

Issue: Environment

Regional Greenhouse Gas Initiative

If Virginia *"joined"* the Regional Greenhouse Gas Initiative (which requires an act of the state legislature), the state would receive an estimated \$200 million per year in revenue generated by the sale of carbon pollution allowances. That means an estimated \$2 billion by 2030 that the state could use for projects to mitigate climate change and help communities and citizens adapt to sea-level rise.

Because the Republican majority has actively prevented Virginia from joining the RGGI, the Democratic governor has issued executive orders that will allow Virginia to *"link"* with the RGGI. Virginia utilities will be able to participate in the cap-and-trade market, but the governor cannot control the distribution of revenue from the sale of carbon allowances, so any profits go to the utility. Under this *"linking"* arrangement, an estimated \$75 million per year will be generated. But instead of going to the state to address sea-level rise and climate change, the money will go to the utility companies.

Sources:

\$2.8 billion of proceeds from the cap-and-trade carbon pollution allowances market have been distributed to RGGI member states over nine years.

"The Economic Impacts of the Regional Greenhouse Gas Initiative on Nine Northeast and Mid-Atlantic States"

Analysis Group report, page 2

https://www.analysisgroup.com/globalassets/uploadedfiles/content/news_and_events/news/analysis_group_rggi_report_april_2018_executive_summary2.pdf

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That means \$2 billion by 2030 for projects to mitigate climate change and help citizens adapt to rising sea level.

Chesapeake Climate Action Network website

<http://chesapeakeclimate.org/blog/faq-rggi/>

Note: Website does not explain where the organization got its numbers.

By linking to the RGGI, Virginia is expected to generate an estimated \$75 million per year, but that profit stays with the utilities.

From an interview of Lee Frances, deputy director of the Virginia League of Conservation Voters, by Energy News Network

<https://energynews.us/2018/12/17/southeast/rggi-works-virginia-advocate-on-what-state-stands-to-gain-from-carbon-cap/>

Note: Article does not specify where Mr. Francis obtained the \$75 million figure.