

Form Letter F 19-139

**Stephen Hoffman**

**From:** Griffin, Laura <laurgriffi@pa.gov>  
**Sent:** Monday, December 7, 2020 9:05 AM  
**To:** EP, RegComments; IRRC; environmentalcommittee@pahouse.net; Environment-Committee@pasenate.com; Iversen, Sarah A.; Glendon King; Troutman, Nick; Collins, Timothy  
**Cc:** Reiley, Robert A.; Shirley, Jessica; Demjanick, Jennie; Landis, Allen  
**Subject:** Notice - Form Letter 6 - Proposed Rulemaking: CO2 Budget Trading Program (#7-559)  
**Attachments:** Form Letter 6\_Positive Impacts (7-559).pdf

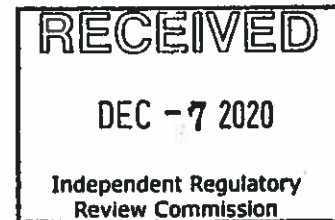
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Good morning,

Attached is a form letter DEP has received (via IRRC) regarding Proposed Rulemaking: CO<sub>2</sub> Budget Trading Program (#7-559). We have labeled this letter "Form Letter 6: Positive Impacts." To date, we have received 139 copies of this letter via email.

Thank you and have a great week,  
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 6: "Positive Impacts of CO2 Budget Trading Program"**

Proposed Rulemaking: CO<sub>2</sub> Budget Trading Program (#7-559)

Dear the Independent Regulatory Review Commission,

I am writing in support of the proposed regulation, Carbon Dioxide (CO<sub>2</sub>) Budget Trading Program, to amend 25 Pa. Code Chapter 145. The proposed regulation was posted on Saturday, November 7, 2020 (50 Pa.B. 6212).

This proposed rulemaking would establish a program to limit the emission of CO<sub>2</sub> from fossil-fired electric generating units (EGUs), with a nameplate capacity equal to or greater than 25 megawatts (MWe). This proposed rulemaking will not only greatly impact the environment, it will also benefit the economy, improve human health, and protect agriculture and tourism.

According to the United States Energy Information Administration, Pennsylvania generates the fifth most CO<sub>2</sub> emissions from EGUs in the country. CO<sub>2</sub> emissions are a major contributor to regional climate change impacts. This proposed regulation and program would help reduce CO<sub>2</sub> emissions greatly and by doing so, ultimately help this Commonwealth in terms of human health, environmental impacts, and our economy.

Under the Regulatory Review Act, certain criteria must be considered and met in order for a proposed regulation to be approved and finalized. Some of these criteria are already explained quite well in the Department of Environmental Protection's (DEP) Regulatory Analysis Form (RAF) and do not need further discussion. Some of these criteria include, statutory authority, clarity, feasibility, and reasonableness, supported by acceptable data, impacts to small businesses and meeting regulatory requirements.

For purposes of this letter, I will focus on the great public health, environmental, and economic benefits the proposed regulation will establish to change the Commonwealth's harmful trajectory due to greenhouse effects.

### **Public Health, Safety and Welfare:**

Climate change will impact human health in a variety of ways. It inflames respiratory problems like asthma and infections by increasing irritants in the air, such as pollen and mold concentrations. Further, disease-bearing mosquitos and ticks spread further and live longer due to rising temperatures and milder winters caused by climate change. Finally, higher temperatures caused by climate change put vulnerable populations at greater risk for deadly illnesses like heat stroke, heart failure and more. Data within the RAF, specifically Table 4 outlines, in detail, avoided health impacts by 2030 from emission reductions from the proposed regulation. This includes lower incidences in emergency department visits for asthma, acute bronchitis, upper and lower respiratory symptoms, lost workdays, hospital admissions and more. Overall, this proposed CO<sub>2</sub> reducing program created by the regulations is an opportunity to

protect Pennsylvanians from the worst effects of climate change.

**Effect on this Commonwealth's Natural Resources:**

Adverse impacts from climate change are already being experienced throughout Pennsylvania. Higher temperatures and an increasing number of extreme weather events have led to record rains and flooding, such as the summer of 2018, and increased periods of drought, heat waves and large storms. All these harms can be attributed to our changing climate. One big factor in these changes is the effects of greenhouse gases and a major contributor to GHG is CO<sub>2</sub>. These impacts can cause major environmental harm in numerous ways such as decreasing water supplies, degrading water quality, causing more disease and pests to impact our agriculture, killing native trees and plants, and more.

