

3274



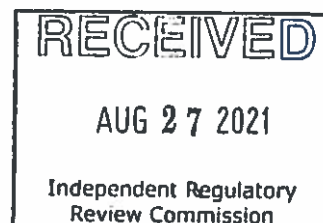
Donald K. Myers, Chairman
Jason Renshaw, Vice-Chairman
Pat Fabian, Secretary

Aaron S. Poole, Chief Administrator
Andrew J. Sacco, Solicitor

Courthouse Administration Building
450 Market Street, Kittanning, PA 16201
724-548-3215 Phone • 724-548-3285 Fax
commissioners@co.armstrong.pa.us

Board of Commissioners
COUNTY OF ARMSTRONG

August 27, 2021



Dear IRRC Regulatory Reform Commission,

I write in opposition of Regional Greenhouse Gas Initiative (RGGI) on behalf of the Armstrong Board of Commissioners and the residents of Armstrong County. I have included Armstrong County Resolutions #2019-45 and #2021-02 as our official public comment. The Armstrong County Board of Commissioners respectfully request the Governor of Pennsylvania to rescind executive order 2019-07 and work collaboratively with the General Assembly, County Commissioners Association of Pennsylvania (CCAP), and communities who rely on the economic benefits of electric generation before considering membership in the Regional Greenhouse Initiative (RGGI) and the implementation of a carbon tax emissions.

In addition, the Armstrong County Board of Commissioners urge Pennsylvania's IRRC to reject the proposed carbon dioxide budget trading program regulation as contrary to State statute and the Constitution of Pennsylvania.

The potential impact of joining RGGI will cost Armstrong County 1,025 good paying jobs, with \$44 million in employee compensation annually. If the Keystone Power Plant (Armstrong County) closed or goes into bankruptcy, the impact to our largest school district (Armstrong School District) would be an annually loss in tax revenue of \$501,443.44. The County of Armstrong and local municipalities would lose \$174,378.13 in local tax revenue annually. The potential loss of jobs and higher taxes are very real, while also most certainly seeing utility bills increase is something that Armstrong County CANNOT afford.

Lastly, I would like to point that the Regional Greenhouse Gas Initiative (RGGI) has been a topic for several years yet Governor Wolf has never visited Armstrong County to discuss RGGI with elected officials and impact communities despite multiple requests.

Pat Fabian, Armstrong County Commissioner (D)
Commissioners' Office
450 Market Street
Kittanning, PA 16201
724-548-3285

Armstrong County Resolution #2021-02

Regional Greenhouse Gas Initiative (RGGI)

WHEREAS, Affordable, reliable, and resilient sources of electric power generated in Pennsylvania are vital to the health, safety and welfare of the residents of Armstrong County and to the prosperity of its economy;

WHEREAS, Pennsylvania's coal-fired electric generating units are a major economic, employment and tax revenue generator for the Commonwealth of Pennsylvania, counties, and the municipalities in which they are located; and

WHEREAS, On October 3, 2019, Governor Wolf directed the Department of Environmental Protection (DEP) by Executive Order 2019-17 to develop regulations that would facilitate Pennsylvania's entry into the Regional Greenhouse Gas Initiative (RGGI); and

WHEREAS, On September 15, 2020, DEP submitted and received approval from the Environmental Quality Board (EQB) of a proposed carbon dioxide trading program regulation that would join Pennsylvania to the RGGI that is now subject to public comment and review by the Independent Regulatory Review Commission (IRRC); and

WHEREAS, the RGGI is a cap-and-trade program targeting electric generating units by imposing a tax on coal and natural gas fired electric generating units in our Commonwealth; and

WHEREAS, Armstrong County has an immediate and significant interest in this proposed regulation as a host county to impacted coal-fired generation units; and

WHEREAS, Carbon dioxide emissions from Pennsylvania's fossil-fuel fired electric generating units were 33.2% below 2005 emission levels, which is well in advance of Governor Wolf's stated 2025 goal of 26% below 2005 levels; and

