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Organization: Keystone Energy Efficiency Alliance

Re: Verbal Testimony for CO2 Budget Trading Program Regulation

Hello my name is Erin Cosgrove, and I am testifying today on behalf of the Keystone Energy Efficiency Alliance. First, I would like to thank the Department of Environmental Protection for the opportunity to comment on Pennsylvania's joining of the Regional Greenhouse Gas Initiative or RGGI.

The Keystone Energy Efficiency Alliance (KEEA) is Pennsylvania's trade association for the energy efficiency industry,

- The energy efficiency industry is composed of a diverse range of professions—from contractors and manufacturers to engineers, architects, and software developers—and a local workforce that cannot be outsourced.
- Our membership, comprising seventy-five companies, ranges from small local firms to large multinational corporations.
- While the pandemic and related lockdowns caused enormous job losses, energy efficiency is the largest US energy sector, boasting a growth rate 1.7 times faster than the national workforce from 2016-2019.¹

KEEA supports the proposed regulations to allow the state to enter RGGI as RGGI provides an avenue to combat climate change and grow Pennsylvania's economy and DEP's right to implement this program. In current RGGI states, investment proceeds have generated over \$4 billion in economic benefits in the form of new jobs, customer utility bill savings, and public-private investment.²

While an auction document will come out later, the regulations outlined 4 key areas for investment proceeds: Worker Transition, Energy Efficiency, Clean and Renewable Energy Generation, and GHG Abatement Initiatives. KEEA applauds the DEP identifying the benefits that energy efficiency investments can bring and would like to expand how through prioritizing energy efficiency, RGGI can **lower energy costs and boost local and state economy** through the creation of local, long-term jobs.

¹ E4TheFuture, 2020 Energy Efficiency Jobs in America, available at https://e4thefuture.org/wp-content/uploads/2020/11/National-Summary_EE-Jobs-in-America.pdf.

² Acadia Center, Regional Greenhouse Gas Initiative 10 Years in Review, available at https://acadiacenter.org/wp-content/uploads/2019/09/Acadia-Center_RGGI_10-Years-in-Review_2019-09-17.pdf.

- Just as the commonwealth has transitioned industry in the past to remain an energy leading economy, RGGI will enable PA to lead the clean energy workforce transition once again.
- By investing in energy efficiency programs, Energy efficiency workers will be in increasing demand across the state to build, install, monitor, repair, and improve equipment. These jobs are by definition local to their communities and offer a higher-than-average salary.
- Per year, RGGI is anticipated to create 27,000 jobs and pour \$300 million into Pennsylvania's economy.³

Energy efficiency jobs can also provide a reliable career path for **workers transitioning** from other energy sectors.

- Auction proceeds can provide workforce transition funding to help workers join the energy efficiency and clean energy workforce.
- As coal generation naturally declines, Pennsylvania's leadership should do everything possible to help its current energy workers transition to the new energy sector.
- RGGI will provide the push, framework, and funds to transition the workforce to one of clean generation.

Finally, investing in energy efficiency, can lay the groundwork for more **equitable energy** transition by investing in energy efficiency programs that address economic and structural barriers that prevent residents and businesses from participating in state and utility offered energy efficiency programs.

- A number of states already leverage RGGI auction proceeds to provide a more comprehensive and accessible energy efficiency programs portfolio. Energize Delaware's Pre-Weatherization Program uses RGGI funds directly for Weatherization Assistance Program (WAP) deferrals.⁴
- In addition to directly supporting these programs, RGGI funds can be an avenue to identify additional private funding to improve access to these programs. The establishment of a Green Fund or Green Bank that attracts private investment that can aid residents and small businesses through (1) streamlining and completing first of their kind transactions and (2) providing capital that will allow for investment in clean energy improvements that have a higher upfront cost.

The effects of energy efficiency investment from RGGI will ripple out across communities: families with lower utility bills can spend more on local goods and services, and businesses that spend less on energy can spend more on payroll or capital investment.

- In this way, energy efficiency investments are a win-win-win that will ensure that RGGI delivers not only less pollution, but more jobs, more savings, and a stronger economy for Pennsylvania.

³ Department of Environmental Protection, available at <https://www.dep.pa.gov/Citizens/climate/Pages/RGGI.aspx>

⁴ Energize Delaware, Pre-Weatherization Program webpage, available at: <https://www.energizedelaware.org/residential/pre-weatherization-program/>.

- Thank you for the opportunity to provide comments on this important regulation.

Sincerely,

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