

## International Brotherhood of Electrical Workers



Michael D. Welsh, International Vice President 500 CHERRINGTON PARKWAY, SUITE 325 CORAOPOLIS, PA 15108 (412) 269-4963 • Fax (412) 269-4964

Lonnie R. Stephenson, International President Kenneth W. Cooper, International Secretary-Treasurer

New York New Jersey Pennsylvania Delaware

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Pennsylvania Independent Regulatory Review Commission 333 Market Street, 14<sup>th</sup> Floor Harrisburg, PA 17101

Re: Regulation #7-559: CO2 Budget Trading Program

Dear IRRC Members,

On behalf of the 40,000 members of the International Brotherhood of Electrical Workers (IBEW), who live and work in Pennsylvania, we are writing you today to express our opposition to Regulation #7-559 (IRRC# 3274): CO2 Budget Trading Program.

We currently represent roughly 2,000 workers in various fossil fuel electric generation stations, along with countless others who perform scheduled maintenance on the facilities, throughout the Commonwealth who would be adversely affected if the state were to enroll in the Regional Greenhouse Gas Initiative (RGGI). We have witnessed the premature shutter of 14 plants over the past two decades due to their inability to adhere to guidelines meant to protect the environment. We dealt with those difficult decisions with the understanding it was meant to improve environmental quality for the region. To that point, since 2005 the electricity generation industry in Pennsylvania has reduced its carbon footprint by over 40% according to the DEP¹. With that said, RGGI would not accomplish any environmental goals. It would merely shift electricity production to neighboring states who are not part of this state-by-state pact. We have witnessed firsthand our ability to make tough decisions with concrete data that has driven the industry to the environmental improvements thus far without sacrificing economic opportunity for an entire region.

We feel the Commonwealth would be making a grave mistake by enrolling in RGGI because of the lack of environmental initiatives set forth in the compact, with little concern for the economic devastation that would reverberate throughout the region. The economic hardships that would be created by RGGI would far exceed any estimates that are currently being touted. The lack of economic opportunity in the

<sup>&</sup>lt;sup>1</sup> 2020 Pennsylvania Greenhouse Gas Inventory Report, PA DEP July 2020

regions where the plants reside would be further exacerbated with the closing of these major economic hubs that these plants have become.

The promise of retraining individuals or repurposing of brown field sites has amounted to empty rhetoric thus far. The jobs that are being showcased as potential transitional opportunities struggle to exceed minimum wage showcased by the state's requirements to pay \$12 per hour to perform work on solar panel construction projects recently announced by the state<sup>2</sup>. These are in no way a replacement for the average six figured salaried positions that would be eliminated with the imminent plant closures under RGGI.

The short-term funding brought from RGGI would begin to dwindle as the main revenue sources started to close. Within a matter of years, even the most well intended projects would begin to require new revenue streams. As we have witnessed in New York, with RGGI revenue beginning to subside, they have introduced other taxes that would unfairly target industries out of competitiveness<sup>3</sup>. This would be a disastrous path for Pennsylvania and one that would simply not be sustainable.

The IBEW has been, and will remain, a committed partner in seeing that we do everything in our power to preserve our environment while protecting the workers of Pennsylvania. RGGI fails on several fronts in that manner. We urge you to reject RGGI and encourage the DEP to withdraw the regulation. In doing so, this would encourage the General Assembly to develop a pro-environment, pro-worker agenda that could accomplish what is best for all Pennsylvanians.

Thank you for your time and consideration.

Sincerely,

Michael D. Welsh International Vice President

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<sup>&</sup>lt;sup>2</sup> https://www.dgs.pa.gov/greengov/Pages/News.aspx

<sup>&</sup>lt;sup>3</sup> New York, S4264A, Climate and Community Investment Act, February 3, 2021