		
CCO-G DEBS	23.72	23.92	23.82	+0.39		
CCO-3 DEBS	23.10	23.30	23.20	+0.20		
CCO-8 DEBS	22.90	23.10	23.00	+0.20		
<i>DEBS represent offsets that provide direct environmental benefits in the state</i>						
California carbon spreads						\$/t
	Price	±				
CCA/CCO 3	+14.58	+0.39				
CCA/CCO 8	+14.78	+0.39				
CCA/CCOG	+13.96	+0.39				
CCA Aug 26/CCA Dec 26	-0.56	-0.01				
CCA Dec 26/CCA Dec 27	-1.95	nc				

although the reason for the price movement is unclear. The market remains on watch for the California Office of Administrative Law (OAL) to finish its review of whether the latest cap-and-invest rulemaking complies with state law and procedures. The California Air Resources Board (CARB) filed the package with OAL last month, but the agency had not issued

CARBON MARKETS

California Carbon allowances

\$/t



a decision in the latest update. CARB plans to implement the rules on 1 September.

Washington Carbon Allowances (WCAs) slipped lower on Monday.

WCAs for December delivery fell by 25¢ to \$55.25/t, while prompt-month WCAs sidled lower by 25¢ to \$54.45/t.

Trading was light over the day and centered on December-delivery WCAs.

Participants may be anticipating additional supply from the 2 September quarterly auction, when Ecology plans to offer nearly 6.3mn vintage 2023-26 WCAs starting at \$27.92/t. Ecology also will hold its annual pre-compliance reserve auction for covered entities on 30 September, offering just under 172,400 vintage-less WCAs starting at this year's reserve price of \$65.26/t.

Participants remain concerned about perceived tight allowance supply, while linkage talks with the Western Climate Initiative are still in progress. But the reserve price remains significantly higher than recent assessments.

RGGI

Regional Greenhouse Gas Initiative (RGGI) CO₂ allowances fell on Monday.

December 2026 allowances fell by 16¢ to \$39.10/st while December 2027 allowances dropped by 8¢ to \$38.54/st.

Prompt-month allowances fell by 18¢ to \$38.74/st.

The declines came in a sluggish session. The RGGI market has remained bearish in recent weeks, with allowance prices generally trending lower. Milder temperatures across the

RGGI

RGGI CO ₂ allowances					\$/st
Vintage	Delivery	Bid	Ask	Price	±
2026	Aug 26	38.69	38.79	38.74	-0.18
	Dec 26	39.05	39.15	39.10	-0.16
	Dec 27	38.49	38.59	38.54	-0.08

RGGI CO ₂ volume-weighted averages					\$/st
Vintage	Delivery	Low	High	Daily	MTD
2024-26	Dec 26	39.05	39.45	39.10	39.10
	Aug 26	na	na	38.74	na

Weekly index, 31 Jul				\$/st
	Delivery	Vintage	Index	±
RGGI CO ₂ allowances	Dec 26	2024-26	39.24	-1.49

RGGI CO ₂ spreads				\$/t
Price				±
Aug 26/Dec 26			-0.36	-0.02
Dec 26/Dec 27			+0.56	-0.08

eastern US have reduced electricity demand, limiting emissions from power generators and easing near-term compliance demand for allowances.

In addition, market participants continue to weigh the prospect of increased allowance supply after the RGGI states last month announced plans to add 3.5mn "set-aside" allowances to the September auction offering and 2.2mn to the December auction offering. That added supply has tempered concerns about a tighter market following Virginia's return to the program on 1 July.

Summer weather and electricity demand are likely to remain key drivers of the market in the near term. The next RGGI auction, scheduled for 9 September, will provide the first indication of how the additional allowances will affect market sentiments.

US Democratic lawmakers reintroduced the Carbon Dioxide Removal Leadership Act on 29 July, [which would require](#) the Department of Energy to procure increasing volumes of carbon dioxide removals through direct air capture and other qualifying technologies. The proposal aims to create an early market for carbon removal projects by making the federal government a purchaser of CO₂ removals.

RENEWABLE FUEL MARKETS

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COMMENTARY

LCFS

California Low Carbon Fuel Standard (LCFS) credits rose slowly higher in a session with little activity for other programs.

Spot credits rose by 25¢ to \$80.75/t. Fourth quarter 2026 credits traded at \$81/t early in the trading day. Current quarter credits traded at \$70.75/t and then \$80/t in the first

US LCFS cost for gasoline, diesel				¢/USG
Fuel	Vintage	Price		±
California LCFS				
Carbob (No CI ethanol)	2026	22.10		+0.07
	2027	23.35		+0.07
	2028	24.60		+0.08
Carbob (79.9 CI ethanol)	2026	22.41		+0.07
	2027	23.76		+0.08
	2028	25.10		+0.08
Ultra-low sulphur diesel	2026	27.79		+0.09
	2027	29.46		+0.09
	2028	31.12		+0.10
Crude CI deficit Carbob	2026	1.00		nc
Crude CI deficit diesel	2026	1.13		nc
Oregon CFP				
E10 gasoline	2026	19.19		nc
B5 diesel	2026	23.14		nc
Washington CFS				
E10 gasoline	2026	6.85		nc
Gasoline	2026	8.65		nc
B2.5 diesel	2026	7.86		nc
Diesel	2026	9.07		nc
New Mexico CTFP				
Gasoline	2026	5.94		nc
Diesel	2026	2.76		nc

Represents per-gallon cost of compliance.

Canada CFR cost				C¢/l
Fuel		Price		±
Canada				
Gasoline		11.66		-0.55
Diesel		12.99		-0.61
Marine gasoil \$/t		109.55		-5.21
Atlantic Canada*				
Gasoline		21.10		+0.51
Diesel		23.51		+0.57

*Modelled series representing cost of compliance.

Low-carbon fuel standard (LCFS) credits					\$/t
	Delivery	Bid	Ask	Price	±
California LCFS	spot	80.50	81.00	80.75	+0.25
	3Q26	80.50	81.00	80.75	+0.25
	4Q26	81.00	82.00	81.50	nc
	1Q27	82.00	83.00	82.50	nc
	2Q27	83.00	84.00	83.50	nc
Oregon CFP	spot	135.00	145.00	140.00	nc
	3Q26	135.00	145.00	140.00	nc
	4Q26	135.00	145.00	140.00	nc
	1Q27	135.00	145.00	140.00	nc
	2Q27	135.00	145.00	140.00	nc
Washington CFS	spot	83.00	84.00	83.50	nc
New Mexico CTFP	spot	170.00	175.00	172.50	nc
Canada CFR C\$/t	spot	410.00	430.00	420.00	-20.00
Canada CFR G C\$/t	spot	400.00	410.00	405.00	-20.00
British Columbia LCFS C\$/t	spot	210.00	220.00	215.00	+10.00

LCFS volume-weighted averages					\$/t
	Delivery	Trades	Volume	MTD VWA	
California	Spot	5	45,000		80.31
	4Q26	3	30,000		81.25

LCFS premium per carbon intensity point				¢/USG
		Price		±
California LCFS				
Ethanol		0.66		nc
Biodiesel		1.02		nc
Alternative jet		1.02		nc
Renewable diesel		1.05		+0.01
Oregon CFP				
Ethanol		1.14		nc
Biodiesel		1.77		nc
Alternative jet		1.77		nc
Renewable diesel		1.82		nc
Washington CFS				
Ethanol		0.68		nc
Biodiesel		1.05		nc
Renewable diesel		1.08		nc

Represents cost savings of using ethanol, biodiesel or alternative jet fuel.

