

The Department of Environmental Quality has reviewed the economic impact analysis prepared by the Department of Planning and Budget and disagrees with the “Alternative to the Proposed Regulatory Action” section. This regulatory action is not intended to address solely Virginia’s ozone problem but the problem of ozone transport throughout the entire northeastern corridor of the United States. The suggestion that Virginia should implement a Chicago-style cap-and-trade program instead of adopting the proposed regulations ignores the large-scale regional directive behind the decision to adopt these regulations for the metropolitan Washington, D.C., area, a decision made by the Metropolitan Washington Air Quality Committee (not by Virginia alone) after it examined many other alternatives. The point of the rulemaking is for Virginia and Maryland and Washington, D.C. to develop programs that parallel those of the other states in the Ozone Transport Region in order to give sources a unified directive and a solid financial incentive to lower VOC emissions. Furthermore, because of the complexity of federal guidance and the stringency of federal oversight on emissions trading, the development of a cap-and-trade program would take years longer to develop and implement than will the regulations, with VOC emissions remaining unreduced in the meantime. Finally, while cap-and-trade programs are fairly easy to conceptualize for stationary sources, application of such a program to consumer products poses unique challenges requiring even more resources and time to conceptualize and establish.