## ENVIRONMENT AND ENERGY CONSERVATION COMMISSION

c/o Department of Environmental Services, 2100 Clarendon Boulevard, Suite 705, Arlington, VA 22201

July 24, 2017

Pat Carroll (pcarroll@arlingtonva.us) Commonwealth Liaison County Manager's Office 2100 Clarendon Blvd., Suite 302 Arlington, VA 22201

Subject: E2C2 Feedback on Arlington's 2018 Legislative Priorities (Energy and the Environment)

Dear Ms. Carroll,

Thank you for the opportunity to provide feedback to help you prepare Arlington's 2018 legislative priorities package.

1. If the Governor and legislature could take 1-3 actions that would affect the work of your group, what would most benefit Arlington?

Market-Based Mechanisms to Reduce Greenhouse Gas Emissions from Power Plants: Given the uncertain future of the Clean Power Plan, Virginia should continue to move forward with state-level plans to reduce greenhouse gas emissions and expand clean energy investment. The Department of Environmental Quality (DEQ) will propose regulations by the end of 2017 to accomplish these goals pursuant to Executive Directive 11,¹ signed by Governor McAuliffe in May, 2017. The regulations should create a market for carbon allowances and a dedicated revenue stream for initiatives to mitigate the adverse impacts of climate change. Such a market-based emissions cap and trade program would lay the groundwork for Virginia to join multi-state trading and become a full member of the Regional Greenhouse Gas Initiative (RGGI). The regulations are expected to face resistance in the General Assembly. Effective advocacy by supportive jurisdictions such as Arlington County will be essential to the success of this initiative.

Measures to Mitigate Adverse Impacts of "Flushable" Wipes on Water Treatment Facilities: Like most utilities nation-wide, Arlington County's Water Pollution Control Plant is experiencing increasing costs and technical difficulty to remove "flushable" wipes from pipes and other water treatment facilities. E2C2 recommends, therefore, that the State enact legislation to ensure (1) that all wipes and personal hygiene products are clearly labeled "Do Not Flush," and (2) that such products may not be labeled as "flushable" until the water and wastewater industry agree on a technical standard, developed through the auspices of the International Standards Organization, for "flushability." (This is the recommendation of the Water Environment Foundation, and is supported by Arlington's Department of Environmental Services).

**Local Authority to Control Invasive Plants**: We support bills that provide localities the authority to prevent, control, and abate the growth, importation, or spread of invasive plants such as English ivy, porcelain-berry, Japanese honeysuckle, and mile-a-minute weed. A similar bill related to running bamboo was introduced and passed in 2017, resulting in a change to the State code in 2017, and can be used as a template to introduce similar legislative for other invasive plants.

<sup>&</sup>lt;sup>1</sup> http://governor.virginia.gov/media/9155/ed-11-reducing-carbon-dioxide-emissions-from-electric-power-facilities-and-growing-virginias-clean-energy-economy.pdf.

2. Given the state budget cuts over the past decade, what are the most important to restore? Are there other areas in the budget that should be expanded? Are there any funding cuts you would recommend?

**Agricultural Best Management Practices**: Arlington has a strong interest in protecting and preserving State water quality, particularly in the Chesapeake Bay. Robust and reliable funding of Virginia's agricultural best management practices cost-share program is essential for meeting the Commonwealth's water quality goals. Common agricultural practices represent some of the easiest and most cost-effective ways Virginia can take to restore the Bay and protect local streams. Accordingly, E2C2 recommends that the budget for Agricultural Best Management Practices be increased (by an additional \$45 million) to ensure that the Commonwealth improves water quality and protects Virginia's waterways.

**Stormwater Local Assistance Fund**: For the same reason, E2C2 recommends additional support for the Stormwater Local Assistance Fund, a program that provides matching grants to localities for effective stormwater management practices. Stormwater management has represented, for a number of years, one of the most costly County environmental programs. Although the General Assembly has increased the allocation to \$20 million during 2016, many municipalities and environmental groups estimate that a \$50 million investment is needed annually to help localities better manage polluted runoff.

3. From your involvement in Arlington and the Commonwealth, what legislation can you anticipate in 2018 that might affect Arlington positively or negatively? In other words, is there anything we should anticipate and develop a strategy to address?

**Defend Solar Net Electricity Metering Policy:** Significant debate over extending solar net metering policy is expected in 2018. Net metering is a core policy supporting Virginia's clean energy economy. Current policy should be retained with the following improvements:

- The cap on the total capacity of net metered systems, currently set at 1% of a utility's peak electricity demand, should be eliminated or raised substantially.
- Stand-by charges on larger home systems should be eliminated.
- Requirements that net-metered system size must be limited to historical use should be eliminated.