California LCFS market biomethane value				\$/mnBtu
	Natural gas	Landfill biomethane	Dairy biomethane	
SoCal Citygates	3.01	35.42		56.43
PG&E Citygates	2.46	34.86		55.88

Oregon CFP market biomethane value				\$/mnBtu
	Natural gas	Landfill biomethane	Dairy biomethane	
PG&E Malin	2.83	37.19		73.63

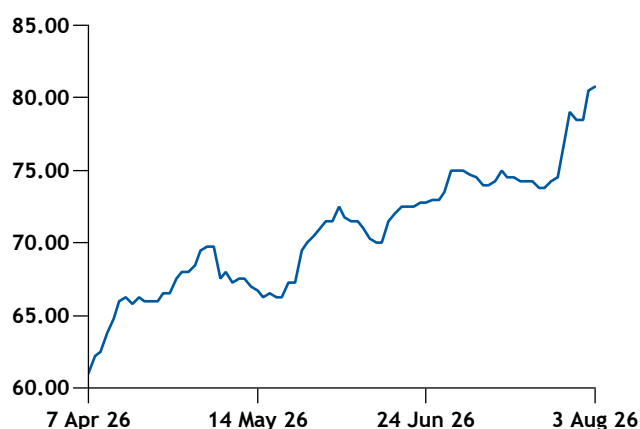
Renewable Thermal Certificates (RTCs), 30 Jul					\$/mnBtu
Vintage	Bid	Ask	Price		±
BH25	4.00	9.00	6.50		nc
FH26	13.25	14.50	13.88		+0.63
BH26	13.25	14.50	13.88		+0.50
FH27	17.50	18.25	17.88		nc
BH27	17.50	18.25	17.88		nc

CFP stands for clean fuels program, CFR stands for clean fuel regulations and CFS stands for clean fuel standard.

RENEWABLE FUEL MARKETS

California LCFS spot

\$/t



half of the session. Current quarter credits traded at \$80.50/t and fourth quarter 2026 credits traded at \$81.25/t early in the second half of the session, followed later by a fourth quarter trade at \$81.50/t and finally a current quarter trade at \$80.75/t.

Futures volume surged to 736,500 t, the highest volume since January. It was the fifth-highest volume in *Argus* data stretching back to 2020.

Other program credits heard little discussion over the course of the session. Canadian Clean Fuel Regulations credits fell by C\$20 to C\$420/t (\$299.02), where credits traded Friday.

It was the first session since [California data](#) showing the largest draw in program history on credits available for future compliance. New deficits generated during the first quarter rose as new credit generation from renewable diesel shrank to the lowest level in more than four years. New deficits have outpaced new credits for three consecutive quarters since the California Air Resources Board began enforcing tougher targets and other changes in July 2025.

RINs

The amount of newly exempted biofuel blending volumes for previous years' obligation confirmed by the US EPA on Monday was below market expectation, boosting RIN prices.

EPA officials granted just one full small refinery exemption alongside two partial exemptions and denied three petitions. Consequently the *Argus* Renewable Volume Obligation (RVO)

Renewable identification numbers (RINs)		¢/RIN	
	Low	High	±
Renewable fuel (ethanol D6)			
Weighted average, 2026		216.70	
2024	212.00	215.00	+7.25
2025	210.75	219.50	+5.38
2026	212.25	221.00	+5.38
2027	211.75	221.00	+5.38
Biomass-based diesel (D4)			
2024	212.00	215.00	+7.25
2025	215.00	224.00	+4.75
2026	217.00	226.00	+5.75
2027	218.00	228.50	+6.25
Cellulosic biofuel (D3)			
2024	246.00	248.00	+6.50
2025	250.00	252.00	+6.50
2026	250.00	252.00	+6.50
2027	242.00	244.00	+6.50
Advanced biofuel (D5)			
2024	211.00	214.00	+7.25
2025	214.00	223.00	+4.75
2026	216.00	225.00	+5.75
2027	217.00	227.50	+6.25

Renewable fuel spreads		
	Price	±
LCFS California spot/LCFS California 4Q26, \$/t	-0.75	+0.25
LCFS California spot/LCFS Oregon spot, \$/t	-59.25	+0.25
Advanced biofuel (D5) RIN 2025/2026 ¢/RIN	-2.00	-1.00

rose to 34.12¢/USG over the course of the day, a gain of 0.86¢/USG compared to Friday's closing value.

Current year ethanol D6 RINs began the day valued at roughly 216¢/RIN before decreasing slightly and then increasing sharply to 221¢/RIN following the EPA's announcement for an overall gain of 5.375¢/RIN. Vintage 2024 D6 credits, which match the calendar year associated with the new SRE exemptions, exchanged hands a single time at 215¢/RIN.

Vintage 2026 biomass-based diesel D4 RINs were valued at a premium of between 4.5¢/RIN and 5¢/RIN relative to concurrent D6 counterparts. Outright deals were struck as high as 226¢/RIN.

Vintage 2026 cellulosic biofuel D3 RINs traded at 250¢/RIN and 252¢/RIN for a gain of 6.5¢/RIN.

RENEWABLE ENERGY CERTIFICATE (REC) MARKETS

Weekly REC market prices, 31 Jul					\$/MWh
	Vintage	Bid	Ask	Price	±
Connecticut					
Class III	2026	28.50	29.50	29.00	nc
	2027	28.50	29.00	28.75	nc
New Hampshire					
Class I	2026	38.60	39.10	38.85	+0.10
	2027	36.00	36.50	36.25	nc
Rhode Island					
New	2026	38.60	39.10	38.85	+0.10
	2027	36.00	36.50	36.25	nc
New Jersey					
Class II	2026	25.15	25.65	25.40	nc
	2027	25.75	26.25	26.00	nc
Pennsylvania					
Tier 2	2026	26.25	27.25	26.75	+0.75
	2027	25.75	26.25	26.00	nc
Virginia					
Compliance	2026	23.25	24.25	23.75	-0.50
California					
PCC 1	2026	10.00	10.50	10.25	nc
PCC 3	2026	1.70	2.40	2.05	nc
Texas					
Solar	2026	1.85	1.95	1.90	nc
	2027	2.10	2.20	2.15	-0.01
REC spreads					\$/MWh
				Price	±
PJM tri-qualified Class I 2026/2027				-1.00	+0.10
Massachusetts Class I 2026/2027				+2.75	nc
Connecticut Class I 2026/2027				+2.60	nc
New Jersey Class I 2026/2027				-1.00	+0.10
New Jersey SREC 2026/2027				+16.00	-1.00

