

October 4, 2021

Chairman Yaw, Minority Chair Comitta, Chairman Yudichak, Minority Chair Cappelletti and Members of the Committees,

Thank you for holding this joint public hearing to discuss the important consumer and economic impacts created by failing to invest in Pennsylvania's natural gas infrastructure. It is imperative that our lawmakers prioritize a future where energy remains reliable and affordable for all Pennsylvanians, while continuing to achieve our environmental and climate goals.

Consumer Energy Alliance (CEA) brings together families, farmers, producers, small businesses, and manufacturers to engage in a meaningful dialogue about America's energy and environmental future. Founded in 2006, CEA is a nonpartisan, nonprofit organization representing virtually every sector of the U.S. economy – from the iron and steel industry to truckers, airlines, agriculture, labor unions, restaurants, chemical manufacturers, small businesses, and families all across the nation. Our more than 500,000 members, including over 30,000 in Pennsylvania support a rational, all-of-the-above energy policy that utilizes all of our domestic natural resources – both traditional and renewable – while ensuring continued progress in protecting our shared environment.

We are here today in support of sensible energy and environmental policies that ensures families and businesses continue to receive safe, affordable, reliable and environmentally responsible energy. For example, the issues that led to the cancellation of the PennEast pipeline must be corrected so that Pennsylvanians are not faced with brownouts, blackouts or other health and economic calamities.

Across the country, and increasingly here in Pennsylvania, we are witnessing irresponsible policies and proposals that would have the unfortunate consequences of increasing prices and harming reliability while failing to achieve environmental goals. The genesis of these policy proposals originated in the Green New Deal proposed in Congress. They ignore the remarkable progress our country and Pennsylvania have made due in large part to the buildout and use of natural gas in addition to new renewable deployment and improved efficiency and conservation. These harmful policies will lead to higher energy bills, significant service disruptions, and increase income inequality while doing little to achieve the environmental progress we all desire.

To be clear, CEA supports actions that thoughtfully advance our nation towards a cleaner, more environmentally responsible energy future. We believe that responsible policies always consider the needs of consumers while leveraging and supporting the development of state-of-the-art technologies to improve our environmental stewardship, aiding in the continued reductions of all emissions. However, well-intentioned but misguided attempts at environmental stewardship will lead to astronomical costs and jeopardize energy resources that are helping our nation reduce harmful emissions.

A recent report CEA put together identified that delays and cancellations of pipeline projects, including many in Pennsylvania, have cost our nation more the \$13.6 billion in lost investments, forgoing up to 66,000 jobs, and more than \$280 million in annual state and local tax revenues. Here in Pennsylvania,

losing the PennEast, Northeast Supply Enhancement, and Northern Access pipelines have cost the Commonwealth over \$1.5 billion in economic activity, approximately 11,500 jobs, and over \$790 million in state and local tax revenue. Furthermore, energy infrastructure construction creates and spurs demand in the manufacturing and industrial sector for steel, parts, services and other supply chain needs.

COVID-19 laid bare our great national weaknesses in our supply chains and a problematic over reliance on China for key components including in the renewable energy sectors for solar development and battery storage. Ending our national supply chain vulnerabilities while putting Americans to work can happen and should be happening here in Pennsylvania.

It is particularly egregious to forego these jobs and revenues when the enormous consumer benefit is taken into account. A CEA report showed that in a 10-year window, Pennsylvania consumers had saved over \$30.5 billion with lower energy prices due to the bountiful reserves of natural gas in the Commonwealth. This supply of affordable energy is most critically needed for our fellow Pennsylvanians, the nearly 1.6 million of us that live at or below the poverty line. On average, Pennsylvanians spend over \$3,100 on energy needs. A staggering sum for a low income family, it is simply unconscionable that anti-energy development zealots block projects that would help alleviate that cost for working families and seniors on a fixed income. Those same natural gas pipeline projects would have saved consumers the following: the Penn East pipeline would have saved consumers \$1.3 billion in energy costs in just two winters, the Northeast Supply Enhancement would have saved residential consumers 65% on their utility bills and the average commercial or industrial user would have saved \$36,000 per year.

During this past year plus as our nation struggled with the COVID pandemic, the vital role that energy plays in all of everyday lives became even more clear. From the production of PPE and fuel for food delivers to creation of life savings products, energy and pipeline companies stepped up even in the face of their industrial turmoil. These companies provided services to keep hospitals, first responders, grocery stores and our homes powered – often a great personal risk to their workers, to help maintain our public health and the health of the nation. With all the worries many had, the one worry that was rarely had was having enough energy, fuel, or power. Yet, we now find ourselves deliberately sabotaging the reliability that we've all become accustomed to.

All of these self-inflicted economic wounds might be tolerable if our nation was a laggard in environmental progress. However, nothing could be further from the truth. We at CEA refer to America's environmental progress as the greatest story never told. This great story is unfolding here in Pennsylvania as well. Our nation has trimmed almost twice as much carbon dioxide from the atmosphere as any other nation. Overall, the United States has cut over 12% of its greenhouse gas emissions from the 2005 baseline. In Pennsylvania over the last 30 years, carbon monoxide by 80%, nitrogen oxide by 79%, coarse particulate matter by 73%, sulfur dioxide by 96%, and volatile organic compounds by more than 61%.

Too often our politics and governments have catered to extremists who oppose – without a factual basis - the infrastructure that delivers the energy we use that makes our lives easier and our environment better. This extreme anti-energy effort champions lawsuits, procedural delays, and regulatory roadblocks to stop construction projects. Ironically, it almost always stops projects that pay workers and skilled tradespeople wages far above the national average and which, when complete, can lower energy bills and emissions in a host of communities. Our regulatory framework has gone from

ensuring safety and soundness and the balancing of many needs to becoming a weapon used to kill projects. This isn't traditional energy versus renewables; as it's also becoming increasingly difficult to build wind and solar projects and nearly impossible to build nuclear.

A key question the public should be asking of policy makers and elected officials is why are we making it harder for regular people, small businesses, farmers and industries to get back to work and save on energy costs especially coming on the heels of COVID-driven economic downturn. We all want to diversify our energy resources with more renewable energy, but the evidence shows that the political goals – designed to please a small, vocal minority -- are disconnected from the realities of engineering and construction. With rising gasoline prices and inflation, we can see now more than ever that energy is a fundamental right, and Pennsylvania of all places should lead the way and advance a regulatory agenda that recognizes that. Anything else would be an energy injustice.

Sincerely,

A handwritten signature in black ink that reads "Michael Butler". The signature is written in a cursive, slightly slanted style.

Michael Butler, Executive Director CEA Mid-Atlantic