



Members of the Air Pollution Control Board
c/o Michael Rolband, Director
Virginia Department of Environmental Quality
1111 East Main Street, Suite 1400
Richmond, VA 23218

October 13, 2022

I am writing today on behalf of the Virginia Energy Efficiency Council to urge the Virginia Air Board to reject attempts to remove Virginia from the Regional Greenhouse Gas Initiative (RGGI)- a multi-state initiative to reduce carbon pollution- through regulatory action. Especially since the board does not have the authority to do so.

Founded in 2012, VAEEC is a nonprofit organization, headquartered in Richmond, whose goal is to facilitate discussions and share resources to advance energy efficiency throughout the Commonwealth. We engage our members to identify barriers to and opportunities for energy efficiency advancement, and to develop a strong, fact-based, and balanced industry voice before local, state, and national policymakers and regulators. Our diverse group of over 100 members includes Fortune 500 companies, nonprofits, local governments, state agencies, and more whose vision is for energy efficiency to be an integral part of Virginia's economy and clean energy future.

In Virginia, RGGI provides unprecedented and irreplaceable funding for energy efficiency improvements in low-income residences. Virginia is the only RGGI state that dedicates fifty percent of its carbon-trading funds to make both new and existing low-income housing more energy-efficient, resulting in tens of millions of dollars annually, allowing weatherization providers and affordable housing developers to provide safe, affordable and energy-efficient homes to low-income families like never before. Only the General Assembly has the authority to cut off this vital funding source.

Virginia's first year in RGGI provided nearly \$114 million in revenue for low-income energy efficiency housing. Administered by the Department of Housing and Community Development, the Housing Innovation Energy Efficiency (HIEE) fund provides capital to make energy efficiency upgrades to both new and existing residential buildings.

From major health and safety repairs on existing housing stock to the construction of affordable, energy-efficient homes, money from RGGI is being used in every region of Virginia — and is creating high-paying jobs that cannot be outsourced.

Along the Eastern Shore, weatherization provider Project:HOMES was able to use RGGI dollars to help the most vulnerable in this community. Several potential clients qualified for assistance from the federally funded Weatherization Assistance Program. But something was standing in the way — hazardous living conditions.

While the federal weatherization program helps provide much-needed energy-efficient upgrades to existing low-income housing, homes that require major repairs for problems such as deteriorated roofs, faulty heating and electrical systems and serious mold issues are disqualified from receiving services. That means weatherization providers have historically had to walk away, or “defer,” houses in such disrepair, leaving those most in need living in unsafe, unhealthy and energy-inefficient homes.

This is where the newly established state Weatherization Deferral Repair (WDR) program comes in. The RGGI-funded program works in tandem with the federal weatherization program to provide funds specifically for health and safety repairs to help our most vulnerable citizens qualify for weatherization services.

On the Eastern Shore, Project:HOMES took advantage of this RGGI-funded program to make extensive health and safety repairs to 12 homes in dire need. The organization hired more than 30 local subcontractors to fix eight roofs, repair five heating and cooling systems and address major mold, electrical and plumbing problems.

Once repairs were made through the WDR program, those homes then received weatherization services, such as LED lighting, weatherstripping, insulation and HVACs through the federal program. Those residents now reap on average 20% savings on their utility bills, in addition to the benefits of living in safer, healthier, more comfortable homes.

There are stories like this across the commonwealth. In Southside Virginia, the Senior Deerfield Apartments in Crewe received \$93,195 in repairs — including replacement roofs and new HVAC systems. In Shenandoah County, weatherization provider Community Housing Partners used RGGI funds to help improve 52 units of low-income housing and put 24 subcontractors to work in the process. And that's just on existing housing stock.

RGGI dollars also provide affordable housing developers the financial capital to build and renovate energy-efficient housing for low-income families. In Charlottesville, Piedmont Housing Alliance was awarded RGGI money through the Affordable and Special Needs Housing program to renovate and build over 230 homes in the region. They are committed to making all future housing units more energy-efficient, but that may not be feasible if RGGI funding disappears.

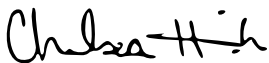
In far southwest Virginia, People Inc. Housing Group is building a new, energy-efficient 22-unit complex in Abingdon for low-income families, which will include five accessible units for those with disabilities. The RGGI funding People Inc. received for this project ensures that these units will be as energy-efficient as possible.

As you can see, RGGI funding is a game-changer for the most vulnerable in our communities, as well as the nonprofits that provide them with safe, affordable, and energy-efficient housing.

While administration officials have suggested that other funding sources could be found to replace RGGI funds, that would be a herculean task. In 2021, the RGGI auctions brought in millions of dollars more than every other energy efficiency program in the state – combined.

Virginians can't afford to have these programs disappear, which is why we ask members of the air board to embrace, not eliminate, the positive results from the commonwealth's participation in RGGI.

Respectfully,



Chelsea Harnish

Executive Director

Virginia Energy Efficiency Council