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COMMENTARY

RECs

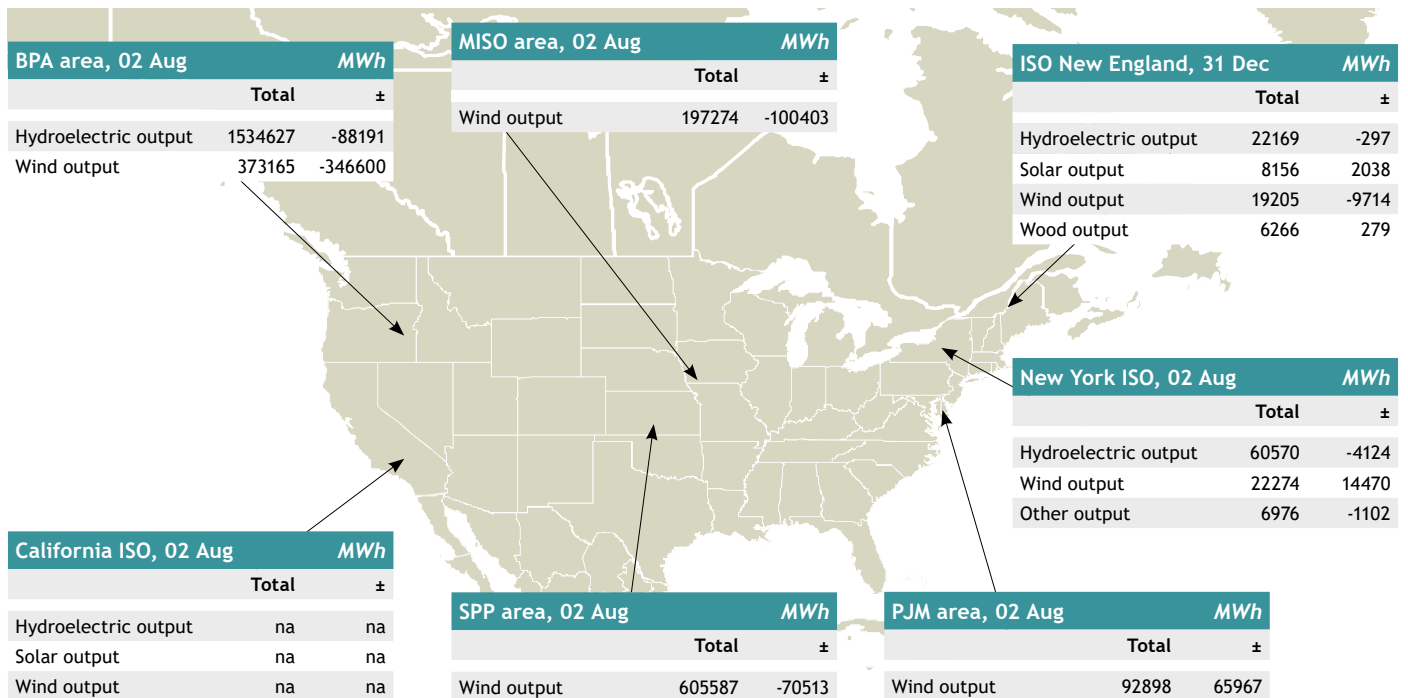
PJM Class I renewable energy certificates (RECs) decreased on Monday, while Pennsylvania Tier II credits began the week trading higher.

PJM RECs for 2027 fell by 10¢ to \$28/MWh. The 2028 credits fell by 25¢ to \$28.25/MWh, while their 2029 counterparts

REC market prices					\$/MWh
	Vintage	Bid	Ask	Price	±
Massachusetts					
Class I	2026	38.50	39.00	38.75	nc
	2027	35.75	36.25	36.00	nc
SREC II	2026	221.00	225.00	223.00	nc
Connecticut					
Class I	2026	38.60	39.10	38.85	nc
	2027	36.00	36.50	36.25	nc
Nepool dual class					
Class I	2026	38.60	39.10	38.85	nc
	2027	36.00	36.50	36.25	nc
New Jersey					
Class I	2026	26.75	27.25	27.00	nc
	2027	27.75	28.25	28.00	-0.10
SREC	2026	191.00	195.00	193.00	-1.00
	2027	175.00	179.00	177.00	nc
Pennsylvania					
Tier I	2026	24.40	24.90	24.65	nc
	2027	24.55	25.05	24.80	nc
SREC	2026	24.40	24.90	24.65	nc
	2027	24.85	25.35	25.10	nc
Maryland					
Tier I	2026	24.40	24.90	24.65	nc
	2027	24.20	24.70	24.45	nc
SREC	2026	42.75	43.25	43.00	nc
	2027	33.50	34.00	33.75	nc
PJM tri-qualified					
Class I	2026	26.75	27.25	27.00	nc
	2027	27.75	28.25	28.00	-0.10
	2028	28.00	28.50	28.25	-0.25
	2029	28.10	28.60	28.35	-0.10
District of Columbia					
SREC	2026	330.00	380.00	355.00	nc

Weekly Green-e eligible REC market prices, 31 Jul					\$/MWh
	Vintage	Bid	Ask	Price	±
National any	2026	1.65	1.75	1.70	nc
	2027	1.95	2.05	2.00	nc
Texas wind	2026	1.85	1.95	1.90	nc
	2027	2.10	2.20	2.15	-0.01
	2H25	1.70	1.80	1.75	nc
	1H26	1.79	1.89	1.84	-0.01
	2H26	1.90	2.00	1.95	nc
	1H27	2.00	2.10	2.05	nc
	2H27	2.20	2.30	2.25	-0.01
	1H28	2.25	2.35	2.30	nc

RENEWABLE ENERGY CERTIFICATE (REC) MARKETS



dropped by 10¢ to \$28.35/MWh. The 2026 vintage was unchanged at \$27/MWh.

The 2027 credits traded during the second half of the session at \$28.10/MWh, then again at \$28/MWh late in the day. The 2028 and 2029 credits went in a series of strip trade, first at \$28.35/MWh, then \$28.30/MWh and \$28.25/MWh, each time for 10,000MWh/yr.

Open interest in PJM futures on the Intercontinental Exchange fell by 0.4pc week over week to about 312,500 contracts for the week ended 28 July, the US Commodity Futures Trading Commission said in its latest commitments of traders update. It is the first decline since the week ended 16 June. Speculative traders reduced their net-short position by 2pc to under 31,000 contracts, while cutting their aggregate long positions by 4pc to roughly 37,400 contracts.

Pennsylvania Tier II credits for 2026 traded over the counter early in the session at \$28/MWh, \$1.25 higher than Argus assessed the vintage last week. The RECs subsequently changed hands on the Nodal Exchange at \$27.25/MWh. The 2027 vintage traded twice on Nodal at \$27.25/MWh, also \$1.25 higher than last week's assessment, and went over the counter at \$26.75/MWh.

Pennsylvania's 2026 reporting year ended on 31 May, and the state gives utilities until 1 September to demonstrate

compliance with their annual obligations, 10pc of retail sales. Demand during the true-up period can bolster the market, and some participants have recently reported difficulty in locating the Tier II RECs on the secondary market, which may be strengthening the effect.

