

**MINUTES OF WEBEX MEETING  
OF CITIZENS ADVISORY COUNCIL  
May 19, 2020**

**CITIZENS ADVISORY COUNCIL (CAC) MEMBERS PRESENT:**

|                                   |                                     |
|-----------------------------------|-------------------------------------|
| Cynthia Carrow, Allegheny County  | John St. Clair, Indiana County      |
| Mark Caskey, Washington County    | James Schmid, Delaware County       |
| Terry Dayton, Greene County       | Jerome Shabazz, Philadelphia County |
| David Dunphy, Philadelphia County | Thad Stevens, Tioga County          |
| William Fink, Bedford County      | John Walliser, Allegheny County     |
| Duane Mowery, Cumberland County   | Jim Welty, Cumberland County        |
| John Over, Fayette County         | Tim Weston, Cumberland County       |

**CALL TO ORDER:**

Chairman Jerome Shabazz called the meeting to order at 12:30 PM.

**APPROVAL OF MEETING MINUTES:**

Chairman Shabazz solicited additions or corrections to the April 21, 2020 Minutes.

**Hearing none, Chairman Shabazz moved to approve the Minutes of April 21, 2020. Tim Weston seconded the motion, which was unanimously approved.**

**DEP REPORT:**

Secretary McDonnell provided a brief update on the following:

*Coronavirus - Emergency Response at DEP*

During COVID-19, 90-95% of DEP's staff continue to successfully telework. Since March 16, approximately 5,260 authorizations and 12,100 inspections have been conducted. DEP has responded to 54 emergencies related to issues critical to public health and safety since the Governor's emergency disaster declaration was issued. With some of the counties moving into yellow status, the Department is still very much operating in a telework scenario.

*Climate Impacts Assessment*

The 2020 Pennsylvania Climate Impacts Assessment Update was released on April 20. The assessment, produced for DEP by the Penn State University Environment and Natural Resources Institute, projects future effects of climate change on livestock, infrastructure, and water quality across the state to support planning to reduce risk to Pennsylvania communities and the economy. The State

has experienced a nearly 2° F rise in average temperature, an approximately 10% increase in average annual rainfall, and an increased frequency of extreme precipitation since 1901. It is projected that by mid-century every county will continue to get warmer and wetter, with average rainfall and extreme precipitation continuing to increase by 8-12 % and the average temperature continuing to rise by 4.9° F. The assessment suggests that Pennsylvania could experience doubling of its poultry inventory and small increases are likely in beef cattle and hog inventories. Although the dairy cattle inventory is anticipated to remain roughly the same, a shift in the dairy industry from southeast to northwest counties could occur. As rainfall increases, the nutrient and sediment runoff pollution carried into streams and rivers from agricultural and urban areas will increase. Landscape responses to climate change will vary across the state, making it important to identify critical sediment and nutrient pollution sources and target cost-effective and climate-resilient BMPs there. Localized intense flooding is likely to be the primary stress on Pennsylvania's energy, transportation, and water infrastructures. DEP released the latest Pennsylvania Climate Action Plan in 2019 and will draw on this new assessment in developing a 2021 Climate Action Plan for Pennsylvania.

#### *DEP/ICLEI Local Climate Action Program*

DEP and the national nonprofit ICLEI—Local Governments for Sustainability have partnered together over the past year to create the new “Local Climate Action Assistance Program.” Twenty Pennsylvania municipalities were teamed up with college students to develop plans to manage the risks of climate change impacts in their communities. DEP enlisted ICLEI to provide the teams with training and one-on-one technical assistance as plans were developed. The municipal and student teams produced greenhouse gas emissions inventories for local governments, calculating current emission levels from sectors such as industrial, residential, commercial, solid waste, and transportation. They reviewed the strategy recommendations in DEP's 2018 Pennsylvania Climate Action Plan and identified local climate hazards, such as extreme rainfall and heat days. The teams also conducted public meetings and online surveys to engage community members in the climate action planning process. The teams are now putting all the information together using a template to draft a local climate action plan to reduce emissions and manage impacts and will share the draft plan with community residents and public officials. In its inaugural year, the Local Climate Action Assistance Program generated more demand from municipalities and students than could be accommodated, causing a waitlist for the program. Communities across Pennsylvania are interested in taking voluntary action on climate change, as increases in flooding, disease, vectors, public health impacts, and economic

disruptions are being experienced, particularly on a local level and the next generation of leaders are motivated to address the threat of climate change. Pending funding availability, DEP plans to offer the Local Climate Action Assistance Program to another 20 municipalities beginning in late summer 2020.