WHEREAS, these reductions have been accomplished while Pennsylvania has maintained a stable and reliable supply of electricity at competitively priced rates, significantly below those of RGGI-states, which can be attributed to the fact that over 95% of Pennsylvania's energy generation comes from in-state low cost sources – including coal, natural gas, and nuclear; and

WHEREAS, The \$2.4 billion RGGI tax will be imposed on all coal and natural gas fired electric generating units in Pennsylvania, and according to DEP's modeling will eliminate over 87% of existing Pennsylvania coal generation by 2022 and impair the future competitiveness of all natural gas generation; and

WHEREAS, The RGGI tax will prematurely force the premature retirement of over 8,200 MW of coal-fired electric generation in Pennsylvania, displacing this electric generation to other states that do not impose a RGGI tax; and

WHEREAS, The RGGI tax represents the single, most significant energy generation restructuring in the history of Pennsylvania, and the forced premature retirement of coal and natural gas plants will lead to the loss of thousands of direct and indirect jobs supporting the electric generation industry; and

WHEREAS, Within Indiana County, coal-fired electric generating unit operations produce \$837 million in total economic impact, supporting 1,490 direct and indirect jobs; and

WHEREAS, Within Armstrong County, coal-fired electric generating unit operations produce \$544 million in total economic impact, supporting 1,100 direct and indirect jobs; and

WHEREAS, In total, coal-fired electric generating unit operating in Pennsylvania produce \$2.87 billion in total economic impact within Pennsylvania and support over 8,000 jobs with \$539 million in employee compensation; and

WHEREAS, Coal-fired electric generating units serve as the economic cornerstone and encompass a significant portion of the tax base for many communities and their forced closure by RGGI will have severe and long-lasting consequences on host school districts and municipalities; and

WHEREAS, These negative economic consequences and shortfalls of the proposed regulation were considered and discussed by the Air Quality Technical Advisory Committee, the Citizens Advisory Council, and the Small Business Compliance Advisory Committee each of which rejected "recommending" the rule to the EQB; and

WHEREAS, Under the act of January 8, 1959 (P.L.2119, No.787), known as the Pennsylvania Air Pollution Control Act (APCA), the EQB is statutorily required to host regional, in-person public hearings "where it becomes necessary to adopt rules and regulations for the control, abatement, prevention or reduction of air pollution for any area of the Commonwealth which encompasses more than one region or parts of more than one region, public hearings shall be held in the area concerned"; and

WHEREAS, The EQB and DEP neither advertised in a "region of the Commonwealth affected" by the regulation, nor held any public hearings "in the areas concerned" and, instead, convened five day-long virtual hearings in mid-December that required an internet-based registration process, which discriminated against and disenfranchised thousands of potential commenters who lack adequate broad-band access; and

WHEREAS, In addition to the impact on coal-fired electric generating facilities and host communities, Pennsylvania joining the RGGI will have a significant negative economic impact on the Commonwealth's industrial, manufacturing, and transportation sectors; and

WHEREAS, If all coal-fired electric generating units within Pennsylvania are forced to close as a result of the RGGI tax, Armstrong County electric customers will be at risk for significant price spikes and potentially rolling brownouts as have occurred in other states that have moved away from fossil fuel; and therefore be it

RESOLVED, That the Board of Commissioners of Armstrong County urge Pennsylvania's IRRC to reject the proposed carbon dioxide budget trading program regulation as contrary to State statute and the Constitution of Pennsylvania; and be it further

RESOLVED, That the Board of Commissioners of Armstrong County deem this resolution to serve as its official public comment for the proposed carbon dioxide budget trading program regulation; and be it further


RESOLVED, That the Board of Commissioners of Armstrong County have and will continue to support energy policies that make sense for our workers, consumers, and employers; and be it further

RESOLVED, That a copy of this resolution be transmitted to the Governor, the Department of Environmental Protection, the IRRC and the EQB.

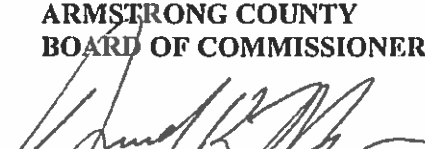
ADOPTED this 7th day of January 2021.



