

Testimony to DEP on Clean Power Plan, September 25, 2014

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Thank you for the opportunity to testify today. I am speaking as a board member of Chester County Citizens for Climate Protection, -- a 501c3 organization dedicated to public outreach and education on climate change.

I'm told by friends who live in Myrtle Beach that people there say "thank god for Mississippi" when talking about local schools -- meaning at least the Myrtle Beach schools are not dead last.

There seem to be a number of areas related to carbon emissions where Pennsylvanians get to be grateful to other states so we aren't dead last. For example, there are some states that don't have an alternative energy portfolio standard, Mississippi being one, and there are some that have a goal rather than a requirement; but of all the states that have a requirement or even a goal, none is as low as Pennsylvania's at 8%. Even so we see the fossil fuel industry spending tons of money through ALEC, political contributions and pseudo think tanks to roll back the standards that do exist.

Pennsylvania has the opportunity to participate in RGGI, the Regional Greenhouse Gas Initiative, but does not do so. We get to thank New Jersey that we're not the only holdout.

The U.S. is the second worst emitter of CO₂ in the world -- thank god for China -- and Pennsylvania is only the third worst of the U.S. states; however, even without being **the very worst**, Pennsylvania generates 1% of global emissions, and is the **world's 22nd** largest emitter.

Given our position in the worst rankings, the EPA proposed clean power plan target for Pennsylvania actually seems modest -- a reduction of about 31% between now and 2030, some of which is already met by coal plants that have or are planned for retirement.

Something I noticed at the Clean Power Plan hearings in Washington D.C. and Pittsburgh is that the two sides of this proposal are not really talking to each other. Each side keeps presenting their arguments, without addressing those of the other side. I was hoping some industry representatives would stay to listen to the afternoon session. So the way you have structured the day is not very conducive to a public debate. As you know, the testimony at EPA's hearing in Pittsburgh was overwhelmingly

in support of the plan, but I wanted to at least speak to some of the industry arguments I heard there and having been hearing again here today, and will mention some arguments in support of the clean power plan I wish they would address.

One: America depends on the cheap energy supplied by coal. Response: Energy may appear to be cheap on electric bills but only because many billions of dollars in externality costs are paid for elsewhere. If they were included, studies show the cost of coal powered electricity would be 2 to 3 times higher. To name a few:

- An estimated 250,000 coal miners have died from black lung disease, 10,000 just in the last decade. Three times as many suffer lifelong respiratory problems.
- The Black Lung Benefits Program that is supposed to be paid for by the coal industry, is reported to have "borrowed \$8.7 billion from the federal Treasury so far." That is expected to increase to \$68 billion by 2040.
- An MIT study estimated there are 200,000 early deaths each year in the U.S. due to air pollution, with 52,000 associated with power generation.
- A University of Pittsburgh study concluded that people in the Pittsburgh area have twice the risk of developing cancer within their lifetimes due to pollutants in the air they breathe.
- People in the Appalachian communities where mountain top removal coal mining occurs have a 50% higher cancer rate and 42% higher birth defect rate, with public health costs estimated somewhere around \$75 billion per year.

These are all costs of coal that don't show up on electric bills, but we are paying them nonetheless both as individuals and taxpayers. And we haven't even mentioned the nearly incalculable costs of climate change.

If we had been paying the true cost of energy in our electric bills, efficiency would be built into everything we do, as it is in some countries. Automobiles, appliances and places to live would compete based on their efficiency. Instead, a recent ranking of the world's 16 largest economies for energy efficiency put the U.S. at number 13. Thank god for Russia.

Two: Only fossil fuels are "reliable", and reliable here is short hand for "the sun doesn't always shine and the wind doesn't always blow." As I'm sure you know, PJM, our regional grid operator has said that we can get at least 30% of our energy from wind and solar by 2026 with no reliability problems, minimal changes to the transmission infrastructure, and net savings on wholesale energy prices.

Three: Good paying jobs are at stake. Here we agree. We need to make sure there is a just transition to other family-sustaining jobs for displaced fossil fuel workers. Environmental groups are committed to supporting that; however, preventing the loss of these jobs is not a justification for the loss of life, health and a stable climate associated with burning fossil fuels.

