



October 26, 2022

Virginia Department of Environmental Quality (VDEQ)

P.O. Box 1105
Richmond, VA 23218

Re: VDEQ Notice of Intended Regulatory Action (NOIRA) for the Repeal of CO₂ Budget Trading Program as required by Executive Order 9 (Revision A22)

To: Karen G. Sabasteanski, Policy Analyst, Office of Regulatory Affairs at VDEQ

New Virginia Majority (NVM) is committed to fighting for a Virginia that is just, democratic, and environmentally sustainable. At NVM, we work to build progressive power with communities across the state, and securing environmental justice in the Commonwealth remains a key priority for our leaders, organizers, policy experts, and most importantly, the Virginians we organize with and provide civic engagement support to year after year.

In our effort to secure environmental justice for people-of-color, immigrant communities, working-class families, women, and all Virginians alike, we focus our environmental policy efforts on state-level initiatives that shift Virginia “*towards an equitable 100% clean and renewable energy plan*”, “*a just transition...*”, and “*providing targeted support for low-income individuals and people of color to obtain credentials, post-secondary education, or workforce training in environmental, renewable energy, or related fields.*” **Therefore, we oppose this regressive proposed action to repeal Virginia’s participation in the Regional Greenhouse Gas Initiative (RGGI) regulatorily, despite participation being mandated by state law. We support the continued implementation of RGGI as an important piece of state environmental and climate law.**

During the 2020 legislative session, we had the opportunity to make progress towards our [ten-year policy agenda](#) by successfully advocating for low-income households to benefit from energy efficiency funding as a significant portion of the auction proceeds from Virginia’s RGGI program. The continuation and expansion of state-level investments for improving energy efficiency for low-income households is important to both support achieving a meaningful reduction in the energy burden disproportionately faced by Black, Latinx, and working-class individuals and their families as well as disabled and elderly Virginians.

We also oppose the repeal of Virginia’s participation in RGGI and support the continued implementation of the state’s RGGI program given that:

- An effective state-level policy response to the climate crises requires rapidly eliminating the greenhouse gas emissions (GHGs) from the electricity sector. Alongside recent federal climate mitigation investments in both the Infrastructure Investment and Jobs Act and the Inflation Reduction Act, RGGI enables Virginia to effectively decrease the state’s dependence on fossil fuel generation and meet goals set in the Commonwealth’s Clean Energy Policy. In addition to



supporting mitigation of adverse climate change impacts statewide and regionally, RGGI supports reduction in several public health and environmental justice outcomes associated with the pollution from fossil fuel generation facilities, particularly respiratory and cardiovascular diseases.

- Increasing investments in energy efficiency through RGGI is also fiscally responsible given that investment in energy efficiency is one of the most affordable policy strategies for decreasing GHGs from the electricity sector and generating energy savings for residential customers.
- Beyond crucial executive orders and budgetary requirements passed to date, the U.S. still lacks codified federal law that outlines explicit clean energy standards or stands up nationally binding clean electricity targets (e.g., Clean Electricity Performance Program). Virginia's participation in RGGI provides a climate policy mandated under law that can help zero-out the state's electricity GHGs from major public utility service providers fossil fuel powered plants.
- Household energy bills continue to rise, especially as a result of the increasing costs of non-renewable energy sources, specifically natural gas. This rise is predicted to increase beyond 2022. RGGI supports the growth of increasingly affordable renewable energy resources, which can help decrease the costs of household electricity, most burdensome to households with incomes at or below 50% to 100% of the Federal Poverty Level. Additionally, advancing legislative utility regulatory reforms that have been introduced to-date as opposed to repealing RGGI is the most effective approach to reducing energy costs concerns outlined in the NOIRA as the premise for repeal. These reforms include retiring cost recovery mechanisms that are uneconomical for customers, removing unnecessary restrictions on the issuance of customer refunds, and restoring the State Corporation Commission's authorities to adjust electricity rates when utilities earn above their authorized profits.

Thank you for consideration of our comments regarding continued implementation of RGGI in Virginia, and please do contact us if you have any questions or would like to follow up on our comments.

Best regards,

Tyneshia Griffin, Environmental Policy Analyst

Kenneth Gilliam, Policy Director
