

TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN AND HELPERS
 LOCAL UNION NO. 110 - JOHNSTOWN, ALTOONA AND VICINITIES PENNSYLVANIA
Affiliated with
 THE INTERNATIONAL BROTHERHOOD TEAMSTERS



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December 21, 2020

Environmental Quality Board
 16th Floor Rachel Carson State Office Building
 400 Market Street
 P.O. Box 8477
 Harrisburg, PA 17105-8477

Re: Proposed Rulemaking: #7-559 - CO2 Budget Trading Program

To the members of the Environmental Quality Board,

On behalf of the Teamsters Local Union No. 110 this is sent to express our opposition to DEP's proposed regulations seeking to limit state CO2 emissions through participation in the Regional Greenhouse Gas Initiative (RGGI).

As three different advisory committees have made clear through their respective votes on the proposed regulations, Pennsylvania's participation in RGGI will not benefit the state economically or environmentally. Participation in RGGI will quickly accelerate the closure of Pennsylvania's remaining coal-fired power plants, **eliminate thousands of good-paying jobs, including jobs held by members of our affiliated unions who depend on work in the power generating industry to sustain their careers,** and remove \$2.87 billion in economic activity from the state economy. In addition, communities that depend on tax revenue from currently operating power plants to fund school districts and essential services will be devastated and will take years to recover.

From an environmental standpoint, DEP's RGGI modeling confirms that Pennsylvania's participation in RGGI will not yield any meaningful reduction in statewide or regional CO2 emissions by 2030 beyond what is occurring through current market forces. Instead, participation in RGGI will force the premature closure of the state's remaining coal-fired power plants, and some older natural gas-fired power plants, and shift generation and emissions to neighboring, non-RGGI states.

It should also be noted that consideration of the proposed regulations is occurring at a time when the challenges of the current COVID-19 pandemic have substantially compromised the public's ability to engage state officials. In fact, the Air Pollution Control Act requires hearings on proposed regulations to be held in affected communities. Yet, a series of virtual public hearings has been offered by DEP as a

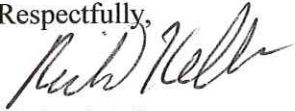
“DEMAND ALL DELIVERIES BY UNION DRIVERS”

substitute without any clear method to validate community engagement and despite the lack of access to broadband internet service by many residents of affected communities. Under these circumstances, at a minimum, consideration of the proposed regulations should be delayed until full engagement with affected communities is possible.

Given the above, we ask the Environmental Quality Board to reject the proposed regulations seeking to authorize Pennsylvania's participation in RGGI. Thank you for considering our position.

Teamsters Chauffeurs Warehousemen
And Helpers Local Union No. 110

Respectfully,

A handwritten signature in black ink, appearing to read "Richard Keller". The signature is written in a cursive style with a large, sweeping initial "R".

Richard Keller
Secretary Treasurer

cc: All R-L Members

OPPOSITION ARGUMENTS AGAINST GOVERNOR WOLF'S PROPOSED RGGI REGULATION

PADEP NOT LEGALLY AUTHORIZED TO IMPLEMENT RGGI VIA REGULATION

- IMPLEMENTING RGGI BY REGULATION IS NOT SUPPORTED BY LAW. CO₂, WHICH IS ESSENTIAL TO LIFE, IS NOT A "POLLUTANT" UNDER PA LAW.
- ACCORDING TO PA SUPREME COURT PRECEDENT, RGGI IS A TAX, WHICH WILL FORCE ALL COAL AND NATURAL GAS PLANTS TO PAY \$2.4 BILLION OVER TEN YEARS - \$6.82 FOR EVERY TON OF CO₂ EMITTED. ONLY THE PA GENERAL ASSEMBLY, NOT A STATE AGENCY, MAY IMPLEMENT A TAX UNDER OUR STATE CONSTITUTION
- THE GOVERNOR CONTINUES TO IGNORE BROAD BIPARTISAN OPPOSITION TO RGGI FROM BOTH THE PA HOUSE AND SENATE
- UNLIKE PA, ALL RGGI STATES HAVE EXPRESS STATUTORY AUTHORIZATION TO IMPLEMENT RGGI OR, AS WITH NEW YORK STATE, EXPRESSLY AUTHORIZE CARBON DIOXIDE REGULATION
- IMPLEMENTING RGGI VIA REGULATION PRECLUDES DIRECT BILL ASSISTANCE FOR LOW INCOME HOUSEHOLDS, AS IS PROVIDED IN MOST RGGI STATES (SEE BELOW)

