



Commonwealth of Virginia
General Assembly
RICHMOND

March 23, 2023

Virginia Air Pollution Control Board
c/o Ms. Karen G. Sabasteanski
Virginia Department of Environmental Quality
P.O. Box 1105
Richmond, Virginia 23218

Submitted via e-mail: karen.sabasteanski@deq.virginia.gov

RE: Comments on Proposed Regulation to Repeal Virginia's CO₂ Budget Trading Program

Dear Members of the Air Pollution Control Board:

As current members of the Virginia General Assembly who voted for the Clean Energy and Community Flood Preparedness Act in 2020 or voted against changes to that same law in 2022 and 2023, we write to reiterate our position of support for Virginia's participation in the Regional Greenhouse Gas Initiative (RGGI) and to officially include our previous letter from September 8, 2022, in the current public comment period.

Virginia's participation in RGGI is mandated by *law*. Therefore, ultimately only a change in the *law* that passes both chambers of the General Assembly and is signed by the Governor can remove Virginia's participation. No proposed regulation, emergency regulation, regulatory act, or any subsequent administrative process can do so.

In addition to the Commonwealth's participation being required by law, RGGI is already delivering benefits to the residents of Virginia. As legislators, we believe it is important that you consider and understand the following benefits to Virginians from our participation in RGGI, benefits further demonstrated since we last wrote:

- Virginia's participation in RGGI is already driving significant reductions in air pollution.
 - With two full years of participation already completed, Virginia's annual CO₂ emissions have already dropped by 16.8%.¹

¹ <https://campd.epa.gov/data/custom-data-download?bookmarkId=1048>.

- This significant drop follows a decade in which Virginia’s emissions did not decline, as shown in DEQ’s own report to Governor Youngkin.²
- By reducing air pollution, RGGI will continue to improve Virginia’s air quality and provide significant public health benefits to the Commonwealth.
 - From 2009 to 2014, participating RGGI states realized \$5.7 billion in economic benefits due to improved air quality, resulting in fewer asthma attacks, premature deaths, and missed days of school and work.³
- Virginia’s participation in RGGI has generated \$589 million to support low-income energy efficiency programs and flood resiliency planning and projects in Virginia.⁴
 - Energy efficiency upgrades are the best way to lower electricity bills, and Virginia’s funds are directed to helping those households most in need.⁵ A recent study showed that just through 2030, staying in RGGI could upgrade 130,000 homes, saving low-income households about \$676 per year on utility bills, while creating 2,100 jobs for local communities.⁶
 - Virginia’s participation in RGGI is the only consistent state funding for localities to perform resiliency work. 98 projects have already been approved, totaling nearly \$100 million, helping coastal and inland communities all across the Commonwealth.⁷ This work is just getting started and maintaining RGGI’s consistent funding is critical to Virginia’s resilient future.
- Virginia’s participation in RGGI helps protect customers from high fossil fuel costs.
 - RGGI is a proven tool to reduce utilities’ reliance on fossil fuels—a move that will benefit customers by helping avoid high electricity bills caused by volatile fossil fuel costs.
 - A study of RGGI’s first 10 years found that electricity prices in RGGI states dropped by almost 6% while they went up by almost 9% throughout the rest of the country.⁸

² <https://www.deq.virginia.gov/home/showpublisheddocument/13813/637829669069026180> (see Page 14 (“Virginia’s emissions of CO₂ from the Virginia power sector have remained fairly constant over the last 10 years...”)); see also Figure 3 (Virginia actual CO₂ emissions).

³ <https://www.abtassociates.com/insights/publications/report/analysis-of-the-public-health-impacts-of-the-regional-greenhouse-gas>.

⁴ https://www.rggi.org/sites/default/files/Uploads/Auction-Materials/Cumulative-State-Charts/VA_Proceeds_by_Auction.xlsx

⁵ <https://vaec.org/rggi/>

⁶ <https://rampages.us/wilderresearch/wp-content/uploads/sites/37363/2023/01/Pitt-et-al.-2023-Analysis-of-the-Impacts-of-RGGI-and-the-HIEE-Program-1.pdf> (analyzing impacts of Virginia’s participation in RGGI through 2030).

⁷ <https://www.dcr.virginia.gov/dam-safety-and-floodplains/dsfpm-cfpf-awards>.

⁸ https://acadiacenter.org/wp-content/uploads/2019/09/Acadia-Center_RGGI_10-Years-in-Review_2019-09-17.pdf

The facts are clear: RGGI is working for Virginians. Virginia's participation in RGGI is already driving down air pollution and improving public health, while the proceeds it generates are helping Virginians all across the Commonwealth.

As lawmakers, we urge you to follow and implement the law, not contradict it. Through the General Assembly's passage of the Clean Energy and Community Flood Preparedness Act, it is our clear intent that Virginia participate in RGGI. This proposed repeal is outside the scope of your duties as the Air Pollution Control Board, and unsupported by actual data. We ask that you vote against this unlawful and misguided proposal.

