

Dear Senator,

1/28/15

I am writing to you on behalf of the Virginia Housing Coalition in support of The Virginia Coastal Protection Act SB1428 (Sen. McEachin) that will be coming before your committee in the next week. This bill has many benefits beyond capping and gradually reducing Virginia's carbon emissions. It uses a flexible, market-based approach that will create revenue for three proposed uses: protecting Virginia's coastal communities from flooding and rising sea level, promoting economic development and new jobs in Southwest Virginia, and funding energy efficiency and clean energy programs across the State.

While the Coalition believes all of the aforementioned to be prudent, appropriate uses for Virginia's revenue from joining the Regional Greenhouse Gas Initiative, this bill would directly aid our main constituency, low and moderate income renters and homeowners. At least half of the 30% that would go towards energy efficiency and clean energy programs under this bill would go towards energy efficiency improvements for the low and moderate residential sectors. This arrangement would have the dual benefit of aiding Virginia in reaching its energy use and carbon reduction goals while helping Virginians that struggle with the cost of their housing save money and live more comfortably. On February 10, Housing Virginia will release the findings of a year-long energy study that looked at Virginia's affordable rental housing stock. The report finds that on average, tenants saved over \$600 per year when energy efficient features were included in their apartments.

Energy efficiency improvements are low hanging fruit in terms of saving energy, saving money, and boosting the economy. They achieve a higher reduction in energy and emissions than dollars spent in other areas. Recent studies by McKinsey and other respected organizations have consistently shown that every dollar invested in energy efficiency saves businesses, families and other customers about \$2 in energy costs (Ken Rosenfeld, Richmond Times Dispatch, 1/7/15). In 2007, Virginia set an energy efficiency goal of 10% efficiency savings by 2022 and we are currently less than 1% of the way towards meeting that statewide target. These funds could be critical toward making progress in this area.

In a state where more than one third of our citizens live in housing that is unaffordable to them this is a sensible, cost-effective solution to helping ease financial strains on Virginians in the most need, build much needed infrastructure to protect coastal Virginians, and help Virginia meet its energy use and carbon reduction goals. It is our hope that we can count on your support for SB1428.

Sincerely,

Bob Newman

*President, Virginia Housing Coalition*