#### *State Electric Vehicle Policy Accelerator Program*

The Electrification Coalition recently announced that Pennsylvania was selected as part of their new State Electric Vehicle Policy Accelerator Program. Pennsylvania will be part of a new five-state effort to develop and secure ambitious electric vehicle policy options and create dedicated implementation programs that will accelerate all sectors of the EV market. The program will bring together subject matter experts to create ambitious policy plans and further EV opportunities across a broad range of approaches, including: consumer incentives, infrastructure development, utility rate design, freight electrification, and transitioning public fleets, including state fleets, transit buses and school buses, to EVs. It will also entail considerations of innovative funding and strategic use of any relevant federal COVID-19 stimulus support. The effort will include creation of a customized and tailored EV policy blueprint, an EV resource best practices toolkit, case studies and fact sheets, EV policy bootcamps, and market analysis in close consultation with our Energy Programs Office.

#### *Three Mile Island Unit 2 License Transfer*

For several months DEP has been monitoring the proposed Three Mile Island Unit-2 license transfer from GPU/First Energy to a newly formed group *TMI2 Solutions*, LLC. Operators of nuclear power plants in the United States typically do not have the skill set for plant dismantlement and clean-up, and it is more cost effective to transfer the nuclear power plant license and associated decommissioning fund to a firm that has such experience. This appears to be the case with the proposed TMI Unit 2 transfer. The U.S. Nuclear Regulatory Commission issues an operating license to all commercial nuclear power plants and regulates decommissioning. In late March the NRC published a notice in the Federal Register that they would accept comments on this proposed license transfer prior to their review, which also opened a period for any person affected by the proposed transfer to request a hearing before the NRC's Atomic Safety & Licensing Board. TMI Unit 2 was subject to the worst commercial nuclear power plant accident in U.S. history in 1979 and has vast areas inside the facility with radiological contamination that has not been fully characterized. Based on that, in early April the Department sent a formal letter to the NRC outlining the Department's potential concerns and questions. A response was received from the proposed licensee and the NRC that helped to address some of the Department's questions. DEP also submitted formal

comments and requested an extension for the timeline to file for a hearing based on the Governor's Stay-At-Home Order. DEP will keep CAC updated as it continues to have conversations with the NRC.

**PUBLIC COMMENT:**

***Diana Dakey*** spoke on behalf of Protect Northern PA. Ms. Dakey expressed concern about DEP's failure to inform impacted communities about the hazardous materials that could potentially move through 12 Pennsylvania counties, large tanker trucks that could fundamentally change the character of business districts, and additional fracking and pipelines over an unknown footprint. She believes DEP's site-specific general permit did not look at greenhouse gases beyond the fence line.

***Senator Joe Pittman***, representing the 41<sup>st</sup> District of Pennsylvania, asked the CAC to oppose Governor Wolf's CO<sub>2</sub> trading program. Though transparency and openness were promised, Senator Pittman has repeatedly asked the Governor's Office to engage with him and the people of the 41<sup>st</sup> District who will be directly impacted by the carbon tax. He believes there has been no meaningful effort to gauge economic impact of the CO<sub>2</sub> trading program on communities.

***Brianna Esteves*** spoke on behalf of Ceres. Ceres is a strong supporter of carbon pricing programs such as RGGI and asked that the CAC vote to support moving forward with the draft CO<sub>2</sub> budget trading rule to allow for a formal comment period.

***Liz Robinson*** is the Executive Director of the Pennsylvania Solar Energy Association. PSEA believes Pennsylvania can continue to be an energy leader if it acts resolutely and with deliberate speed. PSEA urged the CAC to support the CO<sub>2</sub> trading proposal and advance the RGGI draft regulations to the Environmental Quality Board.

***Robert Routh*** is Public Policy and Regulatory Counsel for the Clean Air Council. The Clean Air Council strongly supports the draft proposed CO<sub>2</sub> Budget Trading Program rulemaking and its members urge the CAC to concur in DEP's recommendation to advance the proposal forward to the EQB for consideration.

