



buildings. Vicinity serves the thermal needs of approximately 100 million square feet of commercial and institutional space and employs over 100 people from the Philadelphia area.

For every 1 million square feet added to the Philadelphia District Energy system, carbon emissions avoided are between 3,417 to 4,960 short tons per year. Vicinity's queue of new users includes over 16.9 million square feet of space and growing. Connecting these users to the district energy system translates to an additional reduction of carbon emissions of between 57,790 to 83,830 short tons per year, which is between 10.6% and 15.4% of the PA CAP's goal for carbon emissions reduction via CHP.

The PA RGGI rule is unique in that it encourages the increased use of CHP. The DEP was incredibly thoughtful in its approach to developing the most appropriate program for the Commonwealth – one that would address carbon emissions, but also would be beneficial to industry and the economy. As the rule is drafted, Pennsylvania will be better suited than neighboring states in attracting new industry, which would employ CHP in their operations. PA RGGI also provides the benefit of encouraging clean energy in the City of Philadelphia and will assist the City in meeting the goals of its Climate Action Playbook and its pledge of carbon neutrality by 2050.²

Finally, Pennsylvania's entry into RGGI will provide for Pennsylvania to engage in an incremental, market-based transition to a low-carbon economy. This move now is an important safeguard for Pennsylvania. Should the federal government move to restrict carbon emissions as anticipated, RGGI will place Pennsylvania in an advantageous position relative to other states to accommodate any such new Federal rules by having started that transition process now.

For the reasons stated herein Vicinity Energy encourages the IRRC to approve of the PA RGGI Rule as presented.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Jaelyn Bliss", written over a horizontal line.

Jaelyn Bliss
Chief Revenue Officer

² <https://www.phila.gov/2021-01-15-city-commits-to-carbon-neutrality-by-2050-releases-climate-action-playbook-and-hires-first-chief-resilience-officer/>