Down the curve, the 2028 Tier II RECs traded over the counter at \$26.25/MWh for around 10,000MWh and went as one leg of a strip transaction with the 2029 vintage at \$26/MWh.

PJM Class I current year

\$/MWh



FEDERAL MARKETS

NEWS INSIDE

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COMMENTARY

NO_x and SO₂

Cross-State Air Pollution Rule (CSAPR) allowances were flat on Monday.

Group 2 seasonal NO_x allowances were unchanged at \$1,370/short ton (st), while expanded Group 2 seasonal NO_x allowances held steady at \$1,300/st.

Annual NO_x allowances were idle at \$3/st.

Group 1 SO₂ allowances were flat at \$3/st, while Group 2 SO₂ allowances remain at \$2/st.

The US Environmental Protection Agency (EPA) reported no allowance transfers between unrelated entities for Friday, the third consecutive day of no data. Transfer activity across the market has remained limited this year due to large allowance banks that substantially exceed annual compliance needs. That oversupply has contributed to persistent illiquidity, with prices often moving on relatively little trading activity.

Coal-fired generation – a major source of NO_x and SO₂ emissions – in the Midcontinent Independent System Operator (MISO) increased by nearly 12pc last week, compared to the previous week, while dispatch in Southwest Power Pool (SPP) fell 7.4pc.

SO₂ and NO_x allowances

Vintage	Vintage	Bid	Ask	Price	±
SO ₂					
Acid Rain Program \$/allowance	2026	0.45	0.85	0.65	nc
Cross-State Group 1 \$/st	2026	2.00	4.00	3.00	nc
Cross-State Group 2 \$/st	2026	1.00	3.00	2.00	nc
Cross-State \$/st	Group avg			2.50	nc
NO _x \$/st					
Cross-State annual	2026	2.00	4.00	3.00	nc
Cross-State Group 2 seasonal	2026	1,275.00	1,465.00	1,370.00	nc
Cross-State Expanded Group 2 seasonal	2026	1,250.00	1,350.00	1,300.00	nc

Weekly index, 31 Jul

\$/allowance

	Vintage	Index	±
SO ₂	2026	0.65	nc

Sustained increases in coal-fired generation could support compliance demand for CSAPR NO_x and SO₂ allowances later in the year, as the Trump administration has continued to promote policies aimed at extending domestic coal usage. While coal power remains on a downward trajectory, escalating demand from the artificial intelligence data center boom could extend the fuel's role in electricity demand and moderate its decline.

Coal-fired power has been on a general decline in major US grids such as SPP and MISO since the beginning of this year despite stronger electricity demand, which has been offset met largely by increased use of nuclear, renewables and natural gas-fired generation. That decline could prove to be yet another bearish factor in the seasonal NO_x markets this year. The ozone season ends in September.

Texas Emissions Reduction Credit (ERC) program

Date	Seller	Buyer	Amount st	\$/st
NO _x trades				
3 Mar 26	Amerex Brokers	Chevron Phillips Chemical	1	180,000
13 Nov 25	Fathom Energy	Amerex Brokers	1.1	183,077
17 Oct 25	QESC	Anew Environmental	0.4	50,000
17 Oct 25	QESC	Anew Environmental	1.5	50,000
17 Oct 25	QESC	Anew Environmental	0.6	50,000
VOC trades				
1 Jul 26	Lindow Oil and Gas	Anew Environmental	1.4	180,000
1 Jul 26	Summit Rock Zero Emissions	Enterprise Products	1.6	245,000
25 Jun 26	Proline Energy Resources	Anew Environmental	1.2	200,000
28 May 26	Proline Energy Resources	Anew Environmental	1.0	200,000
19 May 26	Fathom Energy	Emissions Experts	0.6	295,000

MONTHLY PRICE INDEXES

Carbon markets, July

	Vintage	Index	±
CCA prompt \$/t	2026	32.37	+0.84
CCA Dec 26 \$/t	2026	33.06	+0.69
CCA Dec 27 \$/t	2027	35.01	+0.69
WCA prompt \$/t	2026	54.51	-5.36
WCA Dec 26 \$/t	2026	53.54	-5.38
RGGI CO ₂ prompt \$/st	2026	41.34	-1.04
RGGI Dec 26 \$/t	2026	41.85	-1.24
RGGI Dec 27 \$/t	2027	40.08	-0.42
California regular Carbob €/USG	2026	26.08	+0.67
California midgrade Carbob €/USG	2026	26.02	+0.67
California premium Carbob €/USG	2026	25.97	+0.67
California distillate ULSD €/USG	2026	33.13	+0.85
Washington regular gasoline summer €/USG	2026	43.91	-4.42
Washington midgrade gasoline summer €/USG	2026	43.97	-4.42
Washington premium gasoline summer €/USG	2026	44.03	-4.43
Washington distillate ULSD €/USG	2026	54.81	-5.51
Quebec gasoline CA€/l	2026	9.49	+0.29
Quebec diesel CA€/l	2026	12.10	+0.37
Alberta CO ₂ offsets C\$/t	2026	30.500	nc

Allowance markets, July

	Vintage	Index	±
SO ₂ Acid Rain Program \$/allowance	2026	0.65	nc
SO ₂ Cross-State Group 1 \$/st	2026	3.00	nc
SO ₂ Cross-State Group 2 \$/st	2026	2.00	nc
Cross-State annual NO _x \$/st	2026	3.00	nc
Cross-State Group 2 seasonal NO _x \$/st	2026	1,342.73	+109.40
Cross-State Expanded Group 2 seasonal NO _x \$/st	2026	1,345.45	+60.93

Monthly indexes are calculated as the average daily price published for the named month.

Renewable fuel markets, July

	Vintage	Index	±
D5 RINs €/RIN	2026	239.71	-0.69
LCFS California \$/t		75.36	+3.34
LCFS California 4Q \$/t		76.35	+3.36
LCFS Oregon \$/t		147.73	-3.70

REC markets, July

	Vintage	Index	±
Massachusetts Class I	2026	38.31	-0.78
	2027	35.89	-1.96
Massachusetts SREC II	2026	223.64	-5.05
Connecticut Class I	2026	38.53	-0.63
	2027	36.11	-1.79
NEPOOL dual-qualified	2026	38.59	-0.62
	2027	36.16	-1.78
New Jersey Class I	2026	27.36	-0.21
	2027	28.18	+0.31
New Jersey SREC	2026	193.98	+0.83
	2027	177.36	+0.75
Pennsylvania Tier I	2026	25.00	-0.20
Pennsylvania SREC	2026	25.09	-0.12
Maryland Tier I	2026	24.63	+0.10
Maryland SREC	2026	43.09	-0.01
PJM tri-qualified	2026	27.39	-0.26
	2027	28.22	+0.30
District of Columbia SREC	2026	368.32	-5.01

Low-carbon Fuel Standard Program Developments

Region	Proposed carbon intensity reduction targets	State of Play
Canada	14pc from 2016 levels by 2030	Enforcement began July 2023
California	9pc stepdown in 2025	Implementation began July 2025
Hawaii	10pc by 2035	Program in development
Oregon	20pc by 2030	Rulemaking Advisory committee meeting 10 June
Washington	20pc from 2017 levels by 2038	New rulemaking begun January 2026
Minnesota	25pc from 2018 by 2030, 75pc by 2040	Work group studying LCFS concepts completed
New Mexico	20pc below 2018 by 2030	Program start 1 April 2026
New York	20pc by 2030	Filed in Assembly, Senate

NEWS

CARBON

US commercial traders add to CCA positions

US commercial traders increased their positions for vintage 2026 California Carbon Allowances (CCA) in the week ended 28 July, according to US Commodity Futures Trading Commission (CFTC) data.

