

Testimony of the Pennsylvania Coal Alliance before the Pennsylvania Department of Environmental Protection

RE: Listening Session on the Development of Pennsylvania's State Implementation Plan in compliance with U.S. Environmental Protection Agency's

"Clean Power Plan"

Tuesday, September 22, 2015
Waynesburg Central High School Auditorium
30 Zimmerman Drive
Waynesburg, PA 15370

My name is John Pippy and I am CEO of the Pennsylvania Coal Alliance (PCA).

PCA represents over 300 mine operators and supporting businesses statewide. Pennsylvania ranks fourth nationally in coal production and our producing members account for about 90% of Pennsylvania's bituminous production. In 2014, there were 432 mines and refuse sites that produced more than 67 million tons shipped to over 20 states.

I would like to begin by highlighting that, in collaboration with Pennsylvania Department of Environmental Protection, Pennsylvania is a leader in both coal production and land reclamation. Last year over 850 acres of reclaimed abandoned mine lands of legacy effects from previous generations were restored to original habitats, waterways and forestry.

Many of our companies take on the job of remediating these legacy effects while completing the post-mining reclamation from their own production. Additionally, the 1977 Federal Surface Mining Conservation and Reclamation Act requires coal companies to pay a per ton fee that goes into a federally administered fund that is then returned to the states under a statutorily-designed formula.

To date, Pennsylvania coal operators have paid almost \$600 million into the fund with the total dollar amount Pennsylvania has received from the fund exceeding \$1.1 billion. From the Abandoned Mine Land program alone, over 67,000 acres have been reclaimed at no cost to the Commonwealth or its taxpayers.

While today's companies were not responsible for the legacy effects of past generations, they are addressing them at present. Without a thriving coal industry in Pennsylvania, the responsibility of remediating these ancient, abandoned sites would fall to the state and DEP.

We appreciate DEP's effort to engage the public and gather input on a path forward for Pennsylvania. However, as we've heard from the initial sessions, there are a lot of high level talking points and agendas being pushed, with little practical application or talk on the real costs of implementation and almost no representation from the residents that will be impacted the most.

That is not the case in Greene County. The residents here are acutely aware of the impacts of EPA regulations over the past few years. These are the real people associated to that 36,000 jobs number that coal supports. Some of them are here tonight, but all of them are watching this process closely, because if you get it wrong, it will not just be a double-digit increase to their electric bill, but devastating to their family income, way of life and their communities.

We have heard several groups in support of pushing this plan forward reference the influx of renewable sector jobs that are going to put these displaced men and women to work. However, unless the Governor plans a massive tax increase to pay for an aggressive build out of wind and solar and unless those jobs are in these same communities, and unless Pennsylvania can keep

its electric rates low enough to even attract these manufacturing jobs, those jobs will not replace work here. And those jobs cannot compete with the average salary in coal of \$79,127.

The adding and subtracting of jobs needs to consider the human context. There are real people associated with those numbers. This forced transition will cause the upheaval of over 36,000 families and countless communities. These are not just coal miners. These are geologists, environmental engineers, construction workers, restaurant owners, insurance companies and more.

President Obama's out with the old and in with the new approach seems foolhardy and wasteful. Why artificially and prematurely alter the energy market away from coal? We should let the market determine energy supply based on price and availability; the corresponding job markets will grow or shrink respectively, without decimating an entire workforce and the economies that are built on it.

This rule will be detrimental to our National and Commonwealth's energy future; eliminating an opportunity to capitalize on the growing global coal market and Pennsylvania's ranking as one the top energy exporting and electricity generating states.

As we artificially shift our energy markets to more volatile and expensive sources of energy, our energy-intensive Pennsylvania businesses and industries will look to move jobs overseas where electricity from coal-fired power plants is cheaper, but the process is barely regulated. We will lose the jobs, tax base and economic benefit to competing countries as they pump more emissions into the same air.

For what gain?

Using the EPA's own modeling, and assuming every state will meet their goal by 2030, it will lower the global temperature by 0.01°F.

President Obama's crusade on carbon emissions is a high stakes gamble, betting that other countries will follow suit, but he's betting with American jobs and the jobs of those in this room. Unless other countries follow him down this path, the U.S. will no longer be able to compete globally and it will be more than just the coal industry jobs that we lose.

Please apply for, and take advantage of, the available two-year extension from the EPA before submitting a final compliance plan. Pennsylvania needs to take its time to determine all impacts of compliance and potential paths forward, and to let legal challenges be decided prior to dismantling our state energy economy and associated jobs.

As an energy state with the most to lose, I urge DEP to consider the school we sit in today, the community you passed through to get here and the men and women whose livelihoods depend on coal.

Thank you