No change to existing policy should be approved unless it promotes greater adoption of customersited solar electricity generation.

**Virginia Alternative Energy and Coastal Protection Act or similar**: Arlington should support the recently introduced House Bill No. 2018 (Virginia Alternative Energy and Coastal Protection Act<sup>2</sup>) or similar future bills which aim to establish a statewide funding source for affected coastal communities for flood resilience, and to promote energy efficiency and renewable energy, by joining the Regional Greenhouse Gas Initiative. Prior efforts in 2015 and 2016 to pass similar bills have failed but we encourage renewed attempts in conjunction with support for the regulations promulgated pursuant to Executive Directive 11 (see Question 1).

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<sup>&</sup>lt;sup>2</sup> https://lis.virginia.gov/cgi-bin/legp604.exe?171+ful+HB2018

4. Among businesses, other local governments, or interest groups, who would be our natural allies, if any, both in our community and around the Commonwealth on any of these issues? We are always more effective when we create a statewide team.

On regional issues, our allies would likely include such groups as the Metropolitan Washington Council of Governments, members of which would likely support legislation protecting the Chesapeake Bay. Other Northern Virginia municipalities, like Falls Church, Alexandria, and Fairfax County may also have similar priorities as Arlington. Coastal communities like Hampton Roads and Norfolk may be good partners in advocating for greater attention to issues related to climate change resilience and sea level rise. Broad-based nonprofit environmental organizations with a strong presence in Richmond, such as the Sierra Club, Southern Environmental Law Center (SELC) and Virginia Conservation Network, also can be helpful allies on a wide range of issues. On specific issues, groups such as the Washington Area Bicyclist Association (bicycle safety proposals), the Virginia Association of Soil and Water Conservation Districts (stormwater), and The Nature Conservancy (land conservation) would likely be natural allies.

## 5. Is there anything else that you would like to suggest to help us best develop our 2018 legislative priorities?

Legislative and administrative opportunities may develop in 2018 around the following issues:

**Infrastructure funding for energy-related preparedness:** We recommend that County and State preparedness and infrastructure policy experts develop a strategy to secure federal infrastructure funds for projects using energy efficiency, energy storage, and renewable energy to keep critical infrastructure operating in the event of a sustained electrical outage.

**Promoting energy efficiency:** A recent study found that Dominion Energy ranked second from last in the nation among utilities in energy efficiency.<sup>3</sup> Legislation is expected to be offered by Rep. Sullivan (similar to HB 1703 in 2017) to address this deficiency by requiring the State Corporation Commission to set goals for energy efficiency programs and to give preference to efficiency when it is cost effective relative to other approaches. Localities also should be authorized to require a higher level of energy efficiency in buildings (e.g., LEED) than that required by the statewide building code.

**Overcome procurement barriers for energy efficiency and renewable energy:** Amend the Virginia Public Procurement Act to allow jurisdictions to ride the contract of another jurisdiction for construction projects that do not require permitting and meet other reasonable criteria.

**Consumer energy choice:** Legislation is needed to allow consumers to purchase renewable energy from a provider of their choosing. Current law requires consumers to purchase renewable energy only from their utility if the utility offers a renewable energy tariff, even if other providers could provide more favorable terms.

**Energy efficiency and renewable energy financing -- Residential PACE:** Arlington County and its allies were successful in securing state legislative authority to implement Commercial PACE programs in 2016. A logical follow-up would be to build on this precedent by securing authority to implement a Residential PACE program in the future.

3

<sup>&</sup>lt;sup>3</sup> http://aceee.org/sites/default/files/publications/researchreports/u1707.pdf

**Expand opportunities for shared solar:** Legislation is needed to provide a cost-effective pathway for solar arrays to serve multiple meters on multi-family housing.

**Establishing a Green Bank:** Virginia has a leading set of companies and entrepreneurs with national reputations in energy and water efficiency, energy storage and renewable energy. A Green Bank could be established as a public-private partnership to help advance this sector using income sources from state fines, small business support, state implementation funds geared toward compliance with the Clean Air Act, and potential critical infrastructure federal funding. The Green Bank would leverage private sector capital to support and expand clean energy financing markets. This would contribute to economic development across Virginia, reduce the need for government support, reduce environmental impacts, and expand energy choices for Virginians.

**Recycling:** Encourage the use of reusable shopping bags by allowing a locality to impose a small fee for the use of paper and plastic bags, with exceptions for specific items such as certain foods, dry cleaning, alcoholic beverages, newspapers and prescription drugs. Similarly, localities should be allowed to require food service providers to use compostable or recyclable containers.

We appreciate the opportunity to provide our comments.

Sincerely,

Christine Ng

Chair, Environment & Energy Conservation Commission

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cc: Arlington County Board, countyboard@arlingtonva.us