



## ARMSTRONG SCHOOL DISTRICT

### RESOLUTION OPPOSING PENNSYLVANIA'S ENTRY INTO THE REGIONAL GREENHOUSE GAS INITIATIVE

**WHEREAS**, affordable, reliable, and resilient sources of electric power generated in Pennsylvania are vital to the health, safety and welfare of the residents of Armstrong County and to the prosperity of its economy; and

**WHEREAS**, affordable, reliable, and resilient sources of electric power generated in Pennsylvania are vital to the operations of Armstrong School District, whose territory includes substantial portions of Armstrong County and portions of Indiana County; and

**WHEREAS**, Pennsylvania's coal-fired electric generating units are a major economic, employment and tax revenue generator for the Commonwealth of Pennsylvania, counties, and the municipalities in which they are located; and

**WHEREAS**, on October 3, 2019, Governor Wolf directed the Department of Environmental Protection (DEP) by Executive Order 2019-17 to develop regulations that would facilitate Pennsylvania's entry into the Regional Greenhouse Gas Initiative (RGGI); and

**WHEREAS**, on September 15, 2020, DEP submitted and received approval from the Environmental Quality Board (EQB) of a proposed carbon dioxide trading program regulation that would join Pennsylvania to the RGGI that is now subject to public comment and review by the Independent Regulatory Review Commission (IRRC); and

**WHEREAS**, the RGGI is a cap-and-trade program targeting coal and natural gas fired electric generating units in our Commonwealth, including in Armstrong School District; and

**WHEREAS**, Armstrong School District has an immediate and significant interest in this proposed regulation as a host community and host school district to impacted coal-fired generation units; and

**WHEREAS**, carbon dioxide emissions from Pennsylvania's fossil-fuel fired electric generating units were 33.2% below 2005 emission levels, which is well in advance of Governor Wolf's stated 2025 goal of 26% below 2005 levels; and

**WHEREAS**, these reductions have been accomplished while Pennsylvania has maintained a stable and reliable supply of electricity at competitively priced rates, significantly below those of RGGI-states, which can be attributed to the fact that over 95% of Pennsylvania's energy generation comes from in-state low cost sources – including coal, natural gas, and nuclear; and

**WHEREAS**, the School District has been advised that the equivalent of a \$2.4 billion tax will be imposed by RGGI on all coal and natural gas fired electric generating units in Pennsylvania, and according to DEP's modeling will eliminate over 87% of existing Pennsylvania coal generation by 2022 and impair the future competitiveness of all natural gas generation; and

**WHEREAS**, joining the RGGI will prematurely force the premature retirement of over 8,200 MW of coal-fired electric generation in Pennsylvania, displacing this electric generation to other states that do not belong to the RGGI; and

**WHEREAS**, the RGGI represents the single, most significant energy generation restructuring in the history of Pennsylvania, and the forced premature retirement of coal and natural gas plants will lead to the loss of thousands of direct and indirect jobs supporting the electric generation industry; and

**WHEREAS**, within Indiana County, coal-fired electric generating unit operations produce \$837 million in total economic impact, supporting 1,490 direct and indirect jobs; and

**WHEREAS**, within Armstrong County, coal-fired electric generating unit operations produce \$544million in total economic impact, supporting 1,100 direct and indirect jobs; and

**WHEREAS**, in total, coal-fired electric generating unit operating in Pennsylvania produce \$2.87 billion in total economic impact within Pennsylvania and support over 8,000 jobs with \$539 million in employee compensation; and

**WHEREAS**, coal-fired electric generating units serve as the economic cornerstone and encompass a significant portion of the tax base for many communities and their forced closure by RGGI will have severe and long-lasting consequences on host school districts and municipalities, including Armstrong School District as a host community; and

**WHEREAS**, these negative economic consequences and shortfalls of the proposed regulation were considered and discussed by the Air Quality Technical Advisory Committee, the Citizens Advisory Council, and the Small Business Compliance Advisory Committee each of which rejected "recommending" the rule to the EQB; and

**WHEREAS**, under the act of January 8, 1959 (P.L.2119, No.787), known as the Pennsylvania Air Pollution Control Act (APCA), the EQB is statutorily required to host regional, in-person public hearings "where it becomes necessary to adopt rules and regulations for the control, abatement, prevention or reduction of air pollution for any area of the Commonwealth which encompasses more than one region or parts of more than one region, public hearings shall be held in the area concerned"; and

**WHEREAS**, the EQB and DEP neither advertised in a "region of the Commonwealth affected" by the regulation, nor held any public hearings "in the areas concerned" and, instead, convened five day-long virtual hearings in mid-December that required an internet-based

registration process, which discriminated against and disenfranchised thousands of potential commenters who lack adequate broad-band access; and

**WHEREAS**, in addition to the impact on coal-fired electric generating facilities and host communities, Pennsylvania joining the RGGI will have a significant negative economic impact on the Commonwealth's industrial, manufacturing, and transportation sectors; and

**WHEREAS**, if all coal-fired electric generating units within Pennsylvania are forced to close as a result of the RGGI tax, Armstrong County's and Indiana County's electric customers will be at risk for significant price spikes and potentially rolling brownouts as have occurred in other states that have moved away from fossil fuel.

**NOW THEREFORE BE IT RESOLVED** as follows:

1. The Board of Directors of Armstrong School District urges Pennsylvania's IRRC to reject the proposed carbon dioxide budget trading program regulation as contrary to State statute and the Constitution of Pennsylvania.
2. That the Board of Directors of Armstrong School District deems this Resolution to serve as its official public comment for the proposed carbon dioxide budget trading program regulation.
3. That the Board of Directors of Armstrong School District support energy policies that make sense for our residents, workers, consumers, and employers.

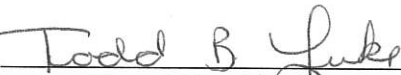
**BE IT FURTHER RESOLVED** that a copy of this Resolution be transmitted to the Governor, the Department of Environmental Protection, the Independent Regulatory Review Commission and the Environmental Quality Board.

**ADOPTED** this 11th day of January, 2021.

**ATTEST:**

**ARMSTRONG SCHOOL DISTRICT**

  
Secretary

By:   
Board President