***Mitch Karaica*** is a lifelong resident of the Cheswick Springdale area. Residents were assured there would be robust public outreach, but he believes there has been none.

Mr. Karaica is concerned about the future of his community as there are two power stations in danger of closing because of RGGI, and he urged the CAC not to move forward with RGGI.

**Paul Cameron**, Business Manager of IBEW Local 459, represents 1700 union members in the utility industry. Many of those members work at generating stations that will be affected by RGGI. The IBEW Local 459 is disappointed with DEP as it continues to move forward with the rulemaking even during a worldwide pandemic, and it requests that the CAC not support the proposed carbon trading program.

**Aric Baker** is a technician at the Keystone Generating facility located in Armstrong County. He believes the economic hardship of shuttering generating stations will be immeasurable and that the actual environmental benefit will be negligible. Mr. Baker requested that everyone involved pull back on the RGGI initiative.

**Shawn Steffe** is a business agent for Boilermakers Local 154 and a life-long resident of Indiana Co. He urged the CAC to vote against RGGI.

**Carl Marrara** is Vice President of Government Affairs for the Pennsylvania Manufacturers' Association. It is the position of the PMA that RGGI is a flawed proposal as it is not sound public policy for Pennsylvania, and it urged the CAC to reject Governor Wolf's RGGI proposal.

**Matthew Snebold** is a plant chemist at the Cheswick Power Plant in Allegheny County. The Governor proposed robust outreach, which he believes has not occurred. Moving forward with RGGI will impose plant-killing taxes, forced elimination of blue-collar jobs in Pennsylvania, much higher utility payments on residents, and local governments and school districts will lose thousands of dollars in tax revenues.

**Steve Aaron** is a small business owner in Dauphin County and one of the organizers of a coalition called Nuclear Powers Pennsylvania. The operation of Pennsylvania's nuclear plants account for 15,000 full-time direct and indirect jobs. The state has an ecosystem of more than 500 companies working in nuclear energy, including names like Westinghouse and GE Hitachi. The nuclear fleet contributes about \$2 billion to the State GDP and is responsible for \$65 million in net state tax revenues. Mr. Aaron asked the CAC to consider the men and women

who work in Pennsylvania's nuclear industry as it makes its recommendations for Pennsylvania's energy future.

**Jeff Oskin** is a life-long resident of Allegheny County and a member of the IBEW Local 29 at the Cheswick power station. Mr. Oskin has witnessed the devastating results of shutting down power generating plants and the closure of family-supporting businesses. He believes now is the time to talk about recovering from COVID-19 and keep businesses afloat. He urged CAC to vote against RGGI.

**Patrice Tomcik** is a Project Manager for Moms Clean Air Force. On behalf of its members, Ms. Tomcik respectfully requests the CAC to advance DEP's CO2 Budget Trading Program rule forward for formal consideration before the EQB. She believes this is the time to strengthen pollution protections and clean up Pennsylvania's air.

**Matthew Lockhart** is an employee of the Keystone Generating Station and a resident of Indiana County. Mr. Lockhart finds it troubling that DEP is still moving forward with RGGI in the current economic crisis. RGGI will close 90% of coal-fired plants in Pennsylvania, school districts will not survive the loss of taxes, and it will have little to no impact on CO2 emissions. Mr. Lockhart encourages the CAC to concur with the AQTAC and reject the rulemaking.

**Vince Brisini** is Director of Environmental Affairs at Olympus Power. RGGI claims it will lead to renewables, but it has not led to renewables in other states. It does not provide for climate or environmental benefit.

**Marsha Hayley** is a resident of Butler County, a physician, and has a master's degree in Public Health from the University of Pittsburgh. Dr. Hayley would like to see PA join RGGI as the data shows that it will make Pennsylvania healthier.

**Michael Maine** is an interim plant manager at the New Castle Generating Station. He believes RGGI will levy a devastating tax burden and that neighboring states will make up for the generation Pennsylvania is not producing, net emissions will be the same, and tax revenues will go to other states.

**Thomas Schuster** is Clean Energy Program Director at the Pennsylvania Chapter of the Sierra Club. While power plant closures are inevitable with or without carbon limits, participation in RGGI will increase overall economic activity in Pennsylvania. The Sierra Club respectfully urges the CAC to recommend approval by the EQB.

