THE REGIONAL GREENHOUSE GAS INITIATIVE (RGGI) AND ENVIRONMENTAL JUSTICE

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Virginia Clinicians for Climate Action's Fall Conference
October 13, 2018
Virginia Interfaith Power & Light

• **Vision:** We empower all faith communities across the Commonwealth of Virginia to achieve sustainable living.

• **Mission:** We are people of faith collaborating to grow healthy communities and advance climate justice through education, advocacy, and worship.

• We are a regional affiliate of the national organization Interfaith Power & Light.
Presentation Outline

I. The Regional Greenhouse Gas Initiative (RGGI)

II. Environmental Justice Concerns: Cap and Trade

III. RGGI Stakeholder Comments and Experiences

IV. Virginia and RGGI

V. Questions
What is RGGI?

• The Regional Greenhouse Gas Initiative (RGGI) is the first (effective January 1, 2009) mandatory market-based program in the United States to reduce greenhouse gas emissions.

• Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New York, Rhode Island, and Vermont are collaborating to cap and reduce CO₂ emissions from the power sector.

Musical Chairs: A Helpful Analogy

Each chair represents the “right to pollute”:
- one metric ton of carbon dioxide (1 mtCO₂) – or a quantity of another one of the 6 types of greenhouse gases that would be equivalent (1 mtCO₂e)

If you have a permit, you can have a chair.

Graphic from “Putting a Price on Carbon and Investing in Equitable Solutions” Presentation by Lisa Abbott and Holmes Hummel
Paying to Pollute: The Environmental Injustice of Pollution Trading Report

- Pollution control is **driven by financial incentive** rather than by a need to protect human health and the environment.
  - Cap and trade bases the decision to pollute on the overall cost to a facility rather than on the impact to the health and environment of the surrounding community.

- Cap and trade policies can promise much needed funding to entice lower-income communities to support cap and trade, but pollution trading can create market incentives that undermine environmental justice.
  - Revenue for vulnerable communities must be a part of any just transition to clean water and healthy air and climate; however, we should not demand that these communities live with ongoing pollution.

- Market-based environmental policies can **exacerbate toxic hotspots** that remain outside the scope of trading schemes, and they can worsen pre-existing health and socioeconomic disparities.

- Pollution trading schemes **circumvent public participation and transparency**. Under traditional environmental regulation, the public has numerous opportunities for input regarding pollution standards, the level of pollution control and enforcement in their communities.
  - Tradeable pollution permits prevent citizen suits that enforce standards or address permit violations and noncompliance.
  - It has been challenging for impacted communities to seek recourse through civil rights laws for environmental injustices such as the disparate impacts of trading.
Paying to Pollute: The Environmental Injustice of Pollution Trading Report Recommendations

The federal government should ensure that all policies and actions do not erode environmental justice and health for low-income communities and communities of color impacted by pollution.

Congress should require the EPA to enforce environmental civil rights violations.

States must halt market-based programs and restore, improve and expand regulatory pollution controls.

Advocacy groups must challenge air and water pollution trading programs.

Disadvantaged communities must receive dramatically increased independent public funding to improve their community well-being.
California: A Preliminary Environmental Equity Assessment of California’s Cap-and-Trade Program Research Brief

• “The largest emitters of both GHGs and PM10 also tend to be located near neighborhoods with higher proportions of disadvantaged residents”

• “61 percent of these high-emitting facilities reported increases in their localized GHG emissions in 2013-14 relative to 2011-12, versus 51 percent of facilities overall”

By Lara J. Cushing, Madeline Wander, Rachel Morello-Frosch, Manuel Pastor, Allen Zhu, James Sadd
RGGI Region: Environmental Justice (EJ) Stakeholder Comments

• **Tie the Cap to Statewide Climate Goals**
  - RGGI should account for expected emissions reductions from existing state goals for renewables into the cap push additional emissions reductions.

• **Equity Analysis and Cumulative Burdens**
  - RGGI should conduct an ongoing equity analysis (cumulative burden analysis) and take into consideration any findings to ensure local emissions reductions in decision-making.

