

Power PA Jobs Alliance

Boilermakers Local 13 * Boilermakers Local 154 * Bricklayers & Allied Craftworkers * Builders Guild of Western PA * Chief Power, LLC * CONSOL Energy * Construction & General Laborers * GenOn Cheswick * Homer City Holdings * Indiana County Chamber of Commerce * International Brotherhood of Boilermakers * International Brotherhood of Electrical Workers Local 459 * International Brotherhood of Electrical Workers, Third District * International Union of Operating Engineers * Ironworkers #3 * Laborers' District Council of Western PA * Keystone State Railroad Association * Manufacturer and Business Association * National Federation of Independent Business * Northcentral PA Building Trades * Northeast PA Manufacturers and Employers Association * PA AFL-CIO * PA Anthracite Association * PA Coal Alliance * PA Manufacturers Association * Pennsylvania Building and Construction Trades Council * Pittsburgh Building Trades *Somerset County Chamber of Commerce * South Central PA Building and Construction Trades Council * Sprinkler Fitters Local 542 * United Mine Workers of America *Washington County Chamber of Commerce

MEDIA STATEMENT

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Power PA Jobs Alliance: Disappointed, but not surprised by the approval of the Regional Greenhouse Gas Initiative of the politically stacked (not so) Independent Regulatory Review Commission.

Harrisburg, PA (September 1, 2021) - The <u>Power PA Jobs Alliance</u> issued the following statement in response to the Pennsylvania Independent Regulatory Review Commission's (IRRC) approval of the Department of Environmental Protection's (DEP) proposed final regulation to force Pennsylvania into the Regional Greenhouse Gas Initiative (RGGI) without prior authorization from the Pennsylvania General Assembly.

Today's decision by IRRC to approve the RGGI regulation, if not overturned by the General Assembly or the courts, would be the death knell for many communities across the Commonwealth. It will also have devastating impacts to local business, hardworking families and school district and municipal budgets, as well as the Pennsylvania General Fund.

IRRC is comprised of five appointees, including three appointees from Governor Tom Wolf, the Senate Democratic Leader and the House Democratic Leader. To no surprise, these three pure political appointees voted to approve RGGI while the appointees from the House and Senate Republican Leaders voted to reject this faulty plan and chose to support most Pennsylvanians who understand the dire consequences of this carbon tax and, <u>by a margin of 60 to 29 percent</u>, oppose Governor Wolf's RGGI regulation.

Today commences the General Assembly's role in the regulatory process. We encourage and support House and Senate enactment of a concurrent resolution that will terminate the RGGI regulation as provided by Section 7 of the Regulatory Review Act and, if necessary, override a potential gubernatorial veto.

As interpreted by IRRC's <u>Overview of the Rulemaking Process</u> in Pennsylvania, "From the date on which the concurrent resolution is reported, the Senate and the House of Representatives each have 30 calendar days or ten legislative days, whichever is longer, to adopt it." Under this concurrent resolution process, the RGGI regulation will likely be delayed well into calendar year 2022, which will provide ample time for the Attorney General to review the <u>numerous legal and constitutional violations committed by DEP throughout this process</u>.

We trust the Attorney General will undertake a thorough review of this unconstitutional and illegal regulation, and ultimately concede that there is no scenario where the 1972 and 1990 General Assembly could have ever contemplated DEP to have such enormous discretion to restructure electric generation, subsidize out-of-state fossil fuel generation and increase electric rates under the Air Pollution Control Act (APCA).

We have the support of virtually all House and Senate Republicans, and approximately a third or more from House and Senate Democrats for legislation that would require express prior authorization from the General Assembly before proceeding with entry into RGGI.

We appreciate their courage to stand up against Governor Wolf and well-funded radical environmental groups, and instead side with organized labor and the thousands of blue collar and union families and communities directly impacted by RGGI. We urge them to support the concurrent resolution as it proceeds through the legislative process.

We are grateful for the many members of the Power PA Jobs Alliance who provided comments and testified before IRRC today, including the following labor leaders from across the Commonwealth. Many of these individuals travelled from Western Pennsylvania to Harrisburg to urge IRRC to disapprove the RGGI regulations in the midst of a tropical storm, as their homes and communities are being flooded:

<u>PA AFL-CIO President, Rick Bloomingdale</u>: "While we appreciate Governor Wolf's and other legislative interest in setting aside a portion of RGGI revenues to assist displaced workers and impacted communities, blue collar families are likely to be forced to bear the brunt of RGGI risks without benefitting from any rewards. Even those rewards, however, are not as significant as DEP originally argued in light of

DEP's acknowledgment at the most recent EQB meeting that RGGI revenues would likely be reduced from an estimated \$300 million to as little as \$127 million."

Philadelphia Building and Construction Trades Council - AFL-CIO Business Manager, John Dougherty: "RGGI will eliminate thousands of current and future jobs, and the alleged job creation promised by DEP will largely be low-paying, non-union jobs. It will trigger significant rate hikes for Pennsylvania ratepayers, which will be particularly harmful to low-income communities and senior citizens living on fixed incomes. It will also fundamentally restructure electric generation in Pennsylvania, as it has in other RGGI states, which now rely on power imported from Pennsylvania as a result of the RGGI tax."

Pittsburgh Regional Building Trades Council Business Manager, Tom Melcher:

"[RGGI] will lead to the premature termination of every coal and many natural gas plants in the Commonwealth. And RGGI will preclude the construction of new natural gas plants and, instead, effectively subsidize current coal and natural gas plants in non-RGGI states, such as Ohio and West Virginia. DEP's own modeling confirms that nearly 100 percent of all CO2 emission reductions in Pennsylvania will be offset by emission increases in non-RGGI states that lack the same environmental controls as are applied to plants in Pennsylvania."

Central Pennsylvania Building & Construction Trades Council President, Joseph Gusler: "It is impossible to imagine the General Assembly could ever have intended the Air Pollution Control Act to authorize such a massive energy policy overhaul to occur through the regulatory process. If Pennsylvania is to join RGGI, or otherwise impose carbon taxes on fossil fuel generation, this is a decision that should be left to the legislative branch, which is far better equipped to balance the actual risks against the perceived benefits of such a policy."

International Brotherhood of Electrical Workers International Vice President, Michael Welch: "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 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."

We want to thank Senator Joe Pittman, and Representatives Donna Oberlander, Pam Snyder and Jim Struzzi for their testimony today, along with their tireless efforts to protect their communities and constituents from this dangerous RGGI regulation.