INDIANA COUNTY Commissioners

Courthouse - 2nd Floor, 825 Philadelphia Street, Indiana, PA 15701-3972

Phone: (724) 465-3805 FAX: (724) 465-3953 TDD: (724) 465-3805

MICHAEL A. BAKER RODNEY D. RUDDOCK SHERENE HESS County Commissioners

> ROBIN MARYAI Chief Clerk

MATTHEW T. BUDASH, ESQ. Solicitor (724) 463-6050

October 4, 2019

To whom it may concern:

On behalf of the Appalachian Region Independent Power Producers Association (ARIPPA), the trade association representing the coal refuse reclamation to energy industry, we are writing to respectfully request your support for legislation that would establish a federal tax credit program that would provide financial relief to this industry. The 10-year program would begin in 2019 and provide a \$12 per ton credit for each ton of coal refuse removed by an eligible coal refuse reclamation to energy facility. This legislation is vital to the continued operation of the remaining plants and provides for the continued environmental reclamation and remediation of coal refuse piles in Pennsylvania and West Virginia.

While the coal mining industry has played an important role in Pennsylvania's and West Virginia's industrial heritage, coal refuse from legacy mining activity is a problem that pollutes the lands, air and streams in communities throughout the states. The removal and consumption of coal refuse by these facilities results in cleaner land, cleaner air and cleaner waterways, while also providing a beneficial source of alternative electricity and thousands of family sustaining jobs.

Over the past 30 years, the coal refuse reclamation to energy industry in Pennsylvania alone has removed and consumed more than 225 million tons of coal refuse, reclaimed at least 7,200 acres of previously scarred land, and eliminated a major source of acid mine drainage polluting over 1,200 miles of waterways, but there is still more work to be done. According to Pennsylvania's inventory of abandoned mine land (AML) sites maintained by the Department of Environmental Protection, approximately 770 coal refuse banks covering 8,300 acres and containing nearly 220 million tons of coal refuse remain. There are also about 92 active coal refuse fires burning in the Commonwealth releasing uncontrolled emissions into the air. It is estimated that it will cost the state over \$5 billion to address the remaining AML problems.

Coal refuse reclamation to energy generators represent the only holistic solution that cost effectively addresses the environmental, health, safety and community costs imposed upon states by their legacy coal refuse piles. These facilities are also taxpayers and creators of family sustaining jobs that help to maintain energy reliability for businesses and citizens throughout the states. Ever increasing environmental compliance costs in an unforgiving regulatory environment that fails to recognize the unique characteristics of this industry, along with related burdens upon maintenance and fuel acquisition, have made it economically challenging for the facilities to operate successfully. Recovery of these costs in today's depressed power price environment

challenges the existence of these facilities. Importantly, if this industry falters and ceases to exist, the responsibility for this cleanup effort will fall solely upon taxpayers.

The proposed federal tax credit program will support coal refuse reclamation to energy facilities' efforts to provide the valuable multi-media environmental, health and safety benefits that are a direct result of the coal refuse to energy process. A federal credit of \$12 per ton would reduce the "breakeven price" to a point where plants could operate continuously, maximizing the environmental benefits that the industry delivers at far less cost than the monetized benefits provided.

Please support this legislation, once introduced, to help this industry continue to address the abandoned mine legacy in Pennsylvania and West Virginia by restoring our lands, air and streams, while providing an alternative source of electricity and thousands of skilled jobs.

Respectfully,

INDIANA COUNTY BOARD OF COMMISSIONERS

Michael A. Baker, Chairman

Rodney D. Ruddock, Commissioner

Sherene Hess, Commissioner