



Clean Air Board of Central Pennsylvania
Comments on Proposed Regulations
25 PA. CODE CH. 145 - CO₂ Budget Trading Program

The Clean Air Board was formed in 2006 as a nonprofit organization to provide citizens a voice in air quality matters. Our mission includes advocating for public policies which would reduce air pollution to enable Pennsylvanians to breathe cleaner air. These comments on the proposed regulations are submitted on behalf of the Clean Air Board of Central Pennsylvania.

Governor Tom Wolf issued Executive Order 2019-07 which directed the Department of Environmental Protection (DEP) to develop a cap-and-invest program to control carbon pollution from power plants in Pennsylvania that aligns with the Regional Greenhouse Gas Initiative (RGGI).

Reducing greenhouse gas emissions is the most pressing climate problem Pennsylvania faces. We support Pennsylvania joining the regional carbon emissions cap of the Regional Greenhouse Gas Initiative (RGGI) of the Northeast and Mid-Atlantic states, with strict and enforceable goals.

It is critically important that Pennsylvania starts to meaningfully address its contribution to climate change. We urge the Department of Environmental Protection to finalize this proposed rulemaking to allow Pennsylvania to participate in the Regional Greenhouse Gas Initiative (RGGI) beginning in January 2022. Pennsylvania has the fifth-dirtiest electric power sector in the country, and this sector is responsible for roughly one-third of Pennsylvania's greenhouse gas pollution. As a globally significant polluter, Pennsylvania has a heightened responsibility to reduce its emissions and combat climate change. Linking with RGGI would be a monumental step in the right direction.

The CO₂ Budget Trading Program contained in this rule will significantly reduce harmful carbon pollution and protect public health. Sophisticated modeling analysis projects that RGGI will reduce carbon pollution from Pennsylvania power plants by 188 million tons (the same impact as taking 4 million cars off the road), create 27,000 jobs, and boost the state's economy by nearly \$2 billion just by 2030. These are very achievable goals. The proceeds from RGGI should be invested in energy efficiency and renewable energy programs. Pennsylvania will generate hundreds of millions of dollars in proceeds annually from this program. These funds should be invested in targeted efforts to eliminate air pollution, spur job creation, support working Pennsylvanians, and help boost the state's long-term economic recovery from the COVID-19 pandemic.

The reasoning behind the proposed rule is sound. Instead of allowing power plants to emit carbon pollution into our air (a public resource) at no cost, owners and operators of large power plants will have to pay a price which is determined through an emissions auction. This auction will encourage more technological innovation for reducing

emissions, and the emission fees received by the state can be re-invested to further reduce air pollution. This program has been successful with other RGGI northeast states. According to one analysis, these states received \$1.4 billion in net economic benefits from 2015 to 2017.¹ We should rely on RGGI's record of success, invest in sustainable jobs in our transitioning energy sector, and reduce our carbon pollution.

We urge DEP to provide a mechanism to adjust the starting allowance budget if actual emissions are lower than currently projected. It can be challenging to accurately predict future emissions. Reducing emissions simply on paper does not help move toward real world carbon reductions and a cap that is set too high will affect the integrity of the program.

Reducing carbon pollution will also clean up the air we breathe. Asthma, cardiovascular disease, COPD, and other respiratory diseases impact Pennsylvanians by the thousands, leading to premature deaths. People who live in high pollution areas are more likely to die if they contract COVID-19.² Cleaner air will reduce these health and social consequences. The RGGI program is not the only program needed to reduce carbon pollution, but it is a significant program which has positive benefits.

Thank you for your consideration.

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¹ THE ECONOMIC IMPACTS OF THE REGIONAL GREENHOUSE GAS INITIATIVE ON NINE NORTHEAST AND MID-ATLANTIC STATES Review of RGGI's Third Three-Year Compliance Period (2015-2017). Analysts Group (2018)

² <https://www.nytimes.com/2020/03/27/climate/climate-pollution-coronavirus-lungs.html> ;
<https://www.hsph.harvard.edu/c-change/subtopics/coronavirus-and-pollution/>