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For Immediate Release

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RGGI States Submit Comments on Re-Proposed Virginia Regulation for Emissions Trading

The nine states participating in the Regional Greenhouse Gas Initiative (RGGI) today submitted [joint comments](#) to Virginia regarding the compatibility of Virginia's re-proposed regulation with the RGGI states' existing 2017 Model Rule.

The RGGI states continue to applaud Virginia's important steps towards implementing a market-based program to reduce greenhouse gas emissions, and note that the re-proposed rule addresses many of the points on which the RGGI states commented when Virginia proposed the original version of the rule. In particular, the RGGI states recognize that this revised rule contains a reduced starting CO₂ allowance budget; a change in line with the RGGI states' earlier comments that opportunities existed to make the rule more ambitious. The RGGI states find that a 2020 starting budget at or below the proposed 28 million short tons demonstrates comparable stringency with the existing program.

Aside from the starting budget, the RGGI states note other aspects of program design which remain important in ensuring that any new entrant's participation in the RGGI market is fully compatible with our existing program. In Virginia's re-proposed CO₂ budget trading program regulation, the language specifying Virginia's base budget reductions between 2030 and 2040 is inconsistent with the RGGI 2017 Model Rule. Accordingly, the RGGI states strongly urge Virginia to adopt a consistent budget trajectory to the other participating states. In the event that Virginia, or any participating state, wishes to effect changes in the region's long-term cap trajectory, the appropriate vehicle is the periodic RGGI program review process.

As a regulatory matter, the RGGI states also note that terms, definitions, and other regulatory details should be internally consistent within Virginia's regulation, and those details should also be consistent with the 2017 Model Rule. These details are set forth in the full comments, available at the link: [RGGI States' Comments on Re-Proposed Virginia Regulation for Emissions Trading](#).

The RGGI states' comments have been informed by productive conversations with Virginia state staff and Agency Heads. The RGGI states hope to continue the discussions, and are available to assist Virginia in addressing these comments as the state's process continues.

About the Regional Greenhouse Gas Initiative (RGGI)

The New England and Mid-Atlantic states participating in the fourth RGGI control period (Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New York, Rhode Island, and Vermont) have implemented the first mandatory market-based regulatory program in the U.S. to reduce greenhouse gas emissions. The 2019 RGGI cap is 80.2 million short tons. The RGGI states also include interim adjustments to the RGGI cap to account for banked CO₂ allowances. The 2019 RGGI adjusted cap is 58.3 million short tons.

RGGI is composed of individual CO₂ budget trading programs in each state, based on each state's independent legal authority. A CO₂ allowance represents a limited authorization to emit one short ton of CO₂, as issued by a respective state. A regulated power plant must hold CO₂ allowances equal to its emissions for each three-year control period. RGGI's fourth control period began on January 1, 2018 and extends through December 31, 2020. For more information visit www.rggi.org

About Regional Greenhouse Gas Initiative, Inc.

Regional Greenhouse Gas Initiative, Inc. (RGGI, Inc.) was created to provide technical and administrative services to the states participating in the Regional Greenhouse Gas Initiative. RGGI, Inc. is a 501(c)(3) nonprofit organization. For more information, visit: www.rggi.org/rggi