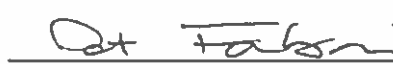
ATTEST:


Aaron S. Poole, Chief Administrator

**ARMSTRONG COUNTY
BOARD OF COMMISSIONERS**


Donald K. Myers, Chairman


Jason Renshaw, Vice Chairman


Pat Fabian, Secretary

Armstrong County Resolution #2019-45

Regional Greenhouse Gas Initiative (RGGI)

WHEREAS, Pennsylvania's coal and coal refuse-fired electric generating units are a major economic, employment and tax revenue generator for the Commonwealth of Pennsylvania and for the communities in which they are located; and

WHEREAS, on October 3, 2019, Governor Wolf signed executive order 2019-07 directing Pennsylvania's Department of Environmental Protection to develop and present a rulemaking package establishing a cap and trade program consistent with the Regional Greenhouse Gas Initiative, that allows for credit trading with other states, for presentation to the Environmental Quality Board no later than July 31, 2020; and

WHEREAS, the Regional Greenhouse Gas Initiative is a cap-and-trade program targeting electric generating units by imposing a tax on coal, coal refuse and natural gas fired electricity in our Commonwealth; and

WHEREAS, the Regional Greenhouse Gas Initiative will increase the cost of wholesale electricity in our Commonwealth; and

WHEREAS, the Regional Greenhouse Gas Initiative will retire 6,400 MW of coal and coal refuse-fired facilities from Pennsylvania, and displace the electric generation to other states that do not impose such a tax, and

WHEREAS, 980 megawatts of coal and coal-refuse fired plant retirements occurred or will occur in 2018 and 2019 in our Commonwealth; and

WHEREAS, within Armstrong County, coal and coal refuse electric generating unit operations produce \$199 million in total economic impact, supporting 1,025 total jobs with \$44 million in employee compensation annually; and

WHEREAS, within Indiana County, coal and coal refuse electric generating unit operations produce \$1.36 billion in total economic impact, supporting 1,225 total jobs with \$59 million in employee compensation annually; and

WHEREAS, within Cambria County, coal and coal refuse electric generating unit operations produce \$160 million in total economic impact, supporting 770 total jobs with \$34 million in employee compensation annually; and

WHEREAS, in total, coal and coal refuse electric generating unit operations in Pennsylvania produce \$3.1 billion in total economic impact within Pennsylvania and support 8,000 jobs with \$467 million in employee compensation; and

WHEREAS, coal and coal refuse electric generating unit operations grow the state and local property tax base and generate state and local property tax revenues; and

WHEREAS, economic activity from coal and coal refuse electric generating unit operations generates \$9.4 million in income taxes, \$10.7 million in sales tax, and \$3.4 million in business taxes for a combined \$23.4 million in state taxes annually; and

WHEREAS, Affordable, reliable, resilient and diverse sources of electric power generated in Pennsylvania are vital to the health, safety and welfare of the Commonwealth's residents and to the prosperity of its economy; and

WHEREAS, in addition to the impact on coal-fired and coal refuse electric generating facilities, Pennsylvania joining the Regional Greenhouse Gas Initiative or any cap and trade program will have a significant negative economic impact on the Commonwealth's industrial, manufacturing, and transportation sectors; and


WHEREAS, the Board of Commissioners of Armstrong County recognize that the Pennsylvania General Assembly's authority is required for the Commonwealth to join and implement the Regional Greenhouse Gas Initiative or any cap and trade program.

NOW, THEREFORE, BE IT RESOLVED, the Armstrong County Board of Commissioners respectfully request the Governor of Pennsylvania to rescind executive order 2019-07 and work collaboratively with the General Assembly, County Commissioners Association of Pennsylvania (CCAP), and communities who rely on the economic benefits of electric generation before considering membership in the Regional Greenhouse Gas Initiative (RGGI) and the implementation of a carbon tax on emissions.

ADOPTED this 7th day of November 2019.



ATTEST:



Aaron S. Poole, Chief Administrator

**ARMSTRONG COUNTY
BOARD OF COMMISSIONERS**



Pat Fabian, Chairman



Jason Renshaw, Vice Chairman



George L. Skamai, Secretary