



409 East Main Street, Suite 200  
Richmond, VA 23219

Ms. Karen Sabasteanski  
1111 East Main Street, Suite 1400  
Richmond, Virginia 23219

March 4, 2019

Dear Ms. Sabasteanski,

I am writing today on behalf of the Virginia Energy Efficiency Council (VAEEC) to provide comments on the Commonwealth's revised Carbon Trading Rule (revision C17) and applaud the lowering of the cap to 28 million tons from the previous 33 to 34 million cap.

The VAEEC is a 501c3 organization headquartered in Richmond that provides a platform for stakeholder engagement while assessing and supporting programs and policies that advance energy efficiency in Virginia. We engage our members to identify barriers and opportunities to energy efficiency advancement statewide, and to develop a strong, fact-based and balanced industry voice before local, state and national policymakers and regulators. Our diverse group of over 100 members includes Fortune 500 companies, local governments, state agencies, small businesses, nonprofits, schools, and individuals. The VAEEC's goal is to ensure that energy efficiency is recognized as an integral part of Virginia's economy and clean energy future.

Energy efficiency can play an important role in reducing carbon emissions as one of the most practical, no-cost/low-cost tools to spur economic development and to reduce our energy consumption and dependency on fossil fuels. In fact, many analyses have found energy efficiency measures to be the most cost-effective and quickest way to address climate change while simultaneously reducing energy usage and cutting utility bills. According to a report by the American Council for an Energy-Efficient Economy (ACEEE), energy efficiency programs across the United States have reduced carbon pollution by 490 million tons and saved individual households, on average, \$840 in 2015. Therefore, we applaud the inclusion of the five percent carve out for energy efficiency programs in the Carbon Trading Rule.

Last year, ACEEE ranked Virginia 26<sup>th</sup> out of 50 in their 2018 State Energy Efficiency Scorecard. Moving up three places from 2017 underscores the work VAEEC, our members, and our partners have done to advance smart energy efficiency policies and initiatives. However, there is even more that can be done to help Virginia break into the top 25.

The passage of the Grid Transformation and Security Act of 2018 paves the way for greater opportunities as well. This legislation provides tremendous opportunities for energy-saving programs over the next decade, including a combined commitment by the electric utilities to spend over \$1 billion on energy efficiency programs.

Energy efficiency has tremendous potential to drive economic growth, create jobs, shrink utility bills, conservation natural resources, and reduce pollution across the Commonwealth. These new programs, in addition to the energy efficiency carve out of the revised Carbon Trading Rule, will propel Virginia into the spotlight as a leader on energy efficiency while protecting the health and welfare of all Virginians.

Thank you for providing the opportunity to support the updated carbon rule.

Sincerely,

A handwritten signature in black ink that reads "Chelsea Harnish". The signature is written in a cursive, flowing style.

Chelsea Harnish  
Executive Director