California Carbon Allowances

- Open interest for vintage 2026 CCAs rose by 4.4pc to about 209,500 contracts, marking a fourth weekly gain.
- Commercial traders bolstered their long positions for vintage 2026 allowances by nearly 18pc to about 55,300 contracts and increased their short positions by 4.3pc to over 148,400 contracts.
- Non-commercial traders, or speculators, increased their short positions for vintage 2026 allowances by 2.8pc to nearly 48,500 contracts, for a narrower net long of about 93,000 contracts.
- Open interest for vintage 2027 CCAs ticked up by 1.4pc to about 29,500 contracts.
- CCAs were on a downward trend over the week the data covers while participants await updates on the status of the state's cap-and-invest rulemaking. Regulators submitted the rulemaking package to the Office of Administrative Law (OAL) for review last month, with plans to enact the amendments on 1 September.

Regional Greenhouse Gas Initiative

- Open interest for vintage 2026 Regional Greenhouse Gas Initiative (RGGI) allowances inched up by 1.5pc to over 59,600 contracts.
- Speculators lowered their long positions for vintage 2026 allowances by 3.3pc to over 11,900 contracts and slashed their short positions by nearly 7pc to about 5,000 contracts.
- Open interest for vintage 2027 RGGI allowances edged down by 1.3pc to over 21,700 contracts.
- Speculators boosted their long positions by nearly 44pc to over 2,700 contracts and increased their short positions by 4.3pc to over 12,800 contracts.
- RGGI allowances fell to their lowest level since 8 June over the week the data covers. Bearishness has been looming over the market, spurred by milder weather in the northeastern US and the prospect of added supply in the last two auctions of this year, which will be held in September and December.

Washington Carbon Allowances

- Open interest for vintage 2026 Washington Carbon Allowances (WCA) barely changed, ticking up by less than 1pc to about 6,000 contracts.
- Commercial traders increased their long positions by less than 1pc to more than 1,900 contracts, for a tighter net short of about 160 contracts.
- Speculators barely shifted their long and short positions by less than 1pc, for a net long of about 280 contracts.
- Allowances rose marginally over the week the data covers while participants await updates on the progress over linkage with the larger Western Climate Initiative, which would add liquidity to allowance supplies and ease compliance concerns in the tightly supplied program.

By Ida Balakrishna

US carbon options and futures			'000s
Week ended:	28 Jul	21 Jul	±%
California CA 2026			
Open interest	209.5	200.7	+4.4
Non-commercial (long)	141.5	142.4	-0.7
Non-commercial (short)	48.5	47.2	+2.8
Commercial (long)	55.3	46.9	+17.9
Commercial (short)	148.4	142.3	+4.2
California CA 2027			
Open interest	29.5	29.1	+1.4
Non-commercial (long)	12.6	12.0	+4.9
Non-commercial (short)	5.1	5.2	-2.8
Commercial (long)	16.5	16.7	-1.1
Commercial (short)	24.0	23.4	+2.3
Washington CA 2026			
Open interest	5.1	5.0	+0.4
Non-commercial (long)	3.0	3.0	-0.1
Non-commercial (short)	2.8	2.7	+0.6
Commercial (long)	1.9	1.9	+0.8
Commercial (short)	2.1	2.1	-0.2
RGGI 2026			
Open interest	59.6	58.8	+1.5
Non-commercial (long)	11.9	12.3	-3.3
Non-commercial (short)	5.0	5.3	-6.9
Commercial (long)	44.2	43.8	+0.9
Commercial (short)	51.2	50.9	+0.7

Numbers may not tally because of rounding

— CFTC

NEWS

US lawmakers revive DOE carbon-removal bill

US Democratic lawmakers have brought back legislation to support the development of CO₂-removal technologies by requiring the federal government to invest in direct air capture (DAC) and similar projects.

The Carbon Dioxide Removal Leadership Act would require the US Department of Energy (DOE) to remove an increasing volume of CO₂ using DAC and other durable technology-based removal solutions.

The goal is to help bring CDR technologies to scale by making the federal government a customer of CO₂ removals, while supporting domestic job creation and community benefits.

“Our bill would invest in promising carbon removal technologies and help put the planet on a pathway to climate safety,” said senator Sheldon Whitehouse (D-Rhode Island), one of the bill’s sponsors.

The bill is also sponsored by senator Chris Coons (D-Delaware) and representatives Scott Peters (D-California) and Paul Tonko (D-New York).

Under the proposal, DOE would procure increasing volumes of CO₂ removals through direct air capture and other qualifying technologies. The legislation would establish a declining per-ton price ceiling to encourage cost reductions over time while allowing DOE flexibility to invest in emerging technologies with high potential.

If enacted, the bill would require DOE to purchase 50,000 metric tonnes (t)/yr of CO₂ removals initially before increasing procurement to 10mn t/yr by 2035. DOE could enter into

contracts lasting up to 15 years with project developers, while annual cost caps would decline from \$750/t at the start of the program to \$150/t by 2035.

The bill also would require robust standards for measurement, monitoring, reporting and verification of carbon removals, while setting aside a portion of procurement for newer carbon removal technologies to encourage a broader portfolio of projects.

The bill’s prospects are uncertain in the Republican-controlled Congress. Previous versions introduced in 2022 and 2024 did not advance.

By Ally Camet

RENEWABLE FUELS**EPA rules on 2023-24 RFS waivers**

The US Environmental Protection Agency (EPA) has ruled on six Renewable Fuel Standard (RFS) waiver requests from federal 2023-24 biofuel blending requirements, declaring most ineligible, the agency said.

The RFS requires refiners to blend various types of biofuels each year on an increasing scale or meet their obligations by buying credits, known as renewable identification numbers (RINs), from the secondary market.

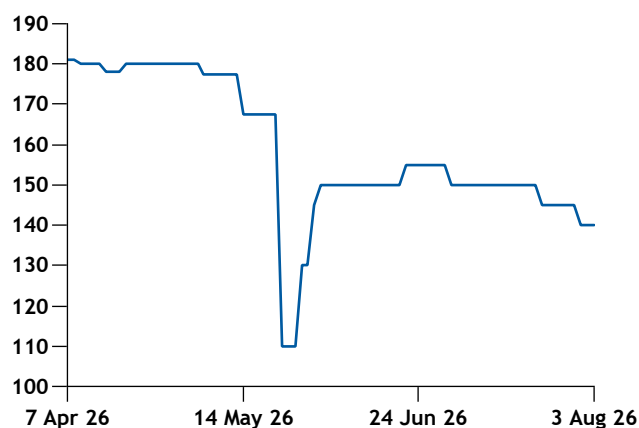
The EPA acted on the petitions on Monday, exempting renewable fuel obligations equal to 160mn RINs.