**Lael Campbell** is Vice President of State Government Affairs at Exelon. Exelon supports RGGI and urges DEP not to delay. Entering RGGI in 2022 is critical.

**Michael Sowko** believes that RGGI allowance costs will increase consumers bills, inflict a fatal blow to several key job producers throughout the state, eliminate good paying power plant jobs and thousands of other industries supporting blue collar jobs. Emissions leakage from other states will undermine any benefits of RGGI for Pennsylvania and jobs will be shifted to other states. A better policy to reduce CO2 emissions is to encourage innovation rather than rely on taxes and regulation.

**Jacqueline Fidler** is Director of Environment and Regulatory Affairs at Consol Energy. Ms. Fidler stated that the rulemaking is impactful and not beneficial and requested that the model be revised to account for the current economic conditions under COVID 19. She believes DEP should publish a more robust economic and social impacts analyses before advancing the rulemaking to the EQB.

**Jaret Gibbons** is Executive Director of the ARIPPA. Pennsylvania has 220 million tons of polluting waste coal located on 770 identified sites. Since the late 1980s, the power plant industry has remediated over 7,200 acres of land, thereby improving 1,200 miles of Pennsylvania waterways, and provide \$37 million per year in environmental and public use benefits. ARIPPA thanks the Department for fittingly taking into account the positive environmental benefits of the industry by providing a waste coal set aside account to recognize the improvements the power industry provides to land, air, and water from AML reclamation.

**Robin Mann** is from Delaware County and is active in the Sierra Club. Ms. Mann stated that it has been a long wait for Pennsylvania to join RGGI and believes it would be wrong to pass up the opportunity. She believes RGGI would provide broad scale energy burden relief to low income households and recommends approval of the proposed draft rulemaking.

**Kathy Greely** is Senior Vice President of Performance Systems Development and a board member of the Keystone Energy Efficiency Alliance. Ms. Greely spoke in support of RGGI's role in driving energy efficiency projects in PA and its positive impacts on PA businesses.

**David Fyock** works at the Keystone power plant. Mr. Fyock participated in the AQTAC meeting on May 7. He believes the modeling is flawed and that a carbon tax would put power plants out of business.

**Beth Kim** is a resident of Cambria County. Ms. Kim is disappointed at lack of public outreach. She believes RGGI will cause the immediate closure of power plants, thereby eliminating thousands of jobs.

**Barry Hickson** urged the CAC to reject moving forward with RGGI. Mr. Hixson believes joining RGGI is a bad idea for Pennsylvania and its workers as it will eliminate jobs, cause higher electric bills, and lower tax revenues for already struggling school districts.

**Joshua Madrigal** is the Director of Government Affairs with Framatome Inc. Mr. Madrigal commends Governor Wolf for moving forward to join RGGI.

**Jack Popielarski** is from Lancaster County and is a member of the Clean Jobs for PA Coalition. Mr. Popielarski voiced support for RGGI because he is concerned about providing a clean, pollution-free environment for his children and grandchildren.

**Matt Robb** works for John T. Boyd Company and resides in Washington County. Mr. Robb believes joining RGGI would impose a tax and expedite power plant closures, thereby causing devastation to local communities and businesses. Mr. Robb encouraged the CAC not to support RGGI and requested that DEP conduct an economic impacts study.

**Dean VanTassel** is an employee of the Shawville power plant in Clearfield County and is a veteran. Mr. Van Tassel believes RGGI would impose a plant-killing tax and would have little to no impact on the reduction of greenhouse gases. He urged the CAC to follow the AQTAC's lead and not move forward with the regulation.

**Andy Frank** is President of Sealed, an energy company that guarantees savings from home efficiency improvements. Mr. Frank voiced his support for RGGI.

**Ronald Itell** works at the Conemaugh generating station. Mr. Itell believes RGGI will put Pennsylvania's coal-fired generating stations out of business, which will have a devastating effect on the economy of the communities where the plants are located. RGGI should be placed on hold until a thorough investigation is conducted of the effects and consequences.

**Walter Tsou** is Executive Director of Physicians for Social Responsibility Pennsylvania. Mr. Tsou stated that Pennsylvania should not gamble its energy future on fossil gas or coal. He believes it is well past time to support RGGI, penalize power plants for excess carbon emissions, and create incentives for renewables.

