



**Testimony of the Pennsylvania Environmental Council
John Walliser, Senior Vice President, Legal & Government Affairs
Pennsylvania Reliable Energy Sustainability Standard (House Bill 2277)
Before the House Environmental Resources & Energy Committee**

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Introduction

Chair Vitali, Chair Causer, and honorable members of the Environmental Resources and Energy Committee, I want to thank you for inviting me to offer comments on House Bill 2277, which would enact the Pennsylvania Reliable Energy Sustainability Standard (PRESS).¹ My name is John Walliser and I am a senior vice president with the Pennsylvania Environmental Council (PEC), a statewide nonprofit project and policy organization that, for more than fifty years, has worked with public and private partners to advance meaningful and collaborative solutions for Pennsylvania, including energy and climate issues.

I want to start by acknowledging PEC's appreciation for this hearing. It is imperative that we address climate change and phase out greenhouse gas emissions from Pennsylvania's energy and economy. This is not going to happen overnight, or even fully within the next decade, but the sooner we start implementing policies to make it happen, the greater the benefits we can realize from an environmental, economic, and public health and safety standpoint. The costs of inaction are significant and already being felt in extreme weather events and missed economic opportunities. The status quo is not a solution.

PRESS

PEC commends Governor Shapiro for putting PRESS and the Pennsylvania Climate Emissions Reduction Act (PACER) proposals on the table. And we commend the members of this Committee and the General Assembly for starting the hard work of advancing these policies and positioning Pennsylvania for success in the energy economy of not just tomorrow, but what is already happening around us today. This is not easy work, but this is the moment. This is, collectively, our moment.

I was a member of the Governor's RGGI Work Group, where I had the privilege to work with terrific, engaged representatives from industry, labor, consumer protection, and other

¹ Companion legislation has been introduced in the Pennsylvania Senate – SB 1190 (P.N. 1631).

environmental interests. It quickly became clear to all of us that while there are challenges, the need and opportunities far outweigh resistance to committing to a path forward.²

PRESS is one of the cornerstones of the larger constellation of policies that will be required. It builds on existing policy – the Alternative Energy Portfolio Standards (AEPS) – that has been in place for two decades; one that all requisite players are familiar with and can adapt to. Best of all, it incorporates a technology inclusive and flexible design that works for Pennsylvania.

PEC has long advocated for expansion of the AEPS into a broader clean energy standard that values cost-effective low and zero emitting energy resources. PRESS accomplishes this. States across the country – including many that border Pennsylvania and are part of PJM – have adopted similar or even more stringent portfolio standards.³ Why does this matter? Because if other states in PJM have already set clear thresholds for clean energy procurement, our electrons will not compete unless we expand clean generation. Pennsylvania has long been an exporter of energy; PRESS helps ensure we are able to maintain that position.⁴

But it's not just about other states. Let's focus on the benefits PRESS can provide at home.

Foremost is the expansion of leading renewable technologies like solar, wind, and low-impact hydropower, which generate emissions-free electricity and support business and job growth across the Commonwealth.⁵ Even better, these technologies are now on equal footing with, if not more advantageous than, traditional fossil-based generation from a cost standpoint. They are not subject to the same price volatility and supply concerns as commodity-based generation. That's a long-term win for consumers.

PRESS also places value on energy storage, which, when paired with renewables, helps address concerns about curtailment or intermittency. Other innovative technologies like advanced nuclear and geothermal are also part of the energy playbook with PRESS. Pennsylvania is home to established and emergent companies who are at the forefront of these new technologies, which will be a fundamental part of energy job growth – both skilled and technical – in the years to come. Let's pair that with maximizing manufacturing investment opportunities and cost savings provided by the Inflation Reduction Act and Bipartisan Infrastructure Law and build the clean energy future here.⁶

² <https://www.pa.gov/en/governor/newsroom/press-releases/rggi-working-group-concludes-its-work--co-chairs-hail-collaborat.html>

³ <https://www.cesa.org/projects/100-clean-energy-collaborative/guide/table-of-100-clean-energy-states/>

⁴ See recent modeling commissioned by the Natural Resources Defense Council <https://www.nrdc.org/bio/robert-routh/new-nrdc-analysis-gov-shapiros-energy-plan-winner>.

