



Proposed CO2 Budget Trading Program (#7-559)

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Via electronic mail *RegComments@pa.gov*

Environmental Quality Board
P.O. Box 8477
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To: Chairperson Patrick McDonnell, Secretary of Pennsylvania
Department of Environmental Protection

Dr. Rachel Levine, Secretary of the Pennsylvania Department of
Health

Dennis Davin, Secretary of the Pennsylvania Department of
Community and Economic Development

Yassmin Gramian, Secretary of Pennsylvania Department of
Transportation

Russell C. Redding, Secretary of Pennsylvania Department of Agriculture

Jerry Oleksiak, Secretary of the Pennsylvania Department of Labor and Industry

Timothy Schaeffer, Executive Director, Pennsylvania Fish and Boat Commission

Bryan Burhans, Executive Director, Pennsylvania Game Commission

Gladys Brown Dutrieuille, Chairman, Pennsylvania Public Utility Commission

Andrea Bakewell Lowery, Executive Director, Pennsylvania Historical and Museum Commission

Meg Snead, Secretary, Governor's Office of Planning and Policy

Robert J. Barkanic, PE, Citizens Advisory Council

Cynthia Carrow, Citizens Advisory Council

John St. Clair, Citizens Advisory Council

John Walliser, Citizens Advisory Council

James Welty, Citizens Advisory Council

Gene Yaw, Senate of Pennsylvania

Steven Santarsiero, Senate of Pennsylvania

Daryl D. Metcalfe, Pennsylvania House of Representatives

Greg Vitali, Pennsylvania House of Representatives

Re: Comments on Proposed Rulemaking

There is a tide in the
Affairs of men,
Which, taken at the
Flood, leads on to
fortune;
Omitted, all the voyage
of their life
Is bound in shallows
And in miseries.
On such a full sea,
We are now afloat.

WILLIAM SHAKESPEARE

The Responsible Drilling Alliance (RDA) appreciates the opportunity to provide comments to the Environmental Quality Board (EQB) relating to the CO₂ Budget Trading Program proposed to establish a limit on carbon dioxide (CO₂) emissions from fossil-fuel fired electric generating units (EGUs) by joining the Regional Greenhouse Gas Initiative (RGGI).

RDA firmly supports adoption of the RGGI rule and heartily commends the DEP and the EQB for an excellent analysis of the unquestionable need for much further

decisive action on Pennsylvania's outsized contribution to the world's CO₂ emissions. At the same time, we join with other commentators who insist much more must be done now, through a holistic approach, to rapidly reduce our Commonwealth's entire economy's greenhouse gas (GHG) emissions, action we believe necessary in order to reverse the progress of impacts emerging from the climate crisis.

We begin by reminding the Board, particularly the members from our legislature, that over half of all anthropogenic emissions of CO₂ and presumably even a higher percentage of all GHG emissions in human history have occurred since 1992. Our nation, for most of that time the world's leading polluter (now surpassed by we all know who) and our Commonwealth, the nation's 4th leading state in CO₂ emissions from EGUs, are now given the opportunity to realize it is time to change course lest we spoil the future for the youth of today and those to follow.

As the RDA Board speculated in our Control of VOC Emissions From Oil and Natural Gas Sources comment last year, the new Federal Administration is ready to lead the nation into our energy and economic future in a systematic and sensible way. The Biden Administration is determined to pursue the science-based goals of achieving net – zero GHG emissions in the electricity sector by 2035 and economy-wide net-zero GHG emissions by 2050. For those of you on the EQB who do not believe the Federal

Administration will successfully expedite putting our nation on the path to achieving these goals, you are simply mistaken.

Justifications for the statement above are more than a few. Presidential and majority party power are two of them. Trends in the financial markets, such as the increasing desire for ESG investments, and calls for portfolio divestiture of fossil fuel investments by directors of pension and other massive funds are another pair. In addition, the leadership of public servants such as Pennsylvania Congressman Conor Lamb, who, serving on the House Science, Space, and Technology Subcommittee on Energy, was able to successfully muster bi-partisan support for legislation funding Advanced Research Projects Agency-Energy (ARPA-E) as well as legislation for electrical energy grid modernization and renewable energy storage is also an emerging factor.

How did Congressman Lamb accomplish all that under a Federal administration hostile to the energy transition? Because the U.S. House leadership change after the 2018 election allowed for discussion to take place that did not occur under the previous leadership. And when those discussions did occur, there was not pushback by minority party members because serious people recognize serious opportunity for job creation and economic growth when it is presented to them respectfully.

