

Two Laws That May Be Confused: RGGI and ZEV

The 2020 Clean Economy Act uses cap-and-trade to rein in electrical power plant emissions. The 2021 Low-emissions and Zero-emissions Vehicle law addresses carbon pollution from vehicles. Both laws are intended to reduce CO₂ emissions in Virginia.

The Regional Greenhouse Gas Initiative (RGGI)

The [Clean Economy Act](#) that passed in 2020 requires Dominion and Appalachian Power to get to 100% renewable energy by 2050. RGGI is a tool to get the power companies to that goal. It is a cap-and-trade agreement between [twelve](#) New England and Mid-Atlantic states.

[Cap-and-trade](#) is a system that caps the amount of emissions a company may produce but authorizes it to sell allowances it didn't need or buy allowances if it exceeded the cap. The allowances become scarcer and more expensive over time. Cap-and-trade [successfully reduced](#) the chlorofluorocarbon emissions that were destroying the ozone layer, so it's a [proven](#), market-based method of motivating emitters to invest in newer technology and lower their emissions, in this case CO₂.

Since receiving its first RGGI payout in 2021, [Virginia's share](#) of the proceeds has added up to \$523,633,357.26 – over half a billion dollars. While this does raise the cost of electricity, weatherization can lower the average home's energy burden by 25% while reducing the carbon and other pollution emissions by almost three metric tons a year, according to [Community Housing Partners](#).

The money raised by RGGI is required by the 2020 law to fund [flood protection](#) (45%) and [weatherization](#) to make [affordable housing](#) more energy-efficient (50%). These funds are being spent throughout Virginia and there is no other reliable source for funding these two critical responses to our changing climate.

Electric cars and other zero emissions vehicles (ZEVs)

The following year, 2021, the General Assembly passed a different law on a [low emissions and zero emissions vehicle program](#). Among other things, this law requires motor vehicle manufacturers to deliver for sale in Virginia a number of zero emission vehicles that is proportional to the number delivered to California.

The [Virginia Mercury](#) explains, "The 2021 legislation Virginia enacted was one of two options the state has when it comes to regulating tailpipe emissions: either continue to follow the federal standards set by the U.S. Environmental Protection Agency or follow more stringent regulations set by California."

After the Virginia law was passed, the [California Air Resources Board](#) issued a new rule that, beginning in 2035, will require all **new** cars sold in California to be ZEVs. The [regulation](#) "does not impact existing vehicles on the road today, which will still be legal to own and drive." In addition to California and Virginia, the new rule applies to 15 more states and D. C. They include about a third of US drivers so we can expect to see a lot of ZEVs carrying tourists, people relocating to Virginia, and drivers just passing through on the interstates. In fact, the [European Union](#) is also going to all electric new cars by 2035.

Links in the FAQ in the order they occur:

RGGI <https://www.rggi.org/>

Clean Economy Act https://en.wikipedia.org/wiki/Virginia_Clean_Economy_Act
twelve states

https://www.rggi.org/sites/default/files/Uploads/Fact%20Sheets/RGGI_101_Factsheet.pdf

cap-and-trade <https://www.merriam-webster.com/dictionary/cap-and-trade>

successfully reduced <https://www.resources.org/common-resources/the-successful-international-response-to-stratospheric-ozone-depletion/>

proven <https://www.resources.org/archives/learning-thirty-years-cap-trade/>

Virginia's share <https://www.rggi.org/auctions/auction-results>

Community Housing Partners <https://www.communityhousingpartners.org/chp-and-weatherization-assistance-program-hit-major-milestones/>

flood protection <https://www.dcr.virginia.gov/dam-safety-and-floodplains/dsfpm-cfpf-awards>

weatherization <https://dhcd.virginia.gov/wdr>

affordable housing <https://www.dhcd.virginia.gov/asnh>

low emissions and zero emissions vehicle program <https://lis.virginia.gov/cgi-bin/legp604.exe?212+ful+CHAP0263&212+ful+CHAP0263>

Virginia Mercury <https://www.virginiamercury.com/2023/01/26/virginia-house-gop-advances-clean-car-law-repeal/>

California Air Resources board <https://ww2.arb.ca.gov/about>

regulation <https://ww2.arb.ca.gov/news/california-moves-accelerate-100-new-zero-emission-vehicle-sales-2035>

European Union <https://www.reuters.com/business/autos-transportation/eu-lawmakers-approve-effective-2035-ban-new-fossil-fuel-cars-2023-02-14/>