• **No Loopholes and Lower Threshold**
  - currently only applicable to generators with a capacity equal to or greater than 25 megawatts
  - RGGI should lower the threshold to regulate a wider range of polluting facilities.

• **No Biomass, Combustion, or Waste-to-Energy**
  - RGGI should expressly exclude biomass, combustion, and waste-to-energy from its definition of renewable energy and should exclude these from funding from auction.

• **Eliminate Offsets**
  - Offsets should be eliminated, as it undermines localized emissions reductions and transitions to renewable energy.

• **Accessible Materials and Meetings**
  - RGGI should make all materials, data, and reports easily accessible to the general public, and in multiple languages.
  - RGGI should hold community learning meetings in addition to stakeholder meetings.
EJ organizations did not feel adequately represented in the planning process for allocating funds from the auction (2008-2010).

- Advisory group initially had one, then added two additional EJ representatives

At an RGGI Advisory Group meeting held in March 2009 in New York City, public comments were sought.

- Environmental-justice groups in downstate New York protested the lack of representation.

The draft included environmental justice among the program’s six selection criteria.
New York: Integrating Environmental Justice Into Energy-Related Proceedings

• How did the plan incorporate EJ?
  • Identified a suite of programs relating to the **residential space- and water-heating efficiency** and allocated nearly thirty percent of such funding to low-income homes and multifamily buildings
    • Programs expected to help mitigate the disproportionate impact that the increased cost of electricity will have on lower income families, while also improving indoor and outdoor air quality around the energy facilities by decreasing pollutants associated with fuel combustion
  • Aimed to improve the **efficiency of commercial and industrial facilities**, such as Water and Waste Water and Competitive Greenhouse Gas Reduction Industry Pilot, which are typically located in environmental-justice communities
    • could directly improve the air quality and living conditions in these communities.
  • Aimed to reduce environmental harm associated with the use of **transportation** infrastructure, such as commuter rails, highways, and train tracks
  • Focus on how the state could create more **green jobs**
New Jersey: “Making Sure Murphy Administration Prioritizes Environmental Justice”

• “All across the country, you see states setting up advisory committees and task forces and implementing procedural laws, and meanwhile, permits keep pouring in,” said Ana Baptista, chair of the Environmental Policy and Sustainability Management graduate program at the Milano School of International Affairs, Management and Urban Policy at The New School in New York City.

• “Nothing really changes.” Often, she said, officials will say there is no need to write environmental-justice policies into a law because they will be negotiated later, but that never happens.
Virginia: Bringing It Back Home

- Energy Mix
  - VA’s energy mix is different from CA, the CA program led to hotspots
  - All of the coal plants except for one in SW VA are slated to close (inefficient and more expensive)

- National EJ community has come out strongly against RGGI
  - Equity has not happened historically
    - Track record of the market
    - Have not felt listened to

- VA’s RGGI Priorities
  - Energy efficiency
  - Coastal adaptation

- Will VA’s commitment to environmental justice as seen through the creation of the governor’s Advisory Council Environmental Justice ring hollow?
Virginia: Governor’s Advisory Council on Environmental Justice Recommendations: ED11

1. DEQ should formalize rules for meaningful engagement of EJ.

2. DEQ should complete a cumulative impact analysis to determine the environment and health impacts of co-pollutants and pollution from sectors not subject to the carbon cap for EJ communities.

3. DEQ should amend its proposed rules to specify that the 5% allowances to be given to DMME shall benefit low-income communities.

4. DEQ should eliminate “false solutions” and loopholes that would impair the integrity of the carbon cap.

5. DEQ should coordinate with other agencies, localities, and organizations to study the effects of the carbon regulations to ensure a “fair and just transition” from fossil fuels.
Virginia: What Now?

- I don’t have the answer, but I do know a few things:
  - RGGI decreases carbon pollution overall
  - Urgency to act to limit carbon pollution
    - IPCC report
  - Moral call for justice as we move towards a 100% clean energy future for all
  - Must operate within our political reality

- If we want Virginia to ensure that vulnerable communities are not left behind in RGGI (or in other climate solutions), we must stand with them and ADVOCATE by speaking up to our state’s decision-makers!
Questions?

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