

International Brotherhood of

BOILERMAKERS • IRON SHIP BUILDERS

753 State Avenue

NEWTON B. JONES
INTERNATIONAL PRESIDENT
WILLIAM T. CREEDEN
INTERNATIONAL SECRETARY-TREASURER
913-371-2640



BLACKSMITHS • FORGERS

Kansas City, Kansas 66101-2511

MARTIN WILLIAMS, JR.
NATIONAL COORDINATOR
OF STATE LEGISLATIVE AFFAIRS
M.O.R.E. WORK INVESTMENT FUND
753 STATE AVENUE, SUITE 570
KANSAS CITY, KS 66101
Mobile: 215-760-6306
Fax: 913-281-8101
EMAIL: mwilliams@boilermakers.org



**Martin Williams, International Brotherhood of Boilermakers
Testimony Prepared for the Environmental Quality Board
Proposed Rulemaking: CO2 Budget Trading Program (#7-559), December 14, 2020**

Good afternoon and thank you for the opportunity to testify. My name is Martin Williams and I am the National Coordinator of State Legislative Affairs for the International Brotherhood of Boilermakers. On behalf of our thousands of hard-working members from Pittsburgh to Philadelphia, who labor to maintain our Commonwealth's power generating capacity and provide millions of Pennsylvanians with affordable and reliable electricity, I would like to express our strong opposition to the proposed regulations seeking to establish Pennsylvania's participation in the Regional Greenhouse Gas Initiative, more commonly known as RGGI. It is our intent to submit more detailed comments for the record before the expiration of the comment period.

To be clear, the Boilermakers have long acknowledged the realities of climate change. We have been fierce advocates of carbon capture technology for over 10 years and actively work with groups like the Center for Climate and Energy Solutions, the Global CCS Institute, and the Carbon Capture Coalition to advance pro-CCUS policies. We advocate for the expansion of carbon capture because it represents a sensible approach to mitigating the effects of climate change, allows for the continued use of abundant, affordable resources, and will create thousands of jobs. What we do not support are cost-prohibitive environmental policies that provide minimal benefit at the expense of good middle-class jobs.

Pennsylvania's participation in RGGI will be as injurious and brutally consequential to our members as anything previous experienced. Every year, thousands of Boilermakers are employed to provide maintenance at Pennsylvania's fossil power plants and depend on this work to maintain their careers. Pennsylvania Boilermakers typically work over one million man-hours each year in the fossil power sector earning family-sustaining wages, health care, and retirement benefits. More broadly, Pennsylvania's coal industry supports close to 18,000 jobs, including operations and maintenance jobs held by our fellow building trades members, provides over \$4 billion to the state's economy, and contributes millions of dollars in state and local taxes—revenue critical to so many communities and school districts across the Commonwealth. Participation in RGGI threatens to cripple an important part of the state's economy and jeopardize the retirement security of thousands of our members.

However, for the Board, the main question under consideration is whether RGGI will achieve its goals of meaningfully lowering statewide CO2 emissions. And the answer lies in DEP's own modeling. DEP's modeling shows little difference in the amount of statewide CO2 emissions reductions by 2030 between Pennsylvania joining RGGI and not joining RGGI. The main difference between the two cases is when emissions reductions occur. DEP's modeling shows sharp emissions reductions occurring in the first

year of joining RGGI, which suggests swift, multiple power plant closures. In contrast, by not joining RGGI, statewide CO2 emissions are expected to gradually decline.

With respect to regional emissions, again, DEP's modeling shows participation in RGGI will not result in any significant CO2 reductions across the PJM region. Any why is this? Because emissions leakage is a known problem with the RGGI framework. It is the inconvenient truth that so many supporters of RGGI are unwilling to acknowledge. DEP's modeling suggests that as generation and emissions in Pennsylvania decrease, generation and emissions in bordering, non-RGGI PJM states will increase. It is analogous to pushing on a balloon. Without a level playing field, an attempt at containment in one area will cause a bulge in another. So, then the question becomes if RGGI will only provide marginal benefit over the status quo and fail to lower regional emissions, all while unleashing severe economic disruption to the Commonwealth, is it worth it? We say the answer is no.

RGGI is a severely flawed policy that will prematurely close the state's remaining coal-fired power plants, cost thousands of jobs, devastate communities, provide minimal environmental benefit, and, given the current process with which consideration of the regulations is proceeding, is arguably unconstitutional. Despite all of the claims from those who cite the state constitution and other statutes and infer the state has a duty to protect the environment by whatever means necessary, ultimately, RGGI is a revenue-raising measure; and, unequivocally, taxation and revenue are the jurisdiction of the General Assembly.

Earlier this year, three advisory committees voted not to recommend advancing DEP's draft regulations to the EQB because they recognized participation in RGGI is not in Pennsylvania's interest. We couldn't agree more. We ask the Environmental Quality Board to reject DEP's proposed regulations that would authorize Pennsylvania's participation in RGGI. Thank you for considering our position.