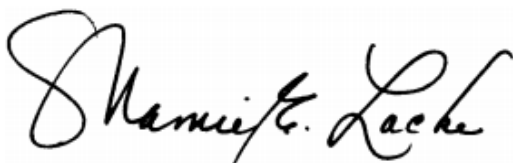
Sincerely,



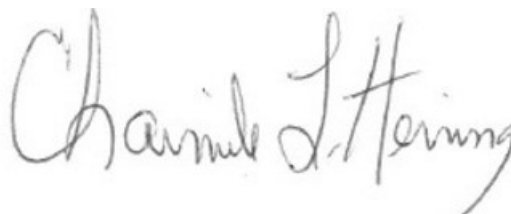
Senator Dick Saslaw
Senate Majority Leader



Delegate Don Scott
House Minority Leader



Senator Mamie Locke
Senate Caucus Chair



Delegate Charniele Herring
House Caucus Chair



Senator L. Louise Lucas
President Pro Tempore



Delegate Vivian Watts
House Caucus Policy Chair

SENATE OF VIRGINIA

LYNWOOD W. LEWIS, JR.
6TH SENATORIAL DISTRICT
ALL OF ACCOMACK, NORTHAMPTON, AND
MATHEWS COUNTIES; AND PART OF THE CITIES
OF NORFOLK AND VIRGINIA BEACH

P. O. Box 760
ACCOMAC, VIRGINIA 23301



COMMITTEE ASSIGNMENTS:
LOCAL GOVERNMENT, CHAIR
AGRICULTURE, CONSERVATION AND
NATURAL RESOURCES
COMMERCE AND LABOR
EDUCATION AND HEALTH
RULES

September 8, 2022

Members of the Virginia Air Pollution Control Board
c/o Office of Regulatory Affairs
Department of Environmental Quality
P.O. Box 1105
Richmond, Virginia 23218

Sent via email: CitizenBoards@DEQ.Virginia.gov

Dear Members of the Air Pollution Control Board:

As current members of the Virginia General Assembly who voted for the Clean Energy and Community Flood Preparedness Act in 2020 or voted against changes to that same law in 2022, we write to express our continued support for Virginia's participation in the Regional Greenhouse Gas Initiative (RGGI). Further, we write to articulate the reality that Virginia's participation in RGGI is mandated by *law*. Therefore, ultimately only a change in the *law* that passes both chambers of the General Assembly and is signed by the Governor can remove Virginia's participation. No proposed regulation, emergency regulation, regulatory act, or any subsequent administrative process can do so.

In addition to the Commonwealth's participation being mandated, RGGI is already delivering benefits to the residents of Virginia. As legislators, we believe it is important that you consider and understand the following benefits to Virginians from our participation in RGGI:

- RGGI has generated \$378 million to support low-income energy efficiency programs and flood resilience infrastructure in Virginia.¹
 - Energy efficiency upgrades are the best way to lower electricity bills, and Virginia's funds are directed to helping those households most in need.²
 - Flood resilience infrastructure protects Virginians against increased flooding and extreme weather events.
- RGGI has demonstrated Energy Cost Savings.
 - Electricity prices in RGGI states dropped by almost 6% while they went up by almost 9% throughout the rest of the country.³ RGGI is a proven tool to reduce utilities'

¹ https://www.rggi.org/sites/default/files/Uploads/Auction-Materials/Cumulative-State-Charts/VA_Proceeds_by_Auction.xlsx

² <https://vaeec.org/rggi/>

³ https://acadiacenter.org/wp-content/uploads/2019/09/Acadia-Center_RGGI_10-Years-in-Review_2019-09-17.pdf

reliance on fossil fuels—a move that will benefit customers by helping avoid high electricity bills caused by volatile fossil fuel costs.

- RGGI is the ultimate path to Pollution Reduction.
 - RGGI states reduce climate-warming emissions 90% faster than the rest of the country - while growing 31% faster economically.⁴
 - DEQ's own report to Governor Youngkin shows Virginia's emissions remained constant from 2010 to 2020,⁵ while RGGI states saw their emissions drop by 30%.⁶

Based on those facts alone, Virginia should remain in RGGI. RGGI is good for Virginians. However, the Governor and the Department of Environmental Quality have initiated a process for the Air Pollution Control Board to repeal RGGI regulations.

At present, the only increases on customers' electricity bills in Virginia are solely attributable to drastic rising fossil fuel costs being billed by utilities and are not at all related to RGGI. RGGI plays a critical role in stopping those massive cost fluctuations by pursuing an end to Virginia's reliance on fossil fuel electricity generation, in accordance with the goals defined in the Commonwealth's Clean Energy Policy. Renewable energy, and its immunity from market fluctuations in fossil fuel sectors is the answer to stable energy prices.