Four: The clean power plan is a token gesture, China is the real problem. The U.S. was the highest emitter in the world, right up until about 2006 when we were surpassed by China, which has about 4 times as many people, but per person emissions less than half of ours. In 1945 the U.S. was emitting more than the rest of the world combined, and 47 times as much as China.

And look at some of the things China is doing, now that the Chinese people are demanding cleaner air and water: they are planning for a national carbon trading market, with pilot projects in place and an announcement on September 2nd that they will speed up national implementation, with a goal to reduce emissions as much as 45% by 2020, and to make environmental policy a top priority.

Five: America will no longer be competitive if energy costs rise. I have heard this called "unilateral economic disarmament". I think America just needs a reason to embrace efficiency -- a lesson a number of countries already know -- in order to remain competitive. There is no reason to have cable boxes that continue to use the same amount of energy after we turn them off, except for this myth about cheap energy. We waste huge amounts of energy through inefficient appliances and buildings and gas guzzling vehicles. Building codes is an area I think Pennsylvania should pursue in meeting its targets. A number of EPA hearing testifiers made the point that this should count toward targets.

Six: Government shouldn't pick winners and losers, the market should decide. I would certainly agree with this if we had anything like a free market for energy. But when fossil fuels continue to be given billions of dollars in tax credits that were written into the tax code a 100 years ago to help a new industry get on its feet, at the same time that renewable tax credits are on again off again, and as long as fossil fuels are not held responsible for any externalities, and are practically given access to public lands and parks, the government is most certainly choosing.

Something that would help level the playing field in Pennsylvania would be putting a fee on carbon at the point of extraction – at the mine or the well head. Create a more level playing field and **let** the market decide. But a carbon fee should be revenue neutral to the government – with all revenue distributed back to Pennsylvania households to cover higher energy bills. I do not see anything in the Clean Power Plan that precludes using a carbon fee to achieve targets and there was testimony in Washington and Pittsburgh

asking the EPA to explicitly add that to the suggested list of policy options. And it is a more effective solution because it addresses the full scope of fossil fuels, not just power plants.

I have tried to respond to a few of the industry arguments I keep hearing, and I would like to hear industry respond to just two:

1. Why do you consider it an acceptable cost of doing business for your industry to kill and sicken millions of people with your pollution?
2. Why are you fighting to avoid responsibility for carbon reductions when your industry is significantly contributing to climate changes that in the easily foreseeable future threaten Pennsylvania industries and resources such as dairy farming, hardwood species such as black cherry, sugar maple and beech, varieties of apples, grapes and corn, skiing and snowmobiling. If we don't dramatically reduce carbon emissions quickly, these are all at risk and they employ far more people than fossil fuels. Why are you OK with that?

We know that the invisible hand of Adam Smith is invisible in the same way as the emperor's new clothes. But back in 1776 when there were only about 800 million people on the planet, natural resources must have looked limitless.

Today, 7+ billion people and counting, are all acting in their own self-interest, and continue operating as if resources were limitless -- Americans in particular. We are consuming at a rate that is altering the very climate and habitability of the only planet we have to live on, and are causing the 6th great extinction of species

Every time the EPA proposes a reduction in some pollutant or toxic emission, industry claims it will cause economic armageddon, and it never does. This one won't either. The same thing probably happens every time you propose a regulation.

Near the end of Mr Brisini's testimony to the EPA in Pittsburgh he said that Pennsylvania supports efforts to reduce CO₂ emissions. I was glad to read that. It was not mentioned in the letter to the President that Governor Corbett signed on to, along with the governor of Mississippi, which said the proposed regulation should be withdrawn until every problem they could possibly think of including the 30+ year old problem of nuclear waste disposal is resolved. I realize this is the season for political posturing, but the letter was not a serious response to the problem of CO₂ emissions.

I think you came to work for DEP because you genuinely care about the environment, and I honor you for your public service. If you support efforts to reduce CO₂ emissions, but you don't think some of the specifics of the proposed regulation are a good fit for Pennsylvania, send them your proposals for how we can meet the targets, but make them serious proposals, not things like giving credit for past reductions. It's great that some reductions have already been achieved, but Pennsylvania has a lot to answer for. The proposed clean power plan makes it clear the EPA is trying to work with you. I urge you to work with them. The targets are a challenge, I get it. But America is good at challenges.