PADEP IS VIOLATING THE LETTER AND INTENT OF THE REGULATORY REVIEW ACT

- PA DEPARTMENT OF ENVIRONMENTAL PROTECTION (PADEP) IS TAKING ADVANTAGE OF THE COVID-PANDEMIC AND RELATED GOVERNMENT LOCKDOWNS TO PUSH RGGI THROUGH WITHOUT A MEANINGFUL OPPORTUNITY TO EXPRESS OPPOSITION.
- THE ENTIRE PROCESS LACKS TRANSPARENCY AND HAS BEEN MANIPULATED TO HELP SPECIAL INTERESTS AND ELITIST ORGANIZATIONS THAT BENEFIT DIRECTLY FROM RGGI TAX REVENUES.
- PADEP HAS YET TO REACH OUT TO IMPACTED PLANTS AND COMMUNITIES, AND LABOR GROUPS, TO DISCUSS THE DEVELOPMENT OF THE PROPOSED RGGI REGULATION
- PADEP IS IGNORING THE REGULATORY REVIEW ACT'S MANDATE FOR PUBLIC HEARINGS TO BE HELD WITHIN IMPACTED COMMUNITIES, LIKE ALLEGHENY, ARMSTRONG, INDIANA AND WESTMORELAND COUNTIES
- PADEP'S SO-CALLED RGGI "PUBLIC HEARING" PLAN IS LIMITED TO FIVE, ALL DAY, "VIRTUAL" HEARINGS, AND A LUNCH BREAK, THAT LIMIT INDIVIDUALS TO FIVE MINUTES EACH, ASSUMING THEY HAVE ACCESS TO BROADBAND AND CAN SUCCESSFULLY NAVIGATE PADEP'S COMPLEX, TWO-STEP REGISTRATION PROCESS.
- PADEP CYNICALLY SCHEDULED ITS SO-CALLED "PUBLIC COMMENT" PERIOD TO RUN FROM GENERAL ELECTION WEEK IN NOVEMBER 2020 TO THE WEEK BEFORE MARTIN LUTHER KING DAY IN JANUARY 2021, WHICH COINCIDES WITH THREE NATIONAL HOLIDAYS AND, IN AN EFFORT TO ELIMINATE LEGISLATIVE OPPOSITION, THE END OF THE LEGISLATIVE SESSION ON NOVEMBER 30.

LACK OF ENVIRONMENTAL BENEFITS

- IMPLEMENTING RGGI IN PA WILL NOT LEAD TO CO2 REDUCTIONS WITHIN OUR REGION BECAUSE CO2 EMISSIONS, ALONG WITH GENERATION, JOBS AND MASSIVE CAPITAL INVESTMENT, WILL “LEAK” FROM PA TO NEIGHBORING OH AND WV.
- RGGI WILL FORCE THE PREMATURE CLOSURE OF MANY PA COAL AND NATURAL GAS PLANTS, WHICH WILL REDUCE IN-STATE GENERATION AND CO2 EMISSIONS, BUT MERELY SHIFT THAT GENERATION - AND THOUSANDS OF GOOD PAYING JOBS, TO NEIGHBORING STATES LIKE OH AND WV. THIS IS CALLED “LEAKAGE.”
- EVEN DEP’S AIR QUALITY AND TECHNICAL ADVISORY COMMITTEE REJECTED PADEP’S PROPOSED RGGI REGULATION BECAUSE, IN PA, RGGI WILL LEAD TO GREAT ECONOMIC HARM AND ZERO CLIMATE OR OTHER ENVIRONMENTAL BENEFITS DUE TO LEAKAGE TO OH AND WV
- GIVEN THE EXTENSIVE ECONOMIC LOSSES CAUSED BY RGGI, IT MAKES NO SENSE FOR PA TO ELIMINATE SO MUCH COAL AND GAS FIRED ELECTRICITY WHEN OUR NEIGHBORING STATES REFUSE TO DO SO AND WHILE MANY COUNTRIES, ARE BUILDING HUNDREDS OF NEW COAL FIRED PLANTS. [CHINA](#), FOR INSTANCE, HAS 250 GWS OF NEW COAL PLANTS UNDER CONSTRUCTION (MORE THAN 40 TIMES THE SIZE OF OUR CURRENT PA COAL FLEET).
- THERE IS NO CARBON REDUCTION BENEFIT ASSOCIATED WITH A STATE LIKE PENNSYLVANIA JOINING RGGI. THIS IS WHY SECRETARY MCGINTY REJECTED RGGI PARTICIPATION YEARS AGO - DUE TO “LEAKAGE” OF EMISSIONS (AND JOBS AND CAPITAL), IT INFLECTS ALL PAIN TO PENNSYLVANIA WITH NO DISCERNABLE GAIN.

