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October 26, 2022

Karen G. Sabasteanski
Department of Environmental Quality
1111 East Main Street, Suite 1400
P.O. Box 1105
Richmond, VA 23218

Re: Repeal CO 2 Budget Trading Program as required by Executive Order 9 (Revision A22)

Dear Ms. Sabasteanski:

Please accept The Pew Charitable Trusts' (Pew's) comments on the Notice of Intended Regulatory Action regarding Revision A22, a proposed repeal of the regulations underpinning the Commonwealth of Virginia's participation in the Regional Greenhouse Gas Initiative (RGGI). Pew applies a rigorous, analytical approach to improve public policy in order to make communities more prepared for the increased frequency and costs of flooding.

Virginia's participation in RGGI is pursuant to the Clean Energy and Community Flood Preparedness Act, enacted in 2020 by the General Assembly. Repeal of the regulations governing the Commonwealth's participation in RGGI without the promulgation of replacement regulations appears to be facially inconsistent with the statutory requirements of existing law and will undermine a key flood-preparedness resource funded by RGGI auction revenue.

Injecting uncertainty into Virginia's participation in RGGI would have significant adverse impacts for the Commonwealth. RGGI auction receipts represent Virginia's sole source of funding for community-scale flood mitigation projects and capacity-building through its resourcing of the Community Flood Preparedness Fund (Fund). Since first stood up, the Fund has accrued more than \$203 million and dedicated \$46 million. The National Institute of Building Sciences research shows investing in mitigation has a national average benefit of \$6 to every \$1 invested in upfront mitigation costs.

The Youngkin Administration has repeatedly raised its commitment to mitigating the risk of flooding to Virginians. Efforts to withdraw from RGGI run counter to this priority, and Pew urges the Administration to reverse course on Revision A22.

Sincerely,

Laura Lightbody
Project Director, Flood-prepared Communities Initiative
The Pew Charitable Trusts