



BCSE Comments for Virginia Department of Environmental Quality Listening Session on Final Clean Power Plan

September 30, 2015

Thank you for the opportunity to participate in this listening session on the Clean Power Plan for regulating carbon emissions from existing power plants and recommendations for Virginia's State Plan.

My name is Lisa Jacobson and I am President of the Business Council for Sustainable Energy.

The Business Council for Sustainable Energy is a coalition of companies and trade associations from the energy efficiency, renewable energy and natural gas sectors, and also includes independent electric power producers and investor-owned utilities.

The coalition's diverse business membership is united around the revitalization of the economy and the creation of a secure and sustainable energy future for America.

BCSE is a national organization and has members with commercial activity and jobs in the Commonwealth. BCSE members see Virginia as an opportunity state for investment.

The release of the final Clean Power Plan marks a significant milestone on the path to cleaner, more efficient sources of power generation in Virginia, using affordable, readily-available technologies. BCSE commends the leadership of the McAuliffe Administration in its intention to meet or exceed its Clean Power Plan targets.

The Clean Power Plan also offers a great opportunity for constructive partnership between state policy-makers and the private sector, with clear paths to explore state-specific and multi-state options for compliance.

And according to a study by Bloomberg New Energy Finance and the BCSE, given its current and pending emission reduction activities, Virginia has already made significant progress toward meeting its final 2030 targets.

Specifically, plant retirements from its fossil fleet, increased utilization of natural gas and current and pending renewables build take Virginia 18% toward meeting its 2030 rate-based target, while the state is already halfway towards achieving its 2030 mass-based target, according to Bloomberg New Energy Finance.

Further, the study finds that sustainable electricity sources including natural gas, small hydro, combined heat and power (CHP) and onshore wind, solar PV, and waste-to-energy are already among the cheapest options for generating electricity in the state. Also, Virginia should consider supply-side and demand-side energy efficiency.

The Business Council for Sustainable Energy and its members are committed to helping the Commonwealth adapt clean energy solutions to its unique circumstances.

BCSE will provide additional comments on the Virginia state plan in the coming weeks and at future listening sessions.

At this time, I would like to offer the following preliminary recommendations for Virginia's state plan:

- Virginia should consider participation in the Clean Energy Incentive Program (CEIP). The program is still under development and BCSE is working with EPA and states to ensure that the CEIP provides a clear signal for action and does not delay investment in energy efficiency and renewable energy during the 2016 to 2020 time period.
- Virginia should adopt a "trade ready" approach, and should consider market-based elements to ensure cost effective compliance.
- Virginia should consider the full portfolio of clean energy technologies and resources for compliance planning. This includes rate-payer and non-rate payer programs and actions, including third party delivered energy efficiency.
- Further, if Virginia allocates allowances or auction allowances under its state plan, it should provide allowance value to clean energy technologies and resources to spur investment and provide clean energy market signals.

Thank you again for the opportunity to share the Council's views at this important listening session.