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Good morning, my name is Mandy Warner and I am Director of Climate & Clean Air Policy for Environmental Defense Fund. I am speaking today in strong support of the draft rule on behalf of EDF and its 141,000 members and activists in Pennsylvania.

By moving forward with the draft rule on the CO2 budget trading program, Pennsylvania is showing it is ready to be a leader in the clean energy future and join the ranks of other states across the nation that are moving quickly to take the mantle of leadership on climate, public health, and in deploying clean technologies. The costs of inaction on climate change are grave for public safety, health, prosperity, and economic competitiveness, while the benefits of taking action on climate are substantial.

The draft rule to link Pennsylvania with the Regional Greenhouse Gas Initiative (RGGI) is an eminently achievable and cost-effective approach to tackling climate pollution in Pennsylvania. RGGI has a decade-long history of success in reducing emissions, saving consumers money, driving clean energy investments, and reducing pollutants that harm human health. Independent analysis shows that without a program like RGGI, Pennsylvania's power sector emissions will start to rise by the middle of this decade, as zero-emitting electricity resources are retired and replaced by higher-emitting electric generation sources. Achieving Gov. Wolf's climate goal to significantly reduce climate-destabilizing emissions in Pennsylvania is not possible without a limit on carbon pollution, such as that facilitated by RGGI.

A flexible, market-based program like RGGI is a great fit for Pennsylvania's diverse energy portfolio. RGGI does not pick winners or losers -- it sets a firm, declining limit on carbon pollution and lets companies determine how best to comply while maximizing cost-effective reductions, enabling even deeper pollution reductions.

Pennsylvania linking with RGGI will ensure climate pollution is reduced in Pennsylvania and across the region. Analysis done by EDF and M.J. Bradley & Associates found that Pennsylvania's linkage with a program like RGGI would ensure a net 20-million-ton carbon reduction across the entire Eastern Interconnection in 2030, compared to BAU. The analysis also shows that Pennsylvania will substantially increase its role as a net energy exporter, as others have noted, even as RGGI-linked carbon pollution limits come into effect. Lastly, our analysis also found that even deeper pollution reductions than proposed in the rule are possible and can keep Pennsylvania on a steady trajectory to completely decarbonize before mid-century. A deep decarbonization trajectory that gets close to zero emissions by 2040, with a leakage mitigation mechanism in place, could reduce annual emissions 111 million tons across the Eastern

Interconnection in 2030. Further, a deep decarbonization trajectory brings even more solar capacity into the region's electricity generation mix and maintains all of the state's existing nuclear fleet.

The opportunity presented by Pennsylvania adopting the draft rule is substantial. Alongside important investments in energy efficiency and clean energy, the program can be implemented to maximize benefits to all Pennsylvanians, including those in frontline communities and for impacted workers. Polling consistently shows that over 70% of Pennsylvanians strongly support action on climate change, including strong regulations to reduce pollution. The rule enjoys support from a broad set of stakeholders spanning the power industry, agriculture, faith, environmental groups, health groups, parent groups, consumer protection groups, and more.

In closing, EDF commends the Department of Environmental Protection (DEP) and the Environmental Quality Board for its work to advance this critical proposal that ensures pollution reductions in Pennsylvania, one of the largest emitters of climate pollution in the nation. EDF strongly supports the draft rule and respectfully asks DEP to finalize it swiftly to ensure the program can launch in January 2022. EDF will be submitting additional technical comments for consideration as well. Thank you for the opportunity to testify today.