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NORTHEAST DELEGATION

October 28, 2019

The Honorable Susan Wild
United States Congress
1607 Longworth House Office Building
Washington, DC 20515

Dear Congresswoman Wild:

The coal mining industry played an important role in Pennsylvania's industrial heritage, including in the anthracite mining region of Northeastern Pennsylvania. However, the remnants from legacy mining activity in the form of coal refuse piles is a problem that scars the landscape, presents hazards to our citizens, and degrades the environment throughout our region and across the state. Fortunately, there is a private industry in Pennsylvania that currently partners with state and federal agencies and environmental groups to remediate coal refuse sites by producing electricity from coal refuse.

Over the past 30 years, the coal refuse to energy industry in Pennsylvania has removed and consumed more than 225 million tons of coal refuse, reclaimed at least 7,200 acres of land, and eliminated a major source of acid mine drainage (AMD) polluting over 1,200 miles of waterways, but there is still more work to be done. Currently, there are seven of these facilities operating in the anthracite region, including Northampton Generating Company in the Lehigh Valley. The reclamation of coal refuse by these facilities results in cleaner land, air and waterways, while also providing a beneficial source of alternative electricity and thousands of skilled Pennsylvania jobs in power generation, mining, logistics, trucking and handling. Importantly, if this industry falters and ceases to exist, the responsibility for this cleanup effort will fall solely upon Pennsylvania taxpayers.

Coal refuse to energy generators represent the only holistic solution that cost effectively addresses the environmental, health, safety and community costs imposed upon Pennsylvania by its legacy coal refuse piles. However, this industry and the resulting economic benefits and environmental cleanup it performs are at risk of disappearing without additional help from the State and Federal Government as public partners in these efforts. Historically low energy prices in an energy market that fails to recognize the environmentally beneficial characteristics of this industry and compensate for the ever-increasing cost of environmental remediation unique to these facilities have made it economically challenging for the facilities to operate successfully.

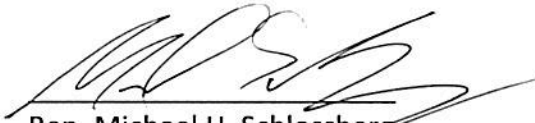
In 2016, Pennsylvania created the Coal Refuse Energy and Reclamation Tax Credit, and earlier this year the passage of House Bill 262 (Act 13 of 2019) doubled the size of the credit to \$20 million per year. This legislation was the result of a bipartisan effort led by Northeastern Pennsylvania State Representatives Neal Goodman and Kurt Masser and State Senators John Yudichak and Dave Argall. While the state program has been successful in providing additional resources for the environmental remediation of polluting coal refuse, even at this higher amount the state's budgetary limitations will be insufficient to allow the coal refuse reclamation to energy industry to operate at its full environmental remediation potential. At best, the program will serve as a short-term bridge to a permanent federal solution of this environmental issue. Thus, included in this year's legislation was a provision that would suspend the state tax credit program if a similar coal refuse tax credit program were created at the federal level.

As Democratic Members of the Pennsylvania House of Representatives in the Lehigh Valley, we would encourage you to support and cosponsor the Mine Affected Community Energy and Environment Act (H.R. 4735) introduced by Pennsylvania Congressmen Dan Meuser and Matt Cartwright to allow a tax credit for certain facilities that remediate and reclaim coal refuse sites in the United States by producing electricity from coal refuse. This bipartisan legislation would encourage the remediation of pollution causing coal refuse piles by establishing a 10-year federal tax credit program to provide \$12.50 per ton of refuse removed and consumed from mining-affected lands which scar the state and pollute the air and waterways of Pennsylvania and downstream states. In addition, a portion of the tax credit would be returned to the affected states for a riparian buffer program to support further watershed restoration and natural carbon sequestration in these communities.

Not only will this relieve the Pennsylvania state budget of a \$20 million per year environmental remediation cost, but we believe this would put the program where it most appropriately belongs – at the federal level. These coal refuse piles are the vestiges of more than a century of coal mining in Pennsylvania that powered the growth of our nation as a military and industrial superpower. Now the residents of Northeast Pennsylvania are burdened with the pollution and remediation costs of an industry from which our entire country benefited. In our view, the entire country realized the benefits of these efforts and thereby bear the responsibility to share the costs to clean up the resulting pollution.

Thank you for your consideration of our request to support the environmental remediation of polluting coal refuse piles in Northeastern Pennsylvania and across the state by supporting the creation of a federal coal refuse tax credit program. If you have any questions, please feel free to contact us.

Sincerely,



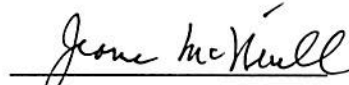
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