Refiners operating facilities with a nameplate capacity of 75,000 b/d or less can petition the EPA for an annual exemption from RFS obligations if they show that compliance would cause disproportionate economic hardship. These are known as small refinery exemptions (SREs). The EPA can grant full, partial or no relief.

Delek received a full exemption for its 80,000 b/d refinery in Krotz Springs, Louisiana, from its 2024 renewable volume obligations (RVO). HF Sinclair received a partial 2024 RVO exemption for its 94,000 b/d Parco refinery in Sinclair, Wyoming, as did United Refining for its 67,000 b/d refinery in Warren, Pennsylvania.

HF Sinclair petitioned for an exemption from its 2023 and 2024 RVO for its facility in New Mexico, along with the 2023 RVO for its Wyoming facility, but the EPA ruled that these facilities exceeded the 75,000 b/d throughput in these years and were not eligible for relief.

HF Sinclair and Delek filed an emergency motion on 24 July

Oregon LCFS spot**\$/t**

NEWS

asking the US Court of Appeals for the DC Circuit to order the EPA to rule on their 2024 waivers by 11 August, after the agency had not issued a decision following a favourable ruling for the refiners in April. Both refiners filed a lawsuit after the EPA decided their Wyoming and Louisiana facilities, respectively, were ineligible for a 2024 waiver because they processed too much crude in 2023. The court decided in April the EPA had erred in its decision, which contradicted an agency regulation detailing SRE eligibility.

The EPA informed the court last week that it would issue its decisions by Monday at the latest, and that there was no need to proceed with a court order.

For facilities receiving a full or partial exemption, the EPA will return a comparable number of RINs previously retired for compliance to the facility, if the petitioner has already demonstrated compliance. But any pre-2024 vintage RINs are considered expired, meaning the recipient cannot use them to cover future RFS obligations, only those pre-2024.

“We expect very few small refineries, if any, will have a compliance use for these pre-2024 vintage RINs,” the EPA said.

Market activity on current year D4 and D6 RINs ticked up after the EPA released its decision, with intraday pricing last valued at 220¢/RIN on D6 and 224¢/RIN for D4.

Prices had fallen at the end of last week as participants anticipated an EPA decision on outstanding 2023-25 petitions, but did not act.

The price shift today indicated the volume of exempted RINs in Monday's announcement was lower than expected, with more than 30 2025 RVO petitions still pending before the EPA as of last month.

Returned RINs with a 2024 vintage are still eligible for outstanding 2025 RFS obligations, as they do not expire until 1 September.

Some refiners covered by the agency's decision must revise their 2024 compliance report to reflect the new RFS obligations by 1 September.

By Denise Cathey

RENEWABLE ENERGY CERTIFICATES (RECS)

Massachusetts calls for 1GW of energy storage

Massachusetts' three electricity distributors are seeking new energy storage projects and the associated environmental attributes, including their clean peak energy certificates (CPECs).

The three companies – Eversource, National Grid and Unitil – are seeking 1,000MW of energy storage capable of dispatching electricity for between 4-10 hours, with a non-binding target of 250-300MW from systems connected to the distribution system, the Massachusetts Department of Energy Resources (DOER) said on 31 July.

The solicitation allows developers to propose storage projects 40-700MW in size if they link with the transmission system and requires projects to be larger than 1MW if they connect with the distribution grid. The state will consider transmission-connected projects with up to two phases of development, provided that neither is smaller than 100MW. Distribution-level projects paired with solar generation and linked with the Solar Massachusetts Renewable Target initiative are not eligible.

All projects must enter service by the end of 2032.

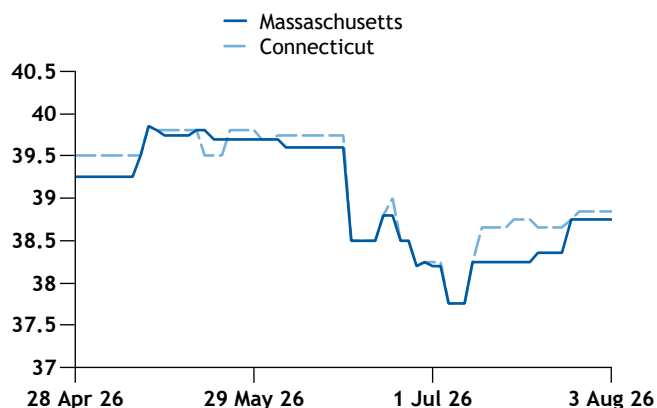
The solicitation is the state's second under a 2024 law that requires the state to procure 5,000MW of energy storage by the end of July 2030, including 3,500MW from projects with durations of 4-10 hours and 750MW from projects with durations of 10-24 hours. The state will pursue another 750MW of storage capable of dispatching electricity for more than 24 hours, if such projects are “commercially available at a reasonable cost”.

The utilities finalized contracts for nearly 1,100MW from the first solicitation earlier this month.

While the law allows developers to proffer contracts for up to 30 years, DOER is encouraging bidders not to file proposals for CPECs with terms longer than 20 years, as the clean peak energy standard expires after 2050. Massachusetts created the

Massachusetts vs Connecticut Class I RECs

\$/MWh



NEWS

clean peak program in 2020 to support the use of zero-emissions generation during times of highest electricity demand. The state requires utilities to use CPECs for [4pc of their retail sales in 2026](#). The obligation increases each year until reaching 46.5pc in 2050, the final year of the program.

Proposed contracts can cover a project's energy services and associated environmental attributes, or just the environmental attributes. Pricing for CPEC-only contracts cannot surpass 97.75pc of the clean peak program's alternative compliance payment (ACP) in any year. The ACP, which is \$65/MWh in 2026-2032, serves as a de facto price ceiling on the credit market. It falls to \$45/MWh for 2033 and thereafter.

Developers have until noon ET on 10 September to submit their projects. The agency will partner with the three utilities to evaluate proposals with plans to select winners by 27 January 2027.

The companies aim to execute contracts by late April 2027 and plan to file the deals with the Massachusetts Department of Public Utilities for approval near the end of the following month.

By Patrick Zemanek

New Jersey group plans new wind-related lawsuit

A New Jersey resident group is threatening to sue federal officials for declining to investigate new protections for endangered whales, its latest legal effort to prevent the construction of offshore wind projects off the eastern US coast.

The group, known as Save Long Beach Island, on Monday said it plans to sue the US Department of Commerce after it denied a petition to designate the North Atlantic right whale's "migratory corridor" along the US east coast as a "critical habitat." The group had also called for the agency to ban offshore wind projects in the affected zone, pause ongoing turbine installations and take other "consistent" actions — up to revising prior approvals and cancelling existing leases.

The National Marine Fisheries Service on 22 July denied the petition, finding that the New Jersey group failed to provide "substantial scientific information" that would warrant the agency revisiting the protected zones.

