

**CLIMATE CHANGE ADVISORY COMMITTEE
MEETING MINUTES
December 19, 2023
9 a.m. – 12 p.m.
Rachel Carson State Office Building,
and via Teams**

MEMBERS/ALTERNATES PRESENT:

In-Person:

Chairperson Steve Krug
Adam Walters (for Rick Siger)
Greg Czarnecki (for Cindy Dunn)
Christopher Sandvig
Joe Sherrick (for Chair Stephen M. DeFrank)

Online:

Marc Mondor
Elizabeth Marx
Lindsay Baxter
Kim Kipin-McDonald
Jarret Gibbons
Jennifer Greenberg
Perry Stambaugh
Zachery Smith
Flora Cardoni
Pat Henderson
Ben Sanchez
Terry Bossert

MEMBERS ABSENT: Paul Morris, Jason Kelso, Sara Innamorato, Daryl Metcalfe

PA DEPARTMENT OF ENVIRONMENTAL PROTECTION (DEP) STAFF:

In-Person: Lindsay Byron, Megan Porta, Kelsey Irvine, Kerry Campbell, Laura Rigge, David Althoff, Christopher Nafe, Colleen Unroe, Max Schultz

INVITED GUESTS: Adam Agalloco, Cassandra Bhat, Martha Hart

MEMBERS OF THE PUBLIC: In-person: Daniel Mayer, Franklin Egan, Grant Gulibon **Online:** Joseph Cullen, Nick Manning, Roy Gothie, Robert Gottlieb, Jeff Mauk, Grace Deye, Evan Franzese, Ian Irvin, Jacob Wills, Robert Routh, Andrew McMenamin, Glendon King, Brian Smiley

MEETING: The December 19, 2023, meeting of the Climate Change Advisory Committee (CCAC or Committee) was called to order at 9:05 a.m. by Mr. Krug. With 11 of 21 seated members present at the start of the meeting; a quorum was established.

MINUTES: The minutes of the October 23, 2023, CCAC meeting were presented to the Committee for approval. A motion to approve the minutes was made by Mr. Czarnecki and seconded by Mr. Mondor. The motion to approve the minutes was carried by a voice vote and passed.

MEETING SUMMARY: (This narrative provides a summary of the discussions that took place during the meeting. It is not a transcript of the proceedings.)

2024 Climate Impacts Assessment & Climate Action Plan

Ms. Porta provided a summary of the feedback received from the committee on the 2024 Pennsylvania Climate Impacts Assessment (CIA) and Climate Action Plan (CAP) materials during the October meeting, and how that feedback will be incorporated into the documents. She highlighted that, as recommended, USDA plant hardiness zones will be included in the new CIA draft as will an expanded discussion on impacts from landslides and sinkholes. Additionally, she discussed how the latest draft will expand on the rationale for the selection of emissions models, and clarify the definition of environmental justice. Ms. Porta clarified how benefit analysis will be conducted in the CAP for overlapping strategies across sectors and confirmed that there will be additional discussion of hydrogen and CCUS in future drafts.

Mr. Agalloco provided clarifications and definitions for how environmental justice and environmental justice areas will be defined within the CIA and CAP. He stressed that the definitions used will be consistent with PA DEP's updated Environmental Justice Policy. The CIA will include an analysis of climate impacts on environmental justice areas and feature several spotlight issues with special attention to environmental justice impacts. Furthermore, he highlighted that equity implications beyond environmental justice will be discussed. For the CAP, each strategy will include implementation considerations and rate analysis impacts for environmental justice areas.

Ms. Bhat provided an overview of the updates to the CIA since the last draft to the committee. The latest draft has expanded on updated risk assessments from the 2021 CIA, the inclusion of three "spotlight issues" and a discussion of economic opportunities. The detailed risk assessment analysis has been moved to the appendix of this draft in a change from the 2021 assessment. She discussed the key findings from the risk assessment analysis stating that there are no significant overall changes to the climate change impacts or risk ratings. The greatest threats to Pennsylvania continue to be increasing average temperatures, and heavy precipitation and inland flooding. She reviewed the potential impacts from increasing average temperatures including impacts to human health, environmental justice areas and forests, ecosystems and wildlife. She then discussed the potential impacts from heavy precipitation and inland flooding that poses risks to built infrastructure, human health, and agriculture. Next, Ms. Bhat reviewed the three spotlight issues that will be featured in the 2024 assessment: 1) Flooding, Air Quality, and Health Impacts; 2) Heat, Occupational Exposure, and Public Health; and 3) Climate Change and Energy Resilience. Each one of these spotlight issues will examine how climate change impacts will have broad-reaching consequences across many sectors and review potential environmental justice concerns related to these issues. Ms. Bhat then reviewed the potential economic opportunities that may arise from climate change adaptation in Pennsylvania, such as opportunities to grow opportunities for outdoor recreation with green infrastructure and potential reductions for energy burdens with energy efficiency upgrades. She concluded the updates on the assessment by reviewing the overall adaptation priorities for the state and discussed the process to continue to revise the report towards a final draft.