Almost half of U.S. states now have de-carbonization goals in place. Utilities serving two thirds of U.S. consumers are pursuing carbon or emission reduction goals. Investor pressure for de-carbonization of power generation, transportation, and heating sources is increasing. Widespread consumer demand, now led by the affluent, will likely follow as poll after poll show a majority of the public, even in a purple state like ours, know both anthropomorphic climate change and climate risks are real and that unchecked, they will become real expensive.

With requirements for publicly traded company disclosure of climate risks and greenhouse gas emissions now able to move forward by executive order, we ask you EQB members, will not these trends only gain momentum?

More evidence? Our new President will be able to choose three of the five Federal Energy Regulatory Commission (FERC) Commissioners. Natural gas pipeline issues will be impacted. The Minimum Offer Price Rule (MOPR) of 2019, which significantly impacted our PJM Grid's Capacity Market, in the words of FERC Commissioner Rich Glick was mainly about, "*Dramatically increasing the price of capacity in PJM and slowing the region's transition to a clean energy future*". This rule will now be reinterpreted to allow for actual discussions about concepts such as just what are subsidies to the fossil fuel industry and how are they discounted? And, how are the social costs of carbon included in rates FERC will approve? Please stop to consider the impact of the results of such frank and open discussion.

The combination of climatic, financial, consumer and political trends all put Pennsylvania's economy in a precarious position. We are at an inflection point. The Commonwealth faces an enormous decision. Will we adapt ahead of the curve and seize the opportunity to take a lead role in the energy transition or continue down an unsustainable path?

Unless the legislature can be convinced to reach the prudent conclusion that the majority of EQB members have reached on CO₂ emissions. And unless all on the Board can expand their understanding to include overall GHG emissions, our economic fate will be sealed.

Therefore we on the RDA Board are taking the opportunity of this comment period to appeal, in the public record, directly to the EQB members of the majority party in the legislature who are among those charged with considering these comments.

To Senator Yaw, we would first like to take the opportunity to enter into the record our sincere thanks for your principled public stand, much like that of Congressman Lamb and both our U.S. Senators Toomey and Casey, on the integrity of Pennsylvania's recent election. The courage, logic, and keen legal mind you displayed in your essay "*Let's Get Things Straight on the Election*" is appreciated and will not be forgotten.

We count on those same qualities in you as we respectfully ask you to find, in the reams of public comments on this RGGI rule, those of “leading Pennsylvania lawyers, law professors, and other academic and professionals concerned about climate disruption” and those of the joint commentators representing four organizations with which you are frequently at odds: Clean Air Council, NRDC, Citizens for Pennsylvania’s Future, and the Sierra Club Pennsylvania Chapter and give them open minded consideration.

Being based in your district, we on the RDA Board understand you represent the views of the majority of your constituents when it comes to energy issues. What we don’t understand is how, in your highly influential position as Chairman of the Pennsylvania Senate’s Environmental Resources & Energy Committee or when as now, serving on the EQB, you don’t appear to have a more future oriented perspective. We believe if you were open to the winds of change, to the opportunities coming our way to leave a healthier, more economically viable future as the legacy of your service, Pennsylvania could optimize the declining decades of the shale gas era to the Commonwealth’s advantage.

To Representative Metcalfe, we are disappointed that despite two of the world’s leading climate scientists being employed by our largest state University, the Republican Chairman of the Pennsylvania House Environmental Resources and Energy Committee and EQB member remains in denial of anthropogenic caused climate change.

We pity you for not realizing that you have been influenced by a relentless public relations campaign carefully built by the same people who convinced post WWII Americans that smoking did not cause cancer. We can only conclude that you do not know that when that disinformation campaign was no longer tenable, and the cancer warning was placed on cigarette packs, the same people and the same firm that spearheaded that tragic effort moved on to help the oil and gas industry deny climate science for over half a century. Today, the cracks in that defensive armor are busting out all over the financial markets. Your failure to see the writing on the wall is sad, as you obviously have a passion for the welfare of Pennsylvanians.

Finally, to each member of the EQB, one thing is clear, blazing a path to a decarbonized U.S. economy is a challenge of epic proportion. As difficult as it is to imagine, a united effort across political lines is essential. We will get there; we have no choice, but the question remains. Will Pennsylvania take a leading role in the energy transition or will we remain mired in the buried shallows of ancient seas? The decision is up to all the members of the EQB. Choose wisely.

Sincerely,

The Board of Directors of the Responsible Drilling
Alliance

Robert Cross, President

Barbara Jarmoska

Jon Bogle

Mark Szybist

Roscoe McCloskey

Dianne Peeling

Harvey Katz

Ralph Kisberg, energy policy consultant to the
RDA Board of Directors