The agency's justifications for dismissing the petition are "simply not sound" and the court should force it to "conduct the lawful, science-based review that the petition warrants", according to Save Long Beach Island president Bob Stern.

The critical habitat designation and "the requirements

for an analysis of the operational noise generated by offshore wind-energy complexes would likely deter the siting of such projects in the whale's migration corridor, which is consistent with president's stated objections to them," Stern said.

The group has also asked President Donald Trump to directly intervene to reverse the Fisheries decision.

Neither Commerce nor the White House immediately responded to requests for comment.

The corridor, initially proposed by Save Long Beach Island last year, would run from Maine down to Georgia, connecting feeding grounds off the New England coast to nursery grounds in waters as far south as Florida. The US in 1994 designated the feeding and nursery areas as protected, but the lack of similar safeguards between the two habitats put the whale's survival "at great risk", Save Long Beach Island said.

The group anticipates sending the official notice of its intent to sue in "about two weeks", Stern said, as challenges under the Endangered Species Act must give the tentative defendant 60 days to respond before the case can be filed.

Save Long Beach Island has invoked protections to marine fauna in multiple challenges to offshore wind projects approved under former president Joe Biden's administration. The US District Court for the District of Columbia last year [rejected a suit from the group](#) over alleged harms to dolphins from New York's Empire Wind project but last week [allowed a similar challenge to the same system to move forward](#), albeit with a narrower scope.

By Patrick Zemanek

FEDERAL

Indiana seeks to stop AEP coal plant retirement

Indiana's attorney general is seeking to stop an American Electric Power (AEP) subsidiary from retiring a roughly 2,600MW coal-fired power plant in the state at the end of 2028.

State attorney general Todd Rokita on 31 July filed a motion in the US District Court for the Southern District of Ohio Eastern Division to intervene in a consent decree that mandates that Indiana Michigan Power close unit 1 of the Rockport coal plant in Spencer County, Indiana, by 31 December 2028. Rokita is also taking action to keep unit 2 of the plant running beyond the operator's separate 2028 retirement plan.

In July 2019, Indiana Michigan Power [modified a settlement](#) with the US Environmental Protection Agency (EPA), a number

NEWS

of northeastern US states and some environmental advocacy groups led by the Sierra Club, agreeing to shut Rockport unit 1 before 2029. And, less than two years later, Indiana Michigan Power said [it would retire Rockport unit 2](#) by the end of 2028, if not sooner.

Indiana Michigan Power made its decisions on Rockport even after receiving authorization from the Indiana Utility Regulatory Commission to install selective catalytic reduction (SCR) systems on both units. Retiring the units early risks “saddling ratepayers with the remaining book value of a stranded asset”, Rokita said.

Indiana was not a party to the negotiations that led to the consent decree to close Rockport unit 1, and neither unit at the plant has been accused of any violation or wrongdoing, Rokita said. On 24 July, Indiana governor Mike Braun (R) directed the state secretary on energy and natural resources [to reevaluate and potentially overturn](#) certain coal plant retirement agreements that match that criteria.

“We cannot sit on the sidelines while plant closures, driven by outdated agreements and federal overreach, jeopardize affordable, reliable power for our families, businesses and growing economy,” Rokita said.

Energy supply and grid reliability “has deteriorated sharply since 2019”, Rokita argued. He pointed to Indiana Michigan Power projection that power demand in its Indiana service

territory will more than double by the early 2030s. Although the utility plans to build a 1,520MW natural gas plant at the Rockport site, it cannot replace the existing coal capacity, Rokita said. Coal can be sourced regionally and stockpiled at the plant, while natural gas is often imported from out of state and dependent on pipeline capacity, Rokita added.

The PJM Interconnection, the regional grid operator in which Rockport participates, on 14 July [failed to procure enough capacity](#) for its 2028-29 Base Residual Auction to satisfy the grid’s reliability requirement, partly because of accelerated generation retirements. This caused PJM’s capacity auction clearing prices to reach the capped rate last month.

Rokita expects some of the principal parties involved in Rockport’s scheduled closure “will actively support” Indiana’s intervention or will “choose not to oppose it”.

He wants all parties by 17 August to weigh in on whether they support Indiana’s motion to intervene.

AEP officials say they “look forward to continuing to work with policymakers, regulators and other stakeholders as these discussions move forward”.

EPA referred *Argus* to the US Department of Justice, which did not respond immediately to a request for comment. Sierra Club also did not respond to a request for comment.

By Anna Harmon

MARKET TRADES AND DEALS

Carbon daily deals summary

Market	Vintage	Delivery	Trades	Total tons	Range \$/t
CCA*	2026	Future (Sep 26)	1	12,000	32.53 - 32.53
CCA*	2026	Future (Dec 26)	272	1,019,000	32.71 - 33.08
CCA*	2026	ACP Current Future (Aug 26)	8	600,000	0.24 - 0.25
CCA*	2026	ACP Current Future (Nov 26)	4	36,000	-0.23 - -0.17
CCA*	2026	33.00 call (Dec 26)	1	100,000	1.92 - 1.92
CCA*	2026	28.00/27.00 putspread (Dec 26)	1	300,000	0.08 - 0.08
CCA*	2026	Spread (Sep 26/Dec 26)	16	35,000	-0.45 - -0.42
CCA*	2026	Spread (Aug 26/Sep 26)	4	7,000	-0.11 - -0.10
CCA*	2027	ACP Current Future (Nov 27)	2	500,000	-1.42 - -1.42
CCA*	2028	ACP Current Future (Feb 28)	1	500,000	-2.14 - -2.14
CCA (Nodal)	2026	Future (Dec 26)	6	36,000	32.95 - 33.07
WCA*	2026	Future (Dec 26)	5	68,000	55.00 - 55.35
WCA*	2026	Spread (Dec 26/Sep 27)	1	50,000	1.50 - 1.50
RGGI*	2026	Future (Dec 26)	26	180,000	39.05 - 39.45
RGGI*	2027	Future (Dec 27)	2	2,000	38.50 - 38.78
RGGI*	2026/2027	Spread (Dec 26/Dec 27)	20	35,000	0.55 - 0.70

Trade volumes and values are shown in metric tonnes and \$/t for CA, OR and WA LCFS, in CAD for Canadian CFR and British Columbia LCFS and €/t for RINs
 *Represents deals executed and/or cleared on ICE