What the Governor and the Department of Environmental Quality are asking you to do, according to the contents of Executive Order 9, in your capacity as a member of the Air Pollution Control Board *is just not lawful*. The Clean Energy and Community Flood Preparedness Act was passed, signed into law and enacted. No proposed regulation, emergency regulation, regulatory act, or any subsequent administrative process can remove Virginia from RGGI because our membership in RGGI is mandated by that law. The authority to execute the action that the Governor and the Department of Environmental Quality describe and assert that you take rests solely with the General Assembly. As recently as the 2022 Session of the General Assembly, we rejected the changes to the law that the Governor seeks.

In summary, the Regional Greenhouse Gas Initiative is a program that is delivering benefits to Virginia's residents, is not cost prohibitive, and the Department of Environmental Quality is mandated by the Code of Virginia to maintain Virginia's participation in this program. The Air Pollution Control Board is a creation of statute; you have only the powers that the General Assembly grants you. As such, the Air Pollution Control Board cannot simply repeal a regulation that the General Assembly specifically required you to issue. As legislators, we urge you to vote against the action proposed by the Governor and the Department – such an act is outside the scope of your duties as a member of the Air Pollution Control Board. Through the General Assembly's passage of the Clean Energy and Community Flood Preparedness Act in 2020 it is our clear intent for Virginia to participate in RGGI.

Thank you for your volunteer service on the Air Pollution Control Board and for your willingness to be of service to your fellow Virginians.

Sincerely,

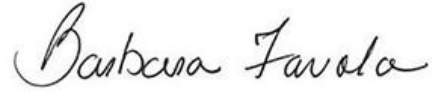
⁴ <https://acadiacenter.org/resource/the-regional-greenhouse-gas-initiative-ten-years-in-review/>

⁵ <https://www.deq.virginia.gov/home/showpublisheddocument/13813/637829669069026180> Page 14 ("Virginia's emissions of CO2 from the Virginia power sector have remained fairly constant over the last 10 years..."); see also Figure 3 (Virginia actual CO2 emissions)

⁶ *ibid* Figure 8 (RGGI Region CO2 emissions) for 2010 to 2020 time period



Senator Lynwood W. Lewis, Jr.
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31st District



Senator George Barker
39th District



Senator Ghazala Hashmi
10th District



Senator John Bell
13th District



Senator Janet Howell
32nd District



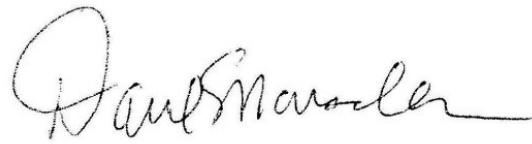
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33rd District



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President Pro Tempore
18th District



Senator R. Creigh Deeds
25th District



Senator Dave Marsden
37th District



Senator Adam Ebbin
30th District



Senator T. Montgomery "Monty" Mason
1st District

Senator Jennifer L. McClellan
9th District

Delegate Dawn M. Adams
68th District

Senator Jeremy McPike
29th District

Delegate Lamont Bagby
74th District

Senator Joe Morrissey
16th District

Delegate Elizabeth Bennett-Parker
45th District

Senator Chap Petersen
34th District

Delegate Jeff Bourne
71st District

Senator Lionell Spruill, Sr.
5th District

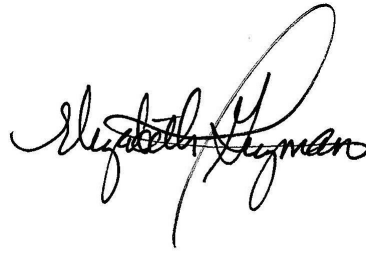
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37th District

Senator Scott A. Surovell
36th District

Delegate Betsy B. Carr
69th District



Delegate Nadarius Clark
79th District



Delegate Elizabeth Guzman
31st District



Delegate Kelly Convirs-Fowler
21st District



Delegate Cliff Hayes
77th District



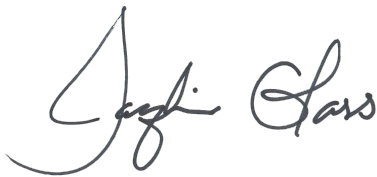
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67th District



Delegate Eileen Filler-Corn
41st District



Delegate Dan Helmer
40th District



Delegate Jackie Glass
89th District



Delegate Patrick Hope
47th District



Delegate Wendy Gooditis
10th District



Delegate Sally Hudson
57th District



Delegate Clinton Jenkins
76th District

Delegate Alfonso Lopez
49th District

Delegate Candi Mundon King
2nd District

Delegate Kaye Kory
38th District

Delegate Paul Krizek
44th District

Delegate Michelle L. Maldonado
50th District

Delegate Delores McQuinn
70th District

Delegate Mike Mullin
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Delegate Kathleen Murphy
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Delegate Kenneth R. Plum
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80th District

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Delegate Irene Shin
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Delegate Kathy Tran
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Delegate Mark Sickles
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Delegate Marcus Simon
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Delegate Jeion A. Ward
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Delegate Shelly Simonds
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Delegate Vivian Watts
38th District



Delegate Suhas Subramanyam
87th District



Delegate Rodney T. Willett
73rd District



Delegate Richard C. "Rip" Sullivan
48th District



Delegate Angelia Williams Graves
90th District