**David Cranston, Jr.** is President of Cranston Material Handling Equipment Corp. in McKees Rocks and is a member of the National Federation of Business in Pennsylvania. NFIB is very concerned about the impact of RGGI on energy prices and the painful economic toll on the communities where RGGI will force powerplants out of business. Mr. Cranston respectfully asked DEP to stop pursuing RGGI at this time.

**Mark Szybist** is an attorney for the National Resources Defense Council. Mr. Szybist strongly supports RGGI as it is Pennsylvania's best opportunity to cut carbon emissions. He asked the CAC to vote in support of forwarding RGGI to the EQB.

**Daniel Kim** lives in Cambria County and works at the Conemaugh power plant. Mr. Kim has seen the impact of the loss of steel mills in Johnstown, where one-third of the population now lives under the poverty level. He believes RGGI will shut down the remaining power plants and more people will be added to the unemployment roll.

**Melissa Troutman** expressed concern about the increased operations of fracking waste haulers over her family's water supply. She asked for company test results addressing the spills, and DEP denied the request. Ms. Troutman requested the assistance of the CAC to obtain the data for her and to require DEP to make radioactive waste analyses public information.

**Elizabeth Marks** is Executive Director of the Pennsylvania Utility Law Project. Ms. Marks stated that RGGI offers the potential to address the disproportionate environmental and economic impact on low income families and asked that the CAC advance the rulemaking.

**Thomas Awl** is a member of the Clean Air Board of Central Pennsylvania which provides citizens a voice in air quality matters. Mr. Awl applauded DEP's development of a cap and investment program to control carbon pollution and requested that the CAC take the next step forward.

*Kevin Panzino* is a plant manager at the Cheswick power plant. Mr. Panzino believes RGGI is merely the imposition of a tax and that there will be no real net reduction in CO<sub>2</sub>. He urged the CAC to reject RGGI.

**DRAFT PROPOSED RACT III RULEMAKING:**

Tim Weston stated that the Policy & Regulatory Oversight Committee looked at the draft proposed rulemaking for Chapters 121 and 129 and considered the RACT requirements and comments received from the AQTAC. The unanimous recommendation of the committee was to endorse the proposal to go forward.

**Tim Weston made a motion that the CAC endorse the rulemaking to be considered by the EQB for proposed rulemaking. Thad Stevens seconded the motion, and the motion was unanimously approved.**

**DRAFT PROPOSED CO<sub>2</sub> BUDGET TRADING RULEMAKING:**

Tim Weston offered that there were significant questions after DEP's presentation to the Policy & Regulatory Oversight Committee on May 8 and the committee requested that DEP provide answers. Tim requested that the CAC now hear the answers to the questions and then consider what it would like to do. The Policy & Regulatory Oversight Committee voted 5-3 to defer to the full CAC; with 3 members against even bringing it to the full CAC.

Hayley Book, Senior Advisor on Energy and Climate at DEP, detailed the Department's Chapter 145 Interstate Pollution Transport Reduction Subchapter E. CO<sub>2</sub> Budget Trading Program rulemaking, including climate impacts on Pennsylvania, the impact of greenhouse gas, and then RGGI's climate change goals. She provided a power sector modeling overview and discussed in great detail the Draft Proposed Annex, including changes that have been made since the preliminary draft, advisory committees' participation, and discussed the effected regulatory sections. She discussed compliance options and compliance requirements, reinvestment of auction proceeds, RGGI results so far, the regulatory timeline, and provided a time for questions and answers. Hayley urged the members to continue moving the regulation forward to the EQB.

**Chairman Jerome Shabazz made a motion that the CAC recommend that DEP present the proposed rulemaking to the EQB so it can be published for public comment. The motion was seconded by John Walliser and a vote was taken.**

The vote was as follows: No-9; Yes-4; 1 Abstention

**NEW BUSINESS/OPEN DISCUSSION:**

*Nominating Committee*

Cynthia Carrow will Chair a Nominating Committee. Chairman Shabazz asked any members who would like to join the Nominating Committee to reach out to Cynthia or Keith Salador.

**ADJOURNMENT:**

**With no further business, Chairman Shabazz requested a motion for adjournment. Terry Dayton moved to adjourn the meeting, which was seconded by Thad Stevens, and all were in favor. The May 19, 2020 meeting of the CAC was adjourned at 4:30 PM.**