

**Testimony for CO2 Budget Trading Program Regulation
Virtual Public Hearing – December 14, 2020, 6:00PM**

**By Jaret Gibbons, Executive Director
ARIPPA, 2015 Chestnut Street, Camp Hill, PA 17011
jgibbons@arippa.org**



My name is Jaret Gibbons from Ellwood City, Pennsylvania (PA). I am a former Democratic State Representative and currently Executive Director of the Appalachian Region Independent Power Producers Association (ARIPPA), which is the trade association for the mine land reclamation-to-energy industry in PA and West Virginia. The industry in PA is currently comprised of 10 facilities that reclaim polluting waste coal piles and remediate mining-affected land generally located on abandoned mine land (AML) sites. This is down from 14 reclamation plants only 2 years ago. My comments tonight will focus on the Waste Coal Set Aside in this proposed rule.

As the Commonwealth's energy priorities continue to shift away from traditional fossil-fuel sources, we must deal with the legacy from historic mining operations that powered our country during the previous century. Coal mining companies continue to struggle and close, many in bankruptcy, while funds available for reclamation regularly prove insufficient to adequately reclaim former mining sites. The mine land reclamation-to-energy industry is a market-based, alternative energy solution to this problem that if preserved can save the state over \$5 billion in environmental remediation costs.

Pennsylvania has at least 220 million tons of polluting waste coal located on more than 770 identified sites covering 8,300 acres. Since the late 1980's, this industry has reclaimed at least 230 million tons of waste coal and remediated over 7,200 acres of land thereby improving more than 1,200 miles of Pennsylvania waterways. These plants provide \$37 million per year in environmental and public use benefits while saving the state up to \$267 million annually in avoided environmental cleanup costs according to a 2019 study by Econsult Solutions.

These facilities and the AML reclamation work they perform are often in low-income, rural environmental justice areas of PA that have been disproportionately impacted by historic mining operations and the decline of industry throughout northeastern and western Pennsylvania. The acid mine water runoff from these areas flow downstream to pollute water sources for major population centers in the Delaware, Susquehanna, and Ohio River Basins and the Chesapeake Bay. Without these plants, most of these polluting waste coal piles will not be removed due to limited alternative AML reclamation processes and funding.

We thank the Department of Environmental Protection and the Wolf Administration for their support of this industry over the years. In the current Proposed CO2 Budget Trading Rulemaking, they have fittingly taken into account the positive environmental benefits of this industry by providing a Waste Coal Set Aside Account in an effort to recognize the tangible environmental improvements this industry provides to land, air and water from AML reclamation.

We appreciate the changes already made during the process of developing this rule to extend the lookback period for legacy emissions considering recent market trends and provide greater regulatory certainty to individual plants. While additional work still needs to be done, ARIPPA looks forward to

continuing our partnership with the Department moving forward to ensure our mutual goal that this industry be held harmless thru this rulemaking process.

An adequate Set Aside will help these plants continue to operate and thus clean up the environment. These small, mostly family-owned independent reclamation plants operate at extremely thin margins due to the high cost of remediating waste coal piles. As market-based providers of electricity, they would not be able to economically continue their positive environmental work if subject to the proposed CO2 Budget Trading Program. It is in all of our best interest that the vital environmental remediation work performed by these facilities for the Commonwealth and its residents continues unabated.