By changing the trajectory of climate change, we can help our agricultural community and food security in the Commonwealth. Climate change is upending normal weather patterns, leading to periods of both intense precipitation and drought, both of which pose great difficulties for Pennsylvania farmers. Increased precipitation leads to difficulty in planting crops and harvesting meaningful yields and an increase in plant disease and destruction caused by pests. In the inverse, more frequent droughts will require an increase in irrigation to sustain crops and may lead to a large decrease in water quantity throughout the Commonwealth. Higher temperatures also impact livestock such as dairy cows and poultry. Stress caused by heat will decrease milk and egg production. To mitigate, the farmers will have to include purchasing extensive, and potentially expensive, cooling systems to protect the animals.

Further, forests and plants that typically help by naturally reducing carbon dioxide, can also become overwhelmed and stressed if changes are not made to CO<sub>2</sub> emissions. Higher temperatures and ground level ozone can contribute to destroying chlorophyll, reducing survivability of tree seedlings, and increasing plant disease and pests. These impacts to our forested and natural areas can ultimately impact outdoor recreation and tourism. Currently, during this pandemic it has been shown that outdoor recreation has been utilized much more and has helped with both mental, physical, and emotional health.

Without making changes in greenhouse gas emissions in this Commonwealth, water quantity and quality will be greatly impacted. Climate change is leading to sea level rises, which greatly impacts the Delaware River estuary and Philadelphia's drinking water supplies. It also leads to flooding and nutrients rushing into our local waters which can and has led to harmful algal blooms. Higher temperatures in local waters also leads to problems with aquatic species spawning and more. Native fish may need to migrate to cooler areas to survive, impacting Pennsylvania's sport fishing and more. Swimming and recreating in local waters can become increasingly dangerous due to poor water quality from increased pathogens. Many of these incidences are currently happening throughout the state and is not uncommon. However, these incidences will continue to increase if changes do not take place to mitigate the harm. These proposed regulations provide the change that is needed.

Finally, approving these proposed regulations would be in line with our state Constitution, specifically, Article I, Section 27 by ensuring that Pennsylvanians are receiving their fundamental right to clean air and pure water. These types of regulations are exactly how the Commonwealth acts as a trustee in

accordance with the Constitution. By keeping our citizen's interests in mind and acting with prudence and loyalty by proposing and approving regulations that reduce CO2 will help to conserve and maintain our air and waters for generation yet to come as required by the state Constitution.

#### Economic Impacts:

The proposed rulemaking will not only combat climate change, as discussed above, but will provide a positive economic value to the Commonwealth. According to the modeling shown within the RAF, between the years 2022-2030 this proposed rulemaking will lead to a Gross State Product of \$1.9 billion and net increase of 27,752 jobs within the Commonwealth. There are also many other economic benefits that may be more difficult to project but will certainly be impactful to the Commonwealth. These benefits will come from less emergency funding having to be spent for extreme weather events, such as increased flooding, increased droughts, and tornado/storm damage. The Commonwealth will have less infrastructure damage caused by flooding, outdoor recreation and tourism industries will be protected, drinking water issues and costs (in protecting water quality and improving quality) will be mitigated, and more. The benefits will be felt by citizens too: fewer extreme weather events will lead to less crop and livestock damage, decrease in health-related impacts and healthcare (for example, asthma), fewer pest related problems in agriculture and humans (such as Spotted Lanternflies and tick-borne diseases).

This proposed rulemaking is a two-prong approach. It is both a market-based trading program as well as an investment program. The RAF explains that the proceeds generated from the multistate auction may generate around \$339 million in 2022 and around \$190 million in 2030 by selling CO2 allowances. These proceeds can then be distributed within the Commonwealth in a variety of beneficial ways such as investing in energy efficiency, renewable energy, and greenhouse gas (GHG) abatement. Ultimately, these investments also have ripple effects in that the proceeds to invest in energy efficiency and renewable energy will help offset any potential increased costs to electricity prices by decreasing peak demand and offering low-cost electricity to the grid.

The direct and indirect positive impacts that this proposed regulation has on our Commonwealth is extensive: from our economy and the environment to our agriculture and food security to our health and welfare. Reducing CO2 through a practical, innovative, and expansive, regional market and investment program as designed by this propose rulemaking will help mitigate those harms created by GHGs.