

SUPPORT HB397 / SB802

Topic: Regional Greenhouse Gas Initiative

Bill Patron: Del. Herring, Sen. Locke

OVERVIEW:

This bill clarifies, but does not substantively change, existing law to make clear that Virginia's participation in the Regional Greenhouse Gas Initiative (RGGI) is statutorily required. Under § 10.1-1330, the bill makes clear that the RGGI regulation is legally required and that the Director of the Department of Environmental Quality is not simply authorized to sell the RGGI allowances, but in fact must do so. It also removes unnecessary conditional language from § 10.1-1331.

REASONS TO SUPPORT:

- RGGI is a highly successful cooperative effort amongst states to reduce carbon dioxide pollution from power plants using a flexible, market-based allowance program.
- Following the passage of the Clean Energy and Community Flood Preparedness Act in 2020, Virginia participated in RGGI from 2021 to 2023, during which time carbon pollution dropped by 22% and Virginia received \$827 million from the sale of its allowances. Pursuant to the Code, these proceeds were helping low-income households reduce their energy bills and communities combat flooding issues throughout the state.
- Despite the statutory requirements, the State Air Pollution Control Board repealed the RGGI regulation, pulling the state out of RGGI. Virginia has not participated in the program since January 1, 2024. Following a legal challenge, the Floyd County Circuit Court ruled that the state's repeal of RGGI violated state law.
- Consistent with the court's ruling, this bill makes clear that Virginia's participation in RGGI, including the RGGI regulation, is required.
- RGGI is a critical component of the affordable, reliable, and healthy electric system that Virginians deserve. Rejoining RGGI will reduce Virginia's reliance on fossil fuels, which has been one of the biggest drivers of customer bill increases, improve the health of Virginia communities, and restart the flow of proceeds that were helping Virginians all across the Commonwealth.



SOUTHERN
ENVIRONMENTAL
LAW
CENTER

Southern Environmental Law Center
Nate Benforado
nbenforado@selcva.org
(718) 790.3500



Virginia Conservation Network
Lillian Anderson, Director of Clean Energy &
Climate Justice Programs
lillian@vcnva.org
Lillian: (804) 220-1126

This position was taken by Virginia Conservation Network (VCN)'s Legislative Committee and Board of Directors and is supported by Virginia's conservation community. For a complete list of VCN positions, visit www.vcnva.org/bill-tracker. VCN is committed to building a powerful, diverse, and highly-coordinated conservation movement focused on protecting our Commonwealth's natural resources today and for tomorrow.