



Prepared Testimony of

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Before the

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Good morning Chairman Saylor, Chairman Bradford, Chairman Metcalfe, Chairman Vitali, and members. Thank you for the opportunity to present Governor Wolf's proposed Fiscal Year 2021-2022 budget for the Department of Environmental Protection (DEP).

As always, I want to begin by acknowledging the public servants who work every day to achieve the department's mission. Every one of us commits daily to "protect Pennsylvania's air, land and water from pollution, and to provide for the health and safety of our citizens." This past year has thrown all of us some curveballs, and DEP staff rose to the occasion in incredible fashion, confronting the challenge of shifting to teleworking amidst a global pandemic and rising to meet that challenge. I will get into more of the details below, but I wanted to make sure to first acknowledge that none of the work we discuss in this testimony gets done without their dedication.

This year, DEP's budget request includes \$164,797,000 from the General Fund and a total spending authorization of \$805.156 million. The proposal includes \$242.734 million of special fund authorizations as well as \$254.420 million in Federal spending authority. For reference, in 2020-21, DEP's total enacted General Fund budget was \$156,337,000. The increase is primarily a cost-to-carry, ensuring that DEP can continue to work to conduct inspections, review permit applications, and otherwise fulfill the DEP mission.

Work Throughout the COVID-19 Pandemic

I want to begin by looking back on the past year and the work that was accomplished throughout the COVID-19 pandemic. I know that I, like many of you, did not foresee how dramatically the COVID-19 pandemic would upend life in Pennsylvania. The decisive actions to close office buildings to slow the spread of the virus led to DEP, like other Commonwealth agencies, to rapidly shift from an in-office regime to a teleworking regime, and all of the challenges that come along with it. DEP staff, to their credit, quickly mobilized to reduce disruption to inspections and permit reviews, and we have maintained and streamlined workflow. Staff were creative and innovative in ensuring that critical work was still completed despite the pandemic. One example of this is how staff from the Bureau of Radiation Protection conducted an inspection of medical equipment over FaceTime – allowing lifesaving medicine to continue safely with properly certified equipment.

Investments into our information technology infrastructure allowed DEP the flexibility to shift to teleworking, with employees taking their computers home and connecting to a virtual private network, setting up formal and informal schedules to keep paperwork moving, and in many cases eliminating the need for paper copies to begin with. Through February 16, 2021, DEP staff completed more than 77,000 inspections, took action on more than 31,000 applications and authorizations (with 94% of permit decision guarantee applications disposed on time), and responded to 260 environmental emergencies.

In June, accelerating our existing electronic permitting effort, DEP expanded online permitting options to cut down on paperwork and reduce the time to process and review permit applications. Through the OnBase tool, DEP staff are able to accept electronic versions of permit applications,

reducing costs for applicants and eliminating the need to transfer physical paper from staffer to staffer, an operation made more difficult by the pandemic.

We have also taken the step of holding virtual public hearings, accessible by both internet and telephone connection, on regulations and permit applications. Switching to virtual hearings was a necessity due to the COVID-19 pandemic and allowed hundreds of Pennsylvanians to conveniently deliver their comments on permit applications and proposed regulations without exposing themselves or their families to a deadly pandemic. Additionally, we have heard from many participants that the use of a virtual public hearing platform was preferred and resulted in savings, in both time and money, for many residents who did not have to drive or find a way to attend a public hearing. The recent public hearings for the RGGI rulemaking were held virtually and 439 people presented comments. This resulted in more participation in public hearings than we have ever had for any rulemaking – by a significant margin.

Confronting the Challenge of Climate Change

Climate change is no longer a threat to Pennsylvania – it is a reality. The changing weather patterns, leading to catastrophic floods one year and crippling droughts in others, are here. Carbon pollution is one of the leading culprits behind climate change, and we must continue reducing emissions of carbon as well as other greenhouse gases. Indeed, the people of Pennsylvania demand it – public opinion polls have found that three-quarters of Pennsylvanians want to see carbon dioxide emissions regulated as a pollutant.

In January 2019, Governor Wolf signed an executive order setting statewide climate goals for the first time in Pennsylvania history. Then in September 2019, Governor Wolf issued an Executive Order that directed DEP to develop a program to reduce carbon dioxide emissions from power plants in Pennsylvania, in line with the Regional Greenhouse Gas Initiative (RGGI). In September 2020, the Environmental Quality Board (EQB) voted to adopt a draft regulation for Pennsylvania to participate in RGGI, and a final regulation will be presented to EQB in the early summer.

We have heard unprecedented feedback on this draft regulation. Over the course of 10 virtual public hearings, we heard from more than 400 Pennsylvanians and received comments from nearly 14,000 during the public comment period. While we are still reviewing the comments, a clear majority want us to participate in RGGI to fight climate change and invest in our communities.

