



Greenhouse Gas Plan, rr <ghg@deq.virginia.gov>

Comments on proposed carbon regulation

2 messages

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To: ghg@deq.virginia.gov

The Virginia Department of Mines, Minerals and Energy, serving as staff to the Virginia Solar Energy Development and Energy Storage Authority (the Authority) submits the comments below from and on behalf of the Authority.

Thank you.

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Comments from the Virginia Solar Energy Development and Energy Storage Authority:

The Virginia Solar Energy Development and Energy Storage Authority (the Authority) wishes to comment on the Virginia Department of Environmental Quality (DEQ) proposed Regulation for Emissions Trading, in accordance with Executive Directive 11 (2017), "Reducing Carbon Dioxide Emissions from Electric Power Facilities and Growing Virginia's Clean Energy Economy."

The Authority was established through 2015 legislation for the purposes of (i) facilitating, coordinating, and supporting the development of the solar energy and energy storage industries and solar energy and energy storage projects by developing programs that increase the availability of financing for solar energy projects and energy storage projects; (ii) facilitating the increase of solar energy generation systems and energy storage projects on public and private sector facilities in the Commonwealth; (iii) promoting the growth of the Virginia solar and energy storage industries; (iv) providing a hub for collaboration between entities, both public and private, to partner on solar energy projects and energy storage projects; and (v) positioning the Commonwealth as a leader in research, development, commercialization, manufacturing, and deployment of energy storage technology.

The Authority recognizes the value of reviewing our existing electricity portfolio and working towards cleaner sources of electrical generation. If carbon emitting generation is reduced, cleaner forms of power generation, including solar and wind, will become more widespread. The addition of energy storage will allow intermittent renewables like solar and wind to continue providing power at times when conventional generation would typically be required, such as at night for solar or when the wind is not blowing for wind power, leading to further carbon reductions.

In this regard, the Authority wishes to comment on a section of the bill pertaining to a five percent allocation of available allowances to the Virginia Department of Mines, Minerals and Energy (DMME), specifically 9VAC5-140-6190, Article 5, CO2 Allowance Allocations. This section states, under both base budget scenarios, that "The department will allocate 5.0% of the Virginia CO₂ Budget Trading Program base budget to DMME to be consigned to auction by DMME to assist the department for the abatement and control of air pollution, specifically, CO₂."

The Authority respectfully recommends that, should DEQ's proposed regulation to reduce and cap carbon dioxide through a carbon trading program be adopted, a portion of any proceeds resulting from the auctioning of the five percent of allowances set aside for DMME be used to advance renewable energy coupled with energy storage technologies.

Legislators and the Governor, through their creation of this Authority, recognized that accelerated deployment of renewable energy and energy storage technologies will help support a more robust and secure electric power grid. It will also lead to decreased carbon emissions as mentioned above, and it will help grow the nascent energy storage industry and create economic benefits for Virginia and its citizens.

Thank you for this opportunity to comment.

Sincerely,

Cliona M. Robb