Discussion

Ms. Marx stated that these types of climate solutions, when financed through a utility bill, may drive increased power disconnections in environmental justice communities.

Mr. Agalloco provided an overview of the updates to the CAP since the last draft. He reviewed the progress made on the modeling efforts for the emissions reduction strategies and reminded committee members that this will be an iterative process based on feedback from the committee and DEP. He

discussed the differences between the business as usual (BAU) and the reference case that will be used for this modeling. The reference case includes additional policies from the Inflation Reduction Act and Infrastructure Investment and Jobs Act as well as Pennsylvania's participation in the Regional Greenhouse Gas Initiative (RGGI). He then provided an overview of the strategies currently being modeled to reduce emissions by 2050 by sector. The power generation sector is modeled to experience the most emissions reductions. He noted that emissions reduction strategies modeling for cross-cutting technologies (like hydrogen) are still under development and will be included in the next iterations of the plan. He presented examples of the current analysis by strategy included in the draft plan and reviewed the sections under development for the next iteration of the report. Finally, he reviewed the process of developing DEP's legislative recommendations for the plan and presented a draft menu of legislative options.

Discussion

Mr. Mondor commended the inclusion of the legislative recommendations since that's been a gap within prior plans. He asked if there is a projected increase in electricity usage in the building sector due to electrification efforts. Mr. Agalloco clarified current modeling still finds a decrease in energy usage despite electrification, but they are continuing to refine the modeling and it may change in future iterations of modeling. Mr. Sandvig offered some comments on the need for additional clarity for the baseline inventory, specifically concerning data on vehicle miles traveled given COVID-19 disruptions to travel patterns in 2020 and 2021. He recommended excluding 2020 data given the disruptions both to the transportation and power generation sector. He also advocated for further ambition within the transportation strategies and highlighted several opportunities from other states that may be able to be incorporated within our planning that will support overall emissions reduction and advance economic justice roles. Ms. Marx inquired about the analysis of costs for these strategies, particularly looking at the costs for environmental justice communities. She also was supportive of the inclusion of legislative strategies and encouraged the exploration of programs to lower energy costs or bill assistance (i.e. expanded LIHEAP). Mr. Agalloco confirmed that they will be doing cost modeling and they will likely be able to model some of these recommendations at a granular level in the residential sector to help understand the impacts to environmental justice communities and levers needed to scale. Mr. Sherrick welcomed a measure that addressed inactive and marginal wells; however, he encouraged DEP to ensure they were adequately included within the inventory. Mr. Walters shared that there are many resources available for hydrogen and CCUS including work from DEP and DCNR as well as other external organizations with reports and offered support to connect ICF if needed. Mr. Krug noted that there were some discrepancies in the representation of the BAU case compared to the reference case between different graphics in the report. Ms. Hart said it may be a graphics issue and she would investigate. Mr. Krug encouraged a deeper discussion around the strategy for the net zero grid, given that it will account for 50% emissions reductions and requires a range of new technologies. He also stated that it's critical to further describe this approach given this recommendation is in addition to the existing efforts in the reference case. Mr. Agalloco confirmed that there will be more detail added and discussed thoroughly in future iterations.

Public Comment

Mr. Egan asked a question surrounding the current list of strategies and the targets outlined in the report. He noted that the current set of strategies will achieve the targets and inquired where there might be additional opportunities for emissions. Ms. Byron clarified that the modeling is not finalized yet and will

change. Ms. Hart explained that there will be additional exploration and refinement for additional reductions.