⁵ See reports from E2 (<https://e2.org/reports/clean-jobs-pennsylvania-2023/>) and the Department of Environmental Protection (https://files.dep.state.pa.us/Energy/Office%20of%20Energy%20and%20Technology/OETDPortalFiles/2022_Energy_Report/2022_PA_CEER_3.4vw.pdf).

⁶ There was \$265 billion in new investment in the manufacture and deployment of clean energy, clean vehicles, building electrification and carbon management technology in the U.S. in the past year, up 39% from the previous year. A record \$71 billion of this investment occurred in the first quarter of 2024, a 40% increase

Policies like PRESS signal to investors and businesses – those that want to generate clean energy, and those who want to use it – that Pennsylvania is prioritizing clean energy innovation, making our state a place they want to be. It’s not just competing states that are raising the bar, it’s also businesses – including those here in Pennsylvania.⁷ And, as we progressively electrify industry and manufacturing that must compete in the foreign marketplace where carbon constraints are increasingly a factor,⁸ we are providing them with an advantage to building or staying in Pennsylvania.

PRESS establishes a mechanism to support our existing nuclear generation fleet over the long term – which is essential for both emissions-free and baseload power delivery.

PRESS also includes a place for fossil-based generation with carbon capture, or co-fired with clean hydrogen, to compete when emission reduction performance metrics are met. Given that fossil generation will remain part of our energy mix for some time, we need to deploy control measures to dramatically reduce emissions. There are unprecedented federal incentives for industry to implement them, and they will soon be required under both recently finalized⁹ and additional forthcoming¹⁰ federal regulation. Pennsylvania will need to quickly implement robust carbon capture and storage (CCS) regulations to protect communities, the environment, and landowners, and establish expanded controls and safeguards for infrastructure buildout associated with both CCS and hydrogen production.

PRESS will also increase the resilience of our energy system. Pennsylvania is increasingly dependent on one type of generation that is subject to price volatility and commodity competition. As experienced during recent extreme cold weather events and the resultant failure¹¹ of energy delivery, over-reliance is a recipe for disruption. With energy demand growing, we are much better served doing everything we can to bring more – and cleaner – source online to stabilize costs and energy availability. PRESS provides the additional benefit of valuing energy efficiency measures, which helps lower demand, saves consumers money, and creates jobs.

relative to the same period in 2023. Source: Rhodium Group/MIT CEEPR Clean Investment Monitor <https://www.cleaninvestmentmonitor.org>.

⁷ See, for example, the December 11, 2023 testimony provided by Ceres before this Committee https://www.legis.state.pa.us/WU01/LI/TR/Transcripts/2023_0459_0008_TSTMNY.pdf

⁸ See, for example, *Playing by the New Rules: How the CBAM will Change the World* from Wood Mackenzie <https://www.woodmac.com/horizons/how-the-cbam-will-change-the-world/>.

⁹ <https://www.govinfo.gov/content/pkg/FR-2024-05-09/pdf/2024-09233.pdf>

¹⁰ <https://www.epa.gov/stationary-sources-air-pollution/nonregulatory-public-docket-reducing-greenhouse-gas-emissions>

¹¹ Inquiry into Bulk-Power System Operations During December 2022 Winter Storm Elliott Report, Federal Energy Regulatory Commission and North American Electric Reliability Corporation (November 2023) <https://www.ferc.gov/news-events/news/ferc-nerc-release-final-report-lessons-winter-storm-elliott>.

Conclusion

There are other positive facets to what PRESS can leverage for Pennsylvania – from site-specific wins like revitalizing legacy minelands with solar,¹² to increasing deployment of smaller scale generation that can add even greater resiliency to the grid, but today I wanted to emphasize the broader environmental, employment, economic, and consumer benefits of this legislation.

Pennsylvania cannot avoid the clean energy transition, but we can win it. PRESS is one of several policies needed to do that, and we urge you to support it.

Thank you again for the opportunity to present these comments. I would be happy to answer any questions that you might have.

¹² See <https://www.dep.pa.gov/Citizens/solar/Pages/Assessment-of-Solar-Development-on-Previously-Impacted-Mine-Lands-in-Pennsylvania.aspx>.