Testimony of Robert Altenburg
On Behalf of Citizens for Pennsylvania's Future (PennFuture)
in Support of Pennsylvania's Proposed CO$_2$ Budget Trading Program
November 8th, 2020

My name is Robert Altenburg and I'm proud to speak in support of the proposed CO$_2$ Budget Trading Program on behalf of Citizens for Pennsylvania's Future, or PennFuture, a statewide environmental advocacy organization committed to addressing the growing climate crisis.

I'd like to thank the Department for providing this time to speak and for going far beyond the minimum public participation requirements under the Air Pollution Control Act.

The concept of this program is simple. Instead of letting fossil fuel power plants dump carbon pollution in our air for free, this plan caps emissions and establishes an auction-based price for allowances to emit that incentivises innovation. Auction proceeds are deposited in the Clean Air Fund where they can be re-invested to further reduce air pollution and ease the transition to clean generation.

Reducing Emissions

With more than a third of Pennsylvania's energy-related carbon pollution coming from the electric generation sector,[1] it's critical that we do our part to address these emissions if we are going to achieve the carbon reductions the Intergovernmental Panel on Climate Change (IPCC) has determined are necessary to avoid the worst effects of climate change.[2]

The retirement of a large number of conventional steam coal plants over the last twenty years has reduced some pollution, but replacing coal generation with fracked gas isn't a sustainable path to reach our climate goals. While it took more than a dozen coal plants retiring over the last twenty years to create the apparent "progress" fracked gas advocates claim, there are only five large coal plants left in Pennsylvania. Those plants are all nearing retirement and, if we don't take action to limit emissions and encourage clean alternatives, we risk steadily increasing emissions as new gas generation is built to replace it.

The proposed CO$_2$ Budget Trading Program is the kind of action we need to cap emissions and create a framework for real emission reductions.

Targeting Investment

While the Air Pollution Control Act (APCA) specifically authorizes the DEP to expend money from the Clean Air Fund to reduce air pollution, it has significant flexibility in targeting exactly what projects are funded. We recognize that DEP need not specify planned expenditures in this

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[1] US EIA, 2017 State Energy-Related Carbon Dioxide Emissions by Sector, (*available at: https://www.eia.gov/environment/emissions/state/*)
[2] IPCC, Special Report: Global Warming of 1.5 ºC, (*available at: https://www.ipcc.ch/sr15/*)

rulemaking, but we encourage the department to prioritize those programs that reduce carbon emissions including emissions from transportation and industrial sources. We also encourage the department to give special attention to projects that benefit environmental justice communities, workers and communities impacted by the failure of the fossil fuel industry, and low-income ratepayers.

Remove the waste-coal set aside program

While we support the rule, we recognize there is room for improvement. For example, while the purpose of the CO_2 Budget Trading Program is to reduce carbon pollution, the proposal takes the unprecedented and unwarranted step to further subsidize one particular category of fossil fuels generation—waste coal. This highly-polluting source already benefits from preferential treatment in the form of tax breaks and, as a result of recent legislation, will see additional subsidies from increased credit prices under the Alternative Energy Portfolio Standards (AEPS) Act. While the industry claims they are providing a service in remediating waste coal piles that pollute the land and water, there is no requirement that generators prioritize the most polluting sources or make a determination that burning the waste coal is the best alternative in any particular case. The Department should revise the program to eliminate this subsidy.

DEP has the Authority it Needs

While the APCA provides ample and clear authority for Pennsylvania to create emission limits as has been proposed, we strongly support working in cooperation with the other Regional Greenhouse Gas Initiative (RGGI) states. While Pennsylvania ultimately determines their own program design, opting to use a multi-state approach will be more cost effective and will help limit dangerous carbon pollution throughout the region.

Even without APCA, Article I § 27 of Pennsylvania's Constitution specifies that the citizens of Pennsylvania have a right to clean air and a healthy environment. It specifies that the Commonwealth has a trust responsibility to conserve and maintain those public natural resources for the benefit of all the people. Ignoring the devastating effects of these pollutants is not an option.

The Time to Act is Now

Climate change is one of the greatest threats we face as a nation and society. Here in Pennsylvania, we are already seeing stronger storms and more frequent flooding, and severe weather is expected to get worse.

In proposing this program, Governor Wolf and the Department of Environmental Protection have begun to address this responsibility.   The proposed CO_2 Budget Trading Program provides a clear plan to begin to address Pennsylvania's carbon pollution problem.

Taking steps to address the climate crisis isn't just a good idea, it's what people want. A recent poll showed that about 70 percent of Pennsylvania residents want more action on climate change. Unfortunately, fossil fuel polluters and their allies in the legislature continue to ignore this constitutional mandate and spread misinformation in an attempt to block or delay this important program.

We ask that the Department resist these cynical attempts by fossil fuel interests to block progress and proceed with the proposed rule. We thank the Department for hosting these virtual hearings, and for giving residents a chance to voice support for such a critical and needed program in Pennsylvania.

Thank You.