Act 129 Update

Mr. Sherrick provided an update on Act 129, a PUC energy efficiency and conservation program for all electric distribution companies (EDC) with at least 100,000 customers. He shared findings from their market potential study looking at energy efficiency savings, peak demand savings, and cost-effectiveness across the state. Then, he reviewed the findings for the market potential for the different distribution companies and targets for each company. He highlighted that these targets include a legislative mandate for low-income customers and discussed a change in Phase IV that removed the requirement for government non-profit sectors given the high level of success seen in that sector. He also highlighted another change for Phase IV that includes Peak Demand Reductions and reviewed how the benefits from these changes will enhance the program. He reviewed portfolio-level compliance in Phase IV to date. He discussed how there are opportunities for carry-over savings from prior phases and the process for determining compliance at the end of the phase. Overall, he highlighted most utilities are doing quite well across all targets. He reviewed cost-effectiveness measures in the PY14 comparing the cost-effectiveness between EDCs. He discussed the planning efforts for Phase V including a residential baseline study over time and by EDC. There will be a stakeholder meeting on February 7th at the PUC at 9:00 am to review feedback on the findings from the residential baseline study.

Discussion

Mr. Krug shared his support for the efforts of the PA PUC on the granularity of the data shared in the baseline study. Mr. Sherrick shared a bit more about the robust methodology to develop the report. Mr. Walters inquired if missing data could have resulted in lower reports on Energy Star devices for PECO, but Mr. Sherrick confirmed the methodology of the baseline study would account for any potential missing data. Mr. Krug inquired about the cost-effectiveness differences between the companies. Mr. Sherrick shared that they have changed the requirements for spending on incentives and shared that there has been some turnover at PECO that may be leading to their current performance.

DEP Updates

Shared Energy Manager

Mr. Nafe shared that DEP is in the final stages for procurement for the selected contractor and hopes to announce the next cohort of 20 local governments for the program.

Climate Action for Environmental Justice Communities

Ms. Byron shared that we have received final drafts from the contractors including a resource identification report and funding database that will allow EPO to better embed equity within the federal funding opportunities. This project is expected to wrap-up at the end of the calendar year.

IJJA/IRA funded programs - Climate Pollution Reduction Grant

Ms. Byron shared there has been significant progress on stakeholder outreach and community outreach for this program. There were four public outreach meetings in communities across the Commonwealth (Clairton, Wysox, Williamsport and Hazelton) as well as a virtual meeting. EPO has also held meetings with local governments and the industrial sector to gauge their feedback and priorities to feed into the

priority climate action plan that is under development. Additionally, Ms. Byron shared that there will be an RFI that will be released by the end of the year to solicit feedback on program design for DEP's CPRG implementation grant application.

IIJA/IRA funded programs

Mr. Campbell provided an overview of DEP and EPO efforts to secure federal funding. EPO has applied for or is in the process of applying for 10 formula grants and underway with several competitive grants. He reviewed the progress to date for several key programs.

Mr. Krug stated that it would be useful to know about upcoming deadline for partners to support these programs.

Climate Outreach

Ms. Byron and Mr. Nafe reviewed outreach efforts in November and December. Mr. Krug reminded DEP that it would be useful to see forward-looking outreach opportunities to allow for participation. Mr. Campbell shared that there are efforts within DEP to consolidate some of the funding opportunities into a central location as part of the Climate Action for Environmental Justice. Ms. Byron shared the DEP calendar of events with the committee for an option for future looking events.

Ms. Marx inquired about how the climate action planning required for CPRG will align with the CAP that CCAC advises on. Ms. Byron clarified that these are separate efforts but stated that the Act 70-required CAP may inform the PCAP development. Ms. Marx encouraged DEP to ensure that efforts invested into the Act 70 CAP are incorporated into and aligned with the PCAP where appropriate.

Next Meeting

Ms. Byron reminded committee members that the next meeting will be held on February 20, 2024.

New Business

Mr. Krug highlighted a new RFI from Green Gov seeking an organization to help with the governance and management of the PA Climate Network due on February 29, 2024, and requested to add a brief discussion to the PA Climate Network for the February agenda. Ms. Hart highlighted that interested members should also review the RFI and provide feedback.

Adjournment

A motion to adjourn was made by Mr. Sandvig and seconded by Mr. Czarnecki. The motion carried, and the meeting was adjourned at 11:31 a.m.