MARKET TRADES AND DEALS

RECs daily deals summary

Market	Vintage	Delivery	Trades	Total MWh	Range \$/MWh
NJ Class I*	2029	Futures (Jul 29)	1	25,000	28.10 - 28.10
NJ Class I*	2030	Futures (Jul 30)	1	25,000	28.10 - 28.10
NJ Solar (CBL)	2026	Trade	1	2,441	193.00 - 193.00
PJM Class I*	2027	Futures (Jul 27)	4	20,200	28.00 - 28.35
PJM Class I*	2028	Futures (Jul 28)	4	32,500	28.25 - 28.50
PJM Class I*	2029	Futures (Jul 29)	4	32,500	28.25 - 28.65
PJM Class I*	2029-2030	2-yr strip (Jul 29-Jul 30)	1	20,000/yr	28.25 - 28.25
PJM Class I*	2028-2029	2-yr strip (Jul 28-Jul 29)	3	30,000/yr	28.25 - 28.35
PJM Class I*	2028/2030	Spread (Jul 28/Jul 30)	1	2,500	-0.14 - -0.14
PJM Class I*	2028/2029	Spread (Jul 28/Jul 29)	1	5,000	-0.20 - -0.20
PJM Class I*	2031	Futures (Jul 31)	1	10,000	28.00 - 28.00
NJ Class I (CBL)	2026	Trade	1	5	26.00 - 26.00
PJM Class I/PA Tier I*	2028	Spread (Jul 28)	1	5,000	3.85 - 3.85
PJM Class I/PA Tier I*	2028	Spread (Jul 28)	1	5,000	3.85 - 3.85
PA Tier II	2027	Trade	1	25,000	26.75 - 26.75
PA Tier II	2028	Trade	1	-10,000	26.25 - 26.25
PA Tier II	2026	Trade	2	-30,000	28.00 - 28.00
PA Tier II	2028-2029	2-yr strip	1	25,000/yr	26.00 - 26.00
PA Tier II (Nodal)	2027	Futures (Jul 27)	2	25,000	27.25 - 27.25
PA Tier II (Nodal)	2028	Futures (Jul 28)	2	51,000	26.25 - 26.50
PA Tier II (Nodal)	2027-2028	2-yr (Jul 27-Jul 28)	1	20,000/yr	27.15 - 26.25
PA Tier II (Nodal)	2026	Futures (Aug 26)	1	15,000	27.25 - 27.25

Renewable fuels daily deals summary

Market	Vintage	Delivery	Trades	Volume	Range
LCFS		Trade	5	45000	79.75 - 80.75
LCFS		Forward (4Q 26)	3	30000	81.00 - 81.50
LCFS*		Future (Dec 26)	44	81500	81.25 - 82.50
LCFS*		Future (Dec 27)	7	505000	86.00 - 86.75
LCFS*		Spread (Dec 26/Dec 27)	9	150000	-4.50 - -4.50
LCFS (Nodal)		Spread (Dec 26/Dec 27)	1	10000	-4.50 - -4.50
D6	2024		1	1,000	215.00 - 215.00
D6	2026		15	19,000	212.25 - 220.50
D4	2026		4	3,500	220.00 - 226.00
D3	2026		4	2,200	250.00 - 252.00

SO₂ allowance transfers, 31 Jul

st

Transferor	Transferee	Vintage	Volume	Type
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EPA reported no transfers today

Annual NO_x allowance transfers, 31 Jul

st

Transferor	Transferee	Vintage	Volume	Type
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EPA reported no transfers today

Seasonal NO_x allowance transfers, 31 Jul

st

Transferor	Transferee	Vintage	Volume	Type
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EPA reported no transfers today

Trade volumes and values are shown in metric tonnes and \$/t for CA, OR and WA LCFS, in CAD for Canadian CFR and British Columbia LCFS and €/t for RINs

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RENEWABLE GENERATION

Adjusted heat rates and carbon cost

Marginal unit	NP15		SP15	
	Heat rate mmBtu/ MWh	Carbon cost \$/MWh	Heat rate mmBtu/ MWh	Carbon cost \$/MWh
Gas-implied	13.90	24.42	16.91	29.69
Carbon-adjusted	8.89	15.60	10.33	18.15
Western grid electric exports				14.14
Bonneville Power Administration exports				1.64
Powerex electric exports				-

Adjusted spark spreads

				\$/MWh
Heat rate	7	8	10	12
NP15				
Gas-implied	21.47	18.36	12.14	5.92
Carbon-adjusted	9.18	4.31	-5.42	-15.15
Carbon cost	12.29	14.05	17.56	21.07
SP15				
Gas-implied	27.35	24.59	19.07	13.55
Carbon-adjusted	15.06	10.54	1.51	-7.52
Carbon cost	12.29	14.05	17.56	21.07

Associated day-ahead power and natural gas markets

	Mid	±
Power NP15 peak price \$/MWh	43.24	-1.92
Power NP15 off-peak price \$/MWh	50.49	-0.48
Power SP15 peak price \$/MWh	46.67	-0.13
Power SP15 off-peak price \$/MWh	50.54	+0.82
Natural gas PG&E Citygates index \$/mmBtu	3.11	-0.03
Natural gas SoCal Gas Co index \$/mmBtu	2.76	-0.03



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The question below was submitted by the report editor to Ask Argus on Argus Direct®. The response is reproduced in full, exactly as generated.

How have LCFS programs affected renewable fuel production?

LCFS Programs Have Concentrated Renewable Fuel Production and Driven Expansion Across Multiple Markets

Low-carbon fuel standard programs have created significant demand for renewable fuels, concentrated production on the US west coast, and driven facility conversions and new investments – though federal policy changes have recently disrupted output.

Geographic Concentration and Market Dominance

LCFS programs have created a pronounced geographic concentration of renewable fuel production and use. West coast states claimed up to 90 per cent of all US renewable diesel consumption in recent quarters. More specifically, California demanded 72 per cent of all renewable diesel produced or imported into the US during the second quarter of 2022, and more than 30 per cent of domestic renewable natural gas used in US transportation for the period.

Renewable diesel accounted for nearly three-quarters of California's total liquid diesel pool early in 2025, up from just a quarter of state supply in 2020. Programs in Oregon and Washington extended the incentive further north; renewable diesel accounted for around 25 per cent of the total diesel in those markets during recent peaks.

Production Growth and Facility Investment

LCFS programs have prompted infrastructure conversion and expansion. California's LCFS since 2011 has helped displace more than 16 billion US gallons of petroleum fuel. In the early stages of west coast expansion, California accounted for more than 60 per cent of US renewable diesel blending in 2020, increasing to 70 per cent through the first half of 2021.

Major producers have responded with facility investments. Diamond Green Diesel, the largest US renewable diesel producer, expanded capacity at its Norco, Louisiana facility by 26,000 barrels per day. Phillips 66 and Marathon Petroleum converted refinery units to renewable diesel production in California.

Credit Generation and Supply Dynamics

Renewable diesel has become the dominant source of credits within LCFS compliance. The fuel generated as much as 40 per cent of California's quarterly credits in recent years, helping credits grow to 1.8 times more than new deficits in 2024.

However, production stability has proven vulnerable to policy shifts. Total renewable diesel supplied in the US during the first 10 months of 2025 fell by 19 per cent compared with the same period of 2024, the first year-over-year drop in supplies since 2018. Diamond Green Diesel left one production unit idled for most of an unprofitable 2025.

Recovery began in early 2026. US renewable diesel supplies in March 2026 rose above 200,000 barrels per day for the first time since September and for the first time in the spring production season since 2024.

Market Expansion and Future Demand

The success of California's LCFS has encouraged program adoption across North America. New Mexico joined California, Oregon and Washington enforcing state-based programs in the US in 2026. Hawaii advanced LCFS legislation in 2026 targeting a program beginning in 2029. Washington state's program, which began in 2023, was designed to create a significant new market for biofuels.

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