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Senate of Pennsylvania

January 13, 2022

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Hon. Patrick McDonnell, Secretary
PA Department of Environmental Protection
400 Market Street
P.O. Box 2063, 16th Floor
Rachel Carson Office Bldg.
Harrisburg, PA 17101

Dear Secretary McDonnell:

Earlier today, I was told that you and staff from the Department of Environmental Protection had opted out of our January 18th hearing to review the skyrocketing RGGI allowance prices. This is disappointing. I would like to remind the Department that the proposal to have Pennsylvania take part in the Regional Greenhouse Gas Initiative was initiated by Governor Wolf, not the Legislature.

The modeling performed by ICF International at the Department's request is already outdated. Information provided to the Environmental Quality Board, the Independent Regulatory Review Commission and the General Assembly has been proven wrong, most notably the RGGI credits. The Department authorized over \$400K in taxpayer-funded money to pay for this modeling, questions need to be asked and answers need to be provided. Given recent developments, historic RGGI carbon tax inflation, overall inflation pressures, recent default service rate increases, the time is now to discuss this issue.

At present, we are looking at the following outcomes: much higher electric rates for all residents, especially our most vulnerable; far more premature retirements of coal and older, less efficient natural gas plants, and related job elimination; a likely insurmountable bar to the construction of new natural gas plants in the state and larger incentives for building these plants in non-RGGI, PJM states as we have seen recently; and, potential grid reliability issues, which were cited by PJM when it recently mandated on-site fuel storage.

I am extremely disappointed you are not willing to appear before our Committee and I would like to ask you to reconsider this position.

Sincerely,

GENE YAW SENATOR

pc: Members, Senate Environmental Resources & Energy Committee