HOST COMMUNITY ECONOMIC HARM

- PADEP MODELING CONFIRMS THAT RGGI WILL TRIGGER THE NEAR IMMEDIATE AND PREMATURE CLOSURE OF ALL COAL AND MANY OLDER NATURAL GAS PLANTS IN PA. THOUSANDS OF DIRECT JOBS WILL BE LOST, INCLUDING BLUE COLLAR UNION PLANT WORKERS AND CONTRACTORS
- PLANT HOST COMMUNITIES, WHICH TYPICALLY ARE IN POOR RURAL AREAS OF PA, WILL BE DEVASTATED BY PLANT AND SUPPLIER JOB LOSSES, AND THE DESTRUCTION OF THE PROPERTY TAX BASE IN THESE COMMUNITIES
- LOCAL COUNTIES, SCHOOLS AND MUNICIPALITIES WILL LOSE \$3.7 MILLION IN LOCAL TAXES, INCLUDING \$2.6 MILLION IN PROPERTY TAX REVENUES, THE BULK OF WHICH FUNDS SCHOOLS.
- A RECENT ECONOMIC ANALYSIS OF JUST FOUR OF THE WESTERN PA COAL PLANTS CONCLUDES THAT, UNDER RGGI, HOST COMMUNITIES AND THE STATE WILL LOSE \$2.87 BILLION IN ANNUAL ECONOMIC IMPACT, AND AFFECT 8170 TOTAL JOBS WITH \$539 MILLION IN EMPLOYEE COMPENSATION. PENNSYLVANIA WILL LOST AT LEAST \$34 MILLION IN STATE REVENUE.

STATEWIDE ECONOMIC HARM

- PA IS BLESSED WITH AN ABUNDANCE OF COAL AND NATURAL GAS RESOURCES, WHICH HAS LED TO LOW COST ELECTRICITY AND A ROBUST MANUFACTURING SECTOR. WHY WOULD WE ELIMINATE OUR MOST IMPORTANT COMPETITIVE ASSET WHILE OTHER STATES AND COUNTRIES AGAINST WHOM WE COMPETE REFUSE TO DO THE SAME?

- RGGI WILL SERVE TO ELIMINATE THE MOST RELIABLE AND AFFORDABLE SOURCES OF ELECTRICITY DELIVERED TO PENNSYLVANIA BUSINESS AND RESIDENTS - COAL AND NATURAL GAS FIRED ELECTRIC GENERATION.
- IN ADDITION TO FORCING THE PREMATURE CLOSURE OF ALL PA COAL PLANTS, AND MANY OLDER NATURAL GAS PLANTS (INCLUDING THOSE THAT RECENTLY CONVERTED FROM COAL TO GAS), RGGI WILL IMPOSE AN EFFECTIVE BAN ON ALL NEW NATURAL GAS PLANT CONSTRUCTION PROJECTS. THESE NEW NATURAL GAS PLANTS TYPICALLY INVOLVE CAPITAL INVESTMENTS OF \$1 BILLION OR MORE.
- THE RGGI TAX WILL RENDER UNCOMPETITIVE MANY OF PENNSYLVANIA'S CURRENT ELECTRIC PLANTS. IT WILL UNDERMINE OUR STATUS AS AN **ELECTRICITY EXPORTER**. AND, IT WILL ELIMINATE **THOUSANDS OF JOBS** AND LEAD TO **MASSIVE PROPERTY TAX INCREASES** FROM CLOSED PLANTS, NOT TO MENTION **INCREASED ELECTRICITY RATES** AND THE THREAT OF CALIFORNIA-LIKE BROWNOUTS FOR EVERYONE. VIRGINIA, FOR INSTANCE, JUST JOINED RGGI AND DOMINION, ITS UTILITY, JUST ANNOUNCED MINIMUM \$30/MONTH RATE INCREASE.
- RGGI WILL RESULT IN THE LOSS OF OVER 8,000 JOBS, THE LOSS OF \$2.87 BILLION IN TOTAL ECONOMIC IMPACT, THE LOSS OF \$539 MILLION IN EMPLOYEE COMPENSATION AND THE LOSS OF \$34.2 MILLION TO STATE AND LOCAL TAXES.
- EVEN MORE JOBS WILL BE LOST IN MANUFACTURING, TRANSPORTATION LOGISTICS, COAL AND NATURAL GAS PRODUCTION WHICH RELY ON PA'S CURRENT COMPETITIVE ELECTRIC GENERATION MARKET TO PRODUCE ELECTRICITY FOR THE LOWEST POSSIBLE COST.
- A RECENT ECONOMIC ANALYSIS OF JUST FOUR OF THE WESTERN PA COAL PLANTS CONCLUDES THAT, UNDER RGGI, HOST COMMUNITIES AND THE STATE WILL LOSE \$2.87 BILLION IN ANNUAL ECONOMIC IMPACT, AND AFFECT 8170 TOTAL JOBS WITH \$539 MILLION IN EMPLOYEE COMPENSATION. PENNSYLVANIA WILL LOST AT LEAST \$34 MILLION IN STATE REVENUE.
- RGGI WILL ALSO HARM PENNSYLVANIA SMALL BUSINESS AS ACKNOWLEDGED BY PADEP'S OWN SMALL BUSINESS ADVISORY COMMITTEE, WHICH OPPOSED THE RGGI REGULATION.
- RGGI WILL HARM LOW INCOME HOUSEHOLDS WHOSE ELECTRIC RATES WILL INCREASE UNDER RGGI AS ACKNOWLEDGED BY DEP'S OWN CITIZEN ADVISORY COUNCIL.

