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Mining and Geological Consultants



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November 18, 2020
File: G.O.

Subject: Opposed to Proposed Rulemaking CO2 Budget Trading Program

To Whom It May Concern:

I write in opposition to Governor Tom Wolf's proposed regulation, CO2 Budget Trading Program as published in the Pennsylvania Bulletin on November 7, 2020 (50. Pa.B. 6212), which will join Pennsylvania to the Regional Greenhouse Gas Initiative (RGGI). I urge the Independent Regulatory Reform Commission (IRRC) to reject Governor Wolf's proposed RGGI tax.

John T. Boyd Company (BOYD) is one of the largest, privately owned mining consulting firms with its headquarters in Pittsburgh, Pennsylvania. Our core business since 1943 is the technical, operational, and financial assessment of reserves, mines, and mining companies. BOYD has performed over 1,000 assignments in Pennsylvania coal for coal producers, electric generating companies, financial investors, insurance companies, law firms, and Pennsylvania government. Our team of Pennsylvania-based professionals is comprised of specialists experienced in all aspects of the coal industry including geology, reserves, mining operations (surface and underground mining), geomechanics, coal preparation, financial analysis, valuation, markets, transportation, and environmental matters.

Joining RGGI will result in the premature closure of Pennsylvania's coal and older natural gas power plants, rendering nearly two-thirds of our electric generation uncompetitive, with no benefit to Pennsylvania. The closure of these power plants will result in the loss of thousands of direct jobs, negative impacts to secondary and tertiary industries like BOYD and other mining and geological consultants that support the coal mines and plants, the erosion of income and property tax revenues, and increased power prices that will burden consumers and businesses.

US and regional coal supply/demand and coal-fired electric generation forecasting is one of BOYD's core services. Our modeling shows that carbon dioxide reductions from plant closures or reduced generation in Pennsylvania will simply shift to neighboring, non-RGGI states, like Ohio and West Virginia. Those states will also take the related jobs, capital expenditures and, yes, carbon dioxide. As a result, carbon dioxide emissions will increase in those states, which will more than offset any emission reductions in Pennsylvania.

At a time when our state is in an economic crisis with record unemployment, no one should choose to harm wages and job security, threaten the survival of businesses and manufacturers, and further jeopardize regional economies that are already struggling to survive. To add insult to injury, the Wolf Administration is manipulating the regulatory process to eliminate any meaningful opportunity for people in impacted communities to have a voice, as required by law.

Approving the CO2 Budget Trading Program and joining Pennsylvania to RGGI does nothing to reduce carbon dioxide emissions, it merely exports the production of affordable, reliable and resilient electricity to Ohio and West Virginia, where fossil fueled power plants aren't taxed, and exports Pennsylvania jobs and our economy. Thank you for considering my comments. Please reject the RGGI tax regulation and protect the jobs of thousands of Pennsylvanians struggling to make ends meet during this terribly difficult pandemic recession.

Respectfully submitted,

JOHN T. BOYD COMPANY

By:

A handwritten signature in black ink, appearing to read "James W. Boyd". The signature is fluid and cursive, with a large initial "J" and "B".

James W. Boyd
Chairman

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