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Form Letter D 125-129

Stephen Hoffman

From: EP, RegComments <ra-epregcomments@pa.gov>
Sent: Thursday, January 21, 2021 4:49 PM
To: IRRC
Cc: EP, RegComments; Scott Schalles; Fiona Cormack
Subject: Final Count - Form Letter 4 - Proposed Rulemaking: CO2 Budget Trading Program (#7-559)
Attachments: Form Letter 4_Equitable Emission Reduction (7-559).pdf

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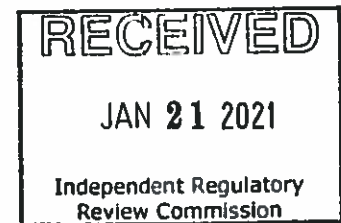
Good Afternoon,

Attached is a form letter DEP received regarding Proposed Rulemaking: CO2 Budget Trading Program (#7-559), labeled "Form Letter 4: Equitable Emission Reduction" (IRRC Form Letter D).

We received a total of **129** copies of this letter via email during the public comment period.

Thank you,
Laura

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In order to prevent the further spread of COVID-19, all DEP offices will remain closed until restrictions are lifted. In the meantime, I will be working remotely to continue the mission of the Pennsylvania Department of Environmental Protection and frequently retrieving emails. Thank you for your patience.



FORM LETTER 4: Equitable Emission Reduction

Proposed Rulemaking: CO₂ Budget Trading Program (#7-559)

Dear Secretary - EQB Patrick McDonnell,

I applaud the Department for taking the steps they have in the proposed CO₂ budget trading program to reduce carbon pollution and create thousands of jobs. Yet, cap-and-invest strategies alone will not foster equitable emission reduction, prevent the possibility of future harm from emissions, and achieve Pennsylvania's renewable energy goals. A more robust cap on climate pollution is needed to protect communities on the frontlines of climate change. While climate change affects everyone, it has a devastating impact on the state's low-income residents, communities of color, immigrants, and other vulnerable populations.

As Pennsylvania prepares to join RGGI, we ask that you consider incorporating bold policy ideas and regulatory tools that achieve the goal of GHG reductions in all neighborhoods and investments in EJ neighborhoods to help mitigate current and future harms. Therefore, we respectfully ask that you consider our specific concerns and hopeful recommendations as you move forward in making Pennsylvania a more just, equitable, and regenerative state.

- When issuing air pollution permits, the Department must base its final determination on an informed decision. This decision must be based on a macro level. Information such as the residents' testimony, current and proposed ambient air quality, permittee's violation history, public benefit, population statistics, nearby schools, long-term care facilities, nursing homes, and cost-benefit analysis must be considered.

- Adaptive management is crucial. RGGI should contain specific mechanisms to study the impacts and adjust for effects that are unexpected or undesirable. A vague commitment to the concept of adaptive management is not sufficient; specific, mandatory follow-up measures must be integrated into the regulations where possible. We know there are often unforeseen flaws that require modification after a cap-and-invest system like RGGI is in place. That is why it is essential to conduct the appropriate studies and report the findings to the public.

- The direct effect of RGGI is likely to be regressive: it will disproportionately burden low-income households with higher energy prices as producers pass emissions-reduction costs on to consumers. Therefore, Pennsylvania should use auction revenues to counter this effect. One advantage to RGGI, as opposed to more conventional regulation, is that while both may increase consumers' prices, allowance auctioning provides a funded mechanism for countering the effect. Additionally, the auction revenues should be invested back into the very communities that have historically and presently face the burden of fossil fuel power plant pollution. Investment into community schools, greenspaces, and sustainable well-paying jobs should be a priority.

- The Department should not allow certain fossil fuel power plants (i.e., coal waste fire power plants and combined heat and power energy sources) to externalize the polluting cost completely. RGGI can be tailored to fit the needs of the Commonwealth. Currently, the Commonwealth requires a cap-and-invest program that will lower emissions and earn funds. Therefore, by allowing certain fossil fuel power plants to not pay for their emissions, the state loses one of the central pillars of an effective cap-and-invest program. Instead, if the RGGI program charged a reduced rate for the same power plants, the goal of

lowering emission levels and generating funds are both met without the burden of pollution falling on the state and the taxpayer.

Thank you for your consideration and the ability to provide comments on such an important topic.