

Pennsylvania Labor: Boilermakers Local 13, Philadelphia • Boilermakers Local 154, Pittsburgh • Bricklayers & Allied
Craftworkers • Construction & General Laborers • 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 • Northcentral PA Building Trades • PA AFLCIO • Pennsylvania Building and Construction Trades Council • Pittsburgh Building Trades • Sheetmetal Workers, Local #12 •
South Central PA Building and Construction Trades Council • United Mine Workers of America
Pennsylvania Business: Chief Power, LLC • CONSOL Energy • GenOn Cheswick • Homer City Holdings • Indiana County
Chamber of Commerce • Keystone State Railroad Association • Manufacturer and Business Association • National Federation
of Independent Business (NFIB) • Northeast PA Manufacturers and Employers Association • PA Manufacturers Association
(PMA) • PA Coal Alliance (PCA) • PA Anthracite Association • Somerset County Chamber of Commerce • Washington County
Chamber of Commerce

Press Release from Pennsylvania's Power PA Jobs Alliance: Response to the Environmental Quality Board vote approving regulation that will force Pennsylvania into the Regional Greenhouse Gas Initiative, circumventing the General Assembly and the Pennsylvania Constitution, and the Sunshine Act.

Today, the Pennsylvania Environmental Quality Board (EQB), a so-called "independent" board responsible for reviewing and approving environmental regulations, which is stacked with gubernatorial appointees, voted to approve the Regional Greenhouse Gas Initiative (RGG) regulation - a job crushing regulation opposed by overwhelming and bipartisan majorities within the <u>General Assembly</u> and among Pennsylvania voters.

Notably, by prohibiting access to the meeting for all but the members of the EQB, it failed to adhere to the Pennsylvania Sunshine Act, which requires "[o]fficial action and deliberations by a quorum of the members of an agency shall take place at a meeting open to the public[.]" The EQB similarly violated transparency mandates under the Air Pollution Control Act (APCA), which required public hearings to be held within regions impacted by the regulation (e.g., Indiana and Armstrong Counties) as noted by the Pennsylvania NewsMedia Association when it concluded:

During this COVID-19 pandemic, government should be more transparent, not less. We believe DEP has fallen short on transparency in this matter by not responding to our questions about the proposed regulations, by failing to post the videos from the virtual hearings, by holding virtual-only public hearings and by failing to publish widespread public notice. DEP can – and should – do better for ALL Pennsylvanians since the impact of these regulations is significant. The people of Pennsylvania rely on government to do its job properly, but DEP's actions in this matter could undermine public faith in the agency.

We trust that Governor Wolf's scheme to circumvent the General Assembly, and the Pennsylvania Constitution, by unilaterally joining RGGI via regulation, not legislation, will be fairly reviewed by the

Independent Regulatory Reform Commission (IRRC). We urge IRRC to hold DEP accountable to the preliminary objections raised by IRRC to the proposed regulation in light of DEP's bad faith dismissal of virtually all concerns cited by IRRC.

The <u>Power PA Jobs Alliance</u> is a coalition of <u>organized labor</u> and business leaders opposed to Pennsylvania joining RGGI without express legislative authorization. Our coalition supports the enactment of legislation - like Senate Bill 119 or House Bill 637 - which affirms the General Assembly's exclusive power to impose a tax, such as a carbon tax on fossil fuel generation plants estimated to generate hundreds of millions of dollars in revenue annually. And, failing a legislative solution to block Governor's Wolf's unconstitutional RGGI tax, we are confident that the <u>Pennsylvania and/or federal courts</u> will render the regulation null and void.

RGGI is a massive tax on two-thirds of Pennsylvania's current electric generation plants. It will trigger the immediate closure of all Pennsylvania coal fired generation plants and many older natural gas plants. This includes plants that are capable of running for many years, including many plants that recently committed to provide power through June 2023 through the recent PJM, Inc. capacity auction. However, if forced to pay the RGGI tax - the equivalent of a near 50 percent tax per MWh for coal plants, and 15-30 percent per MWh for natural gas plants - many of these plants will be forced to terminate operations and employees as early as the first year of RGGI. In the meantime, plant owners in Ohio and West Virginia will continue to reap the benefits from the loss of competitive Pennsylvania electric generation that started upon Governor Wolf's announcement to join RGGI.

RGGI will also preclude the construction of any new natural gas fired electric generation plants within the Commonwealth that could otherwise replace lost generation from the closure of older fossil fuel plants. In recent years, Pennsylvania union workers built more than a dozen major natural gas plants within the Commonwealth at a cost of over \$14 billion. Under RGGI, these projects will no longer occur within Pennsylvania and, as we have already seen just from the threat of RGGI, Ohio and West Virginia are benefiting from billions of capital investment in existing coal and natural gas plants, but also new natural gas plants.

Today, just the three coal plants in Indiana and Armstrong Counties - Homer City, Keystone and Conemaugh - are responsible for a total of \$2.87 billion in total economic impact, including:

- 566 direct plant jobs/8170 total job impacts (e.g., union work on maintenance and upgrades, supply and service providers, etc.)
- \$34.2 million in state tax revenues
- \$3.7 million in local tax revenues
- \$82 million in direct employee compensation/\$539 million in total employee compensation (e.g., union work on maintenance and upgrades, supply and service providers, etc.)
- \$1.02 billion in annual operating expenditures
- \$2.87 billion in total economic impactSupports 8170 total jobs

These are the benefits that will be lost in the first year of RGGI if the General Assembly or the courts fail to prevent Governor Wolf from joining RGGI.