To that end, Governor Wolf has called for some of the estimated \$300 million in proceeds from RGGI allowance auctions to be dedicated to investments into environmental justice communities and has proposed the creation of the Energy Communities Trust Fund. The investments into environmental justice communities will both correct some of the disproportionate impacts those communities have faced while creating the opportunities for new economic growth. The Energy Communities Trust Fund would help support a just transition for communities where power plants may close. Many of these facilities will close in the coming years with or without Pennsylvania's participation in RGGI, but only by taking part in the initiative will the resources be available to help with this transition.

Governor Wolf is also calling for the proceeds of RGGI to be invested into energy efficiency, greenhouse gas abatement, and renewable energy. This includes funds for commercial and industrial sectors, so that Pennsylvania can continue to be a leader in manufacturing while also becoming a leader in reducing carbon pollution. This is the direction the market is already heading, and we do not want to be left out or left behind.

Combating climate change is more than just addressing power plants. Transportation is also a major driver of carbon pollution, much of it coming from our tailpipes. DEP is continuing the work to find innovative ways to reduce emissions from the cars and trucks we drive and encouraging more alternative fuel and electric vehicles. Pennsylvania is continuing to take part in discussions with other states and the District of Columbia through the Transportation Climate Initiative (TCI) about how to reduce pollution from cars and trucks. DEP has also begun drafting a regulation to make Zero Emission Vehicles (ZEV) more readily available for Pennsylvania consumers, bringing more choices for people that want to do their part to cut down on climate change and realize the benefits these vehicles offer.

Climate change is not a solely international, national, state, or local problem – it is all of the above, and so must be the solutions. While the new administration in Washington has taken the important step of rejoining the Paris Climate Accords, committing the United States to meaningful climate action, addressing climate change needs to occur at all levels of government. DEP has helped more than 150 municipalities begin developing their own Climate Action Plans to reduce pollution and identify ways that climate change could impact their communities. These programs are funded through a federal Department of Energy grant but represent the kind of “all of the above” thinking that we need in order to address the climate crisis.

Creating a More Diverse DEP

One of the many things that the COVID-19 pandemic has taught us is that we cannot, as an agency, rely on the way things have always been done. We need fresh ideas, fresh faces, and diverse voices to make sure that this department can meet the needs of Pennsylvanians now and into the future. DEP is committed not just to diversifying our own workforce but to being a force for positive change.

At DEP, we have established a Diversity Committee made up of staff at all levels of the department to examine our current staff makeup and explore how we can better diversify our talents and backgrounds to better serve the people of Pennsylvania. We are taking a holistic look at the department from top to bottom to address uncomfortable truths and make sure that we are course correcting and learning from past mistakes. An undertaking like this is not one with a concrete end – at no point are we going to look back and say “and that’s how DEP fixed systemic racism” – but a way to continually change the culture of the department for a better future.

An example of this work in practice can be seen in the virtual public hearings that were held for the RGGI rulemaking. For the first time, DEP offered live translation services for these virtual public hearings. Four of the participants of those hearings requested the live translation, and we

were able to make sure that Pennsylvanians who may not have felt they had access to DEP in the past could make their voices heard.

Continued Progress to Improve Local Water Quality and the Chesapeake Bay

Throughout 2020 and the COVID-19 pandemic, Pennsylvania continued to make progress towards our goals of improving local waterways that flow into the Chesapeake Bay. This effort is multi-pronged and is showing impressive results. Final figures are still being verified by the federal Environmental Protection Agency (EPA), but initial assessments indicate that Pennsylvania had impressive reductions in nitrogen and phosphorus pollution – 2019-2020 marked Pennsylvania's third largest annual nitrogen reduction and sixth largest annual phosphorus reduction. These reductions were due in large part to wastewater treatment plants having their largest annual nitrogen reduction in 35 years and farmers having their largest annual phosphorus reduction since 2010. Improved efficiency and use of best management practices on farms helped contribute to the decrease, as did streambank restoration and stream buffer projects. DEP helped coordinate the counties on the front lines of this effort with technical assistance and other support.

Through cross-cutting state, county, and local government cooperation, Pennsylvania is well on its way to achieving the goals set out by the Chesapeake Bay partnership and improving water quality throughout the Susquehanna and Potomac river watersheds.

Conclusion

DEP is always a very busy department. What I have outlined in this testimony barely scratches the surface of the important work done by staff day in and day out. In 2021, DEP staff will oversee parts of the decommissioning of Three Mile Island, hear from thousands of Pennsylvanians about permit applications and regulatory proposals, conduct thousands of inspections, respond to environmental emergencies, continue to address the legacy of historic mining, and plug oil and gas wells from generations ago.

Looking to the future is always a risky proposition. When I sat before you last year, none of the discussions we had covered telework, remote inspections, virtual hearings, or any of the other things that have become commonplace today. I sincerely hope that this time next year COVID-19 will be just a diminishing speck in the rearview. However, one thing I am confident about is that throughout 2021, DEP staff will continue to meet and exceed expectations, regardless of the challenges that arise.

Thank you, and we at DEP look forward to working with the General Assembly on the challenges and opportunities that lie ahead this fiscal year. Thank you for your time and consideration.