

CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA



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| Agenda Date: | November 6, 2023 |
| Action Required: | Adopt Resolution |
| Presenter: | Kristel Riddervold, Environmental Sustainability Manager |
| Staff Contacts: | Kristel Riddervold, Environmental Sustainability Manager Emily Irvine, Climate Program Manager Jacob Stroman, City Attorney |
| Title: | Resolution for City of Charlottesville participation in a joint amicus brief related to the Regional Greenhouse Gas Initiative (RGGI) |

Background

In 2020, through legislation passed by the General Assembly (the Clean Energy and Community Flood Preparedness Act), Virginia joined the [Regional Greenhouse Gas Initiative](#), also known as RGGI. RGGI is a cooperative, market-based effort among eleven mid-Atlantic and Northeastern states designed to reduce CO2 emissions from the power sector. The partnership generates revenue for member states by setting a cap on regional carbon emissions and selling pollution allowances to power generators. As the cap is reduced over time, so are associated emissions. Allowance auctions are held quarterly and proceeds are returned to member states, which generally fund consumer benefit programs. Since the inception of RGGI, over \$4 billion in revenue has been generated for participating states, including a total of \$730,277,115.64 in proceeds for Virginia

In Virginia, RGGI funds two important programs: The Housing Innovation Energy Efficiency (HIEE) fund and the Community Flood Preparedness Fund (CFPF). HIEE funds energy efficiency and weatherization projects for low-income Virginians. In Charlottesville, Piedmont Housing Alliance and the Charlottesville Redevelopment and Housing Authority have been awarded nearly \$10 million worth of RGGI money through the Affordable and Special Needs Housing program to renovate and build affordable homes in our region. The CFPF supports Virginia localities to prepare for the increased risk of flooding due to climate change (both sea-level rise and inland flooding.) The City of Charlottesville has been awarded \$541,561 through three separate grants from the CFPF to pursue flood resilience planning and anticipates future funding for implementation projects.

The Virginia State Air Pollution Control Board (APCB) has voted to withdraw Virginia from RGGI, thus discontinuing these revenue streams that are having such a beneficial impact in Charlottesville and communities across the commonwealth. The Southern Environmental Law Center (SELC) recently filed a lawsuit in Fairfax County Circuit Court against the APCB and Virginia Department of Environmental Quality (DEQ) on grounds that legislation cannot be undone by administrative action.

Discussion

Charlottesville's Environmental Sustainability Division (ESD) staff are active members of the Virginia Energy and Sustainability Peer Network (VESPN). Through VESPN's policy committee, ESD staff have tracked Virginia's participation in RGGI and the current actions towards withdrawal.

Virginia's participation in the Regional Greenhouse Gas Initiative is a crucial tool for decarbonizing the electricity sector. As Charlottesville is served by a sole electricity provider, the City's own emissions reduction goals are dependent upon the grid becoming less carbon intensive over time. Should Virginia withdraw from RGGI, not only will critical sources of revenue for weatherization, energy efficiency, and climate adaptation be eliminated, it will be more difficult for the City to meet our own climate goals and commitments.

Recently, there has been coordination amongst several Virginia localities who stand to be negatively impacted should Virginia withdraw from RGGI via an administrative action taken by APCB. These localities are working together to file a joint amicus brief in support of SELC's lawsuit and to communicate the negative effect it will have on local communities. An amicus brief, or "friend-of-the-court" brief, is written by individuals or groups who are not directly involved in a legal case but have additional insight to offer the court to assist in making its decision. ESD staff recommends Council authorize the City to be a signatory on a jointly filed amicus brief.

Alignment with City Council's Vision and Strategic Plan

This action is in direct alignment with the City's new Strategic Plan Framework. One of the strategic outcome areas within that framework is *Climate Action*. Participating in the joint amicus brief would be a clear demonstration of climate leadership. Additionally, this action is directly aligned with the City's 2023 Climate Action Plan. There is a specific key action in Chapter 5 that states, "*Support continuation of Virginia's participation in the Regional Greenhouse Gas Initiative (RGGI)*" (CAP, pg. 55).

Ongoing Virginia participation in RGGI and the City of Charlottesville's support thereof is in alignment with City Council's Green City Vision and the City's Comprehensive Plan: Chapter 7 (Environment, Climate, and Food Equity).

Community Engagement

There has been no community engagement around this topic specifically. However, through extensive Climate Program community engagement, we know there is broad support for climate action in the community.

Budgetary Impact

This action has no impact on the General Fund.

Recommendation

Staff recommends City Council to authorize the City Attorney to sign the joint amicus brief concerning Virginia's continued participation in the Regional Greenhouse Gas Initiative.

Suggested motion: "I move to approve the RESOLUTION for the City of Charlottesville to participate in the joint amicus brief related to the Regional Greenhouse Gas Initiative."

Alternatives

City Council could decline to participate in the joint amicus brief.

Attachments

1. RES_Charlottesville RGGI amicus brief_