



August 27, 2021

Dear Commissioners:

As the senior executive leadership team of CONSOL Energy representing approximately 2,000 employees, contractors, and their families, we write to express our opposition to Regulation #7-559 (IRRC# 3274): CO2 Budget Trading Program and urge the Independent Regulatory Review Commission to reject this proposed final regulation. This regulation is a unilateral attempt to join Pennsylvania to the Regional Greenhouse Gas Initiative (RGGI) and impose a carbon tax on Pennsylvania's consumers and businesses. The impacts of this proposed final regulation will result in job losses and utility rate increases in entire regions of our state, most in Western Pennsylvania that is the heart of Pennsylvania's bituminous coal industry, and all for no environmental benefit to our commonwealth.

The proposed regulation would dramatically alter Pennsylvania's energy generation portfolio by likely causing the near-term closure of the state's remaining coal-fired power plants. These closures will result in the loss of thousands of jobs supplying and supporting those power plants, a substantial reduction in property taxes in communities that host the power plants and the coal mines that supply them, and higher electric rates in our state.

The thermal coal market represents the largest market by far for Pennsylvania-mined coal, and Pennsylvania coal fired electric generating units are a significant end use consumer for Pennsylvania coal. In 2019, over 36% of Pennsylvania coal distributed to the electric power sector was consumed by Pennsylvania-based coal fired EGUs. The proposed CO2 Budget Trading Program regulation will result in dire economic consequences at the local and regional levels throughout Pennsylvania if it is promulgated and it represents a dramatic overstepping of the legal authority granted under the Air Pollution Control Act (ACPA) and the Pennsylvania Constitution.

The economic devastation resulting from the closure of these plants does not lead to a significant reduction in carbon dioxide emissions. RGGI will have zero impact on climate change. Ninety-nine percent of all CO2 reductions from plant closures in Pennsylvania will be offset by CO2 increases in non-RGGI states, such as Ohio and West Virginia where plants are currently subsidized.

We are asking that you intercede on behalf of the citizens of the commonwealth, and on behalf of the impacted communities that have been denied their right to confront the bureaucracy that seeks to destroy their lives and livelihoods. Please reject this harmful regulation, lacking basis in Pennsylvania law and in common sense.

Thank you for your consideration of our comments.

Sincerely,

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Jimmy A. Brock, President and Chief Executive Officer

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Mitesh Thakkar, Chief Financial Officer

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Martha A. Wiegand, General Counsel

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Eric V. Schubel, Senior Vice President - Operations

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Dan P. Connell, Senior Vice President - Strategy

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Kurt R. Salvatori, Chief Administrative Officer