LOW INCOME HOUSEHOLDS HIT HARDEST

- RGGI WILL INCREASE ELECTRIC PRICES.
- LOW INCOME HOUSEHOLDS, ESPECIALLY THE WORKING POOR, SPEND A MUCH HIGHER PERCENTAGE OF INCOME ON HEATING AND POWERING THEIR HOMES. THE PA PUC HAS CONCLUDED THAT LOW INCOME HOUSEHOLDS, EVEN AFTER RECEIVING SUBSIDIES VIA CUSTOMER ASSISTANCE PROGRAMS, PAY NEARLY 15 PERCENT OF TOTAL HOUSEHOLD INCOME ON HEATING AND ELECTRIFYING HOMES.

- THIS IS WHY MOST ALL RGGI STATES HAVE PROGRAMS TO PROVIDE DIRECT BILL PAYER ASSISTANCE TO LOW INCOME FAMILIES.
- PADEP HAS DECLARED THAT IT WOULD REQUIRE A LEGISLATIVE ENACTMENT TO ASSIST **LOW INCOME HOUSEHOLDS** WHOSE ELECTRIC BILLS WILL INCREASE AS A RESULT OF THE LOSS OF NEARLY 30 PERCENT OF PA'S GENERATION CAPACITY AND THE LOSS OF PA'S STATUS AS AN EXPORTER OF ELECTRICITY.
- VIRGINIA'S STATE CORPORATION COMMISSION, SIMILAR TO PA'S PUBLIC UTILITY COMMISSION, ESTIMATED RGGI WOULD COST VIRGINIA RATEPAYERS BETWEEN \$3.3 AND \$5.9 BILLION OVER TEN YEARS. IN MAY 2020, IN AN EFFORT TO REDUCE CARBON EMISSIONS BY 50 PERCENT, DOMINION ESTIMATES THAT RATEPAYERS COULD PAY AS HIGH AS \$50 PER MONTH OVER EACH OF THE NEXT 15 YEARS.
- THE WOLF ADMINISTRATION ACKNOWLEDGES THAT, **WITHOUT RGGI LEGISLATION**, "DIRECT ASSISTANCE TO CONSUMERS, SUCH AS REBATES OR **ENERGY DISCOUNTS FOR LOW-INCOME HOUSEHOLDS**," MAY **NOT** RECEIVE ANY RGGI TAX REVENUES.

RGGI OPPONENTS

RGGI IS OPPOSED BY A BROAD COALITION OF BUSINESS AND LABOR ORGANIZATIONS:

ORGANIZED LABOR

- PA AFL-CIO
- PA Building & Construction Trades
- IBEW (multiple)
- Bricklayers
- Operating Engineers
- Laborers
- Ironworkers
- Teamsters Local Union No. 110
- Boilermakers (multiple)
- Northcentral Building Trades
- Philadelphia Building Trades
- Southcentral PA Building Trades
- UMW
- Pittsburgh Building Trades
- Pittsburgh Works Together
- Builders Guild

BUSINESS LEADERS:

- PA Manufacturers Association
- NFIB
- Regional chambers of commerce

LARGE BIPARTISAN MAJORITIES OF THE PA HOUSE AND SENATE

THREE INDEPENDENT ADVISORY BOARDS WITHIN PADEP:

- CITIZENS ADVISORY COUNCIL
- AIR QUALITY AND TECHNICAL ADVISORY COMMITTEE
- SMALL BUSINESS ADVISORY COMMITTEE

TEAMSTERS LOCAL UNION NO. 110

Affiliated With

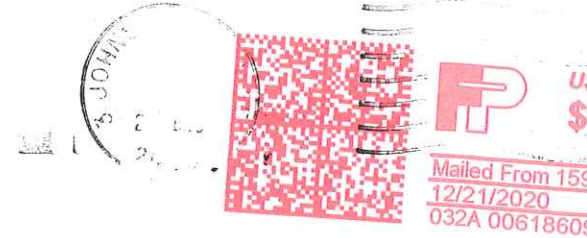
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“Patronize The Union Driver”

17105-8477 BOSS

