Exposing the Eco-Activists' 'Greening' of Pennsylvania in 2020

October 14, 2020

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Summary: *The Keystone State, an oil and natural gas powerhouse, is under siege by an alliance of well-organized, well-funded "green" activists. From cap-and-trade schemes meant to bleed ratepayers dry to fracking bans on one of Pennsylvania's most vital industries, the environmental Left is fighting an all-out war to blanket the commonwealth with its antihuman ideology. If successful, the activists will transform one of the country's most important energy-producing states into the professional Left's latest conquest—and Pennsylvanians will pay the price.*

Pennsylvania is the largest net exporter of electricity in the U.S., and its great success has made it a target of professional left-wing activists. These environmentalists are waging a nationwide war on cheap, abundant energy from coal, oil, and natural gas. They want to force the country to arbitrarily shift to unreliable and expensive sources such as wind turbines and solar plants.

Energy Powerhouse of the East

If any state understands oil, coal, and gas, it's Pennsylvania. America's oil industry—and its first oil boom—started in Titusville in 1859. Drillers and investors such as John D. Rockefeller and his Standard Oil flocked to the commonwealth, turning backwater towns into thriving metropolises. At its peak, Pennsylvania was producing one-third of the world's annual oil output, driving the construction of railroads and the rise of American manufacturing well into the 20th century.

More than a century after its golden age ended, Pennsylvania is again the energy powerhouse of the East. According to the U.S. Energy Information Administration, the Keystone State is the nation's second-largest producer of natural gas, third-largest producer of coal, 16th-largest producer of crude oil, and third-largest producer of electricity in general.

Pennsylvania is also the largest net exporter of electricity in the U.S., delivering an average of 58 million megawatt-hours annually between 2013 and 2017. Pennsylvanians enjoy electricity prices below the national average—largely thanks to the fracking boom of the mid-2000s, which reinvigorated the state's natural gas industry and helped much of western Pennsylvania stave off the worst effects of the Great Recession.

But all of that could change in an instant.

Pennsylvania's great success has made it a target of professional left-wing activists who subscribe to a rigid ideology that demonizes carbon dioxide—a naturally occurring gas vital to life on earth. These environmentalists are waging a nationwide war on cheap, abundant energy from coal, oil, and natural gas, forcing the country to arbitrarily shift to unreliable and expensive sources such as wind turbines and solar plants.

With backing from ultraliberal foundations and mega-donors, they've made huge gains in the Northeast, instituting a cap-and-trade system (the Regional Greenhouse Gas Initiative) designed to snuff out traditional energy sources in favor of those of the activists' choosing. Many are lobbying for a statewide ban on fracking, which would cost Pennsylvania hundreds of thousands of jobs and spike household electricity prices. It's a war that the Keystone State can't afford to lose.

The Regional Greenhouse Gas Initiative

The Regional Greenhouse Gas Initiative (RGGI; pronounced "Reggie") is a multistate cap-and-trade system created in 2009. RGGI is a carbon pricing program—that is, it aims to reduce emissions of carbon dioxide (the leading "greenhouse gas") to offset future effects of global warming on the planet by taxing it into oblivion. As famed economist Milton Friedman would put it: "If we tax something, we get less of it."

Eleven states—Maine, Connecticut, Massachusetts, New Hampshire, Rhode Island, Vermont, New York, New Jersey, Delaware, Maryland, and Virginia—are signatories. Virginia, the most recent addition, is scheduled to join RGGI in January 2021.

Naturally, proponents are pressuring Pennsylvania, the second-largest energy producer in the U.S. and a neighbor to the RGGI bloc, to join the compact. In October 2019, Governor Tom Wolf (D) issued an executive order instructing the Pennsylvania Department of Environmental Protection (DEP) to begin formulating regulations for eventually joining RGGI. The agency moved to develop a plan for regulating greenhouse gas emissions under RGGI by September 15, 2020.

Whether Wolf has the authority to join the compact is a heated question.

Environmentalist groups such as the Natural Resources Defense Council (NRDC) argue that he does, under Pennsylvania's Air Pollution Control Act (which authorizes the DEP to regulate carbon dioxide emissions from power plants) and the state's constitution (which requires that the agency regulate "climate pollution").

But some legal experts disagree. Joining RGGI requires the state to sign RGGI's memorandum of understanding, the contract controlling the multistate operation, but the Pennsylvania constitution delegates the power to enter into interstate agreements to the Pennsylvania General Assembly, not the governor. Further, the DEP is authorized to "formulate interstate air pollution control compacts"—not execute them—"for the submission thereof to the General Assembly" for consideration.

Republicans in the state legislature largely agree. In June 2020, the House Committee on Environmental Resources and Energy voted 16–8 to advance a measure blocking Pennsylvania from entering RGGI (HB 2025), almost entirely along partisan lines (one Democrat, Representative Pam Snyder, supported the bill).

In July, the Pennsylvania House of Representatives passed the bill, which was cosponsored by seven Democrats, by 130–71—six votes shy of a veto-proof majority. In early September, the bill passed the Pennsylvania Senate, with bipartisan support, by 33–17, one vote shy of a veto-proof majority. Governor Wolf vetoed the bill on September 24, 2020.

Cap-and-Trade Explained

Cap-and-trade is phony "market" economics at its worst. Cap-and-trade programs cap the annual amount of greenhouse gases—mostly carbon dioxide and methane—that companies are permitted to emit. Producers can then trade a limited number of emission permits in an auction, in order to emit more without being fined; but the cap and total number of permits shrink each year, making it more expensive for them to emit greenhouse gases.

Supporters tout cap-and-trade as a more market-friendly alternative to other command-and-control global warming policies, but it's entirely artificial and very expensive.

In 2019, California's cap-and-trade system amounted to a $600 million tax on producers in the form of emission auction revenues, which are passed along to consumers. California's nonpartisan Legislative Analyst's Office estimates that cap-and-trade will raise gas prices by 15–63 cents per gallon by 2021 in a state where retail electricity prices are already 53 percent higher than the national average.

Cap-and-trade is also deeply unpopular; it was at the heart of congressional Democrats' climate plan in 2009—the American Clean Energy and Security Act (better known as "Waxman-Markey")—which proved so unpopular and politically risky that even the new Democratic majority soon dropped the program, declaring it dead.

Numerous states have attempted to create regional cap-and-trade systems like RGGI, only to withdraw after a few years. More than a decade ago, the Western Climate Initiative (WCI) looked set to dominate the U.S. and Canada with a massive cap-and-trade system; yet by 2011, every state except California had withdrawn from the compact, with some Canadian provinces calling the WCI a "cash grab" by their richer neighbors.

And the carbon offset "benefits" aren't impressive. In 2009, Thomas Crocker—the father of cap-and-trade theory—explained to *The Wall Street Journal* that he doubts the system can even accomplish what it sets out to do: lower greenhouse gas emissions. He stated: "I'm skeptical that cap-and-trade is the most effective way to go about regulating carbon," adding that he favors a direct tax on emissions (a "carbon tax").

Ironically, some of the most vociferous opponents of cap-and-trade are liberal carbon tax groups. The Carbon Tax Center—which supports the radical Green New Deal, despite the bill's rejection of carbon taxes—criticizes cap-and-trade as opaque and unhelpful, creating volatility in energy pricing and acting as a "hidden tax" on consumers. (It's worth pointing out that carbon taxes are a terrible idea: Canada's national carbon tax is expected to cost the typical household up to CA$1,120 in extra energy bills each year by the time it reaches its peak in 2022.)

A Lot of Pain—and No Gain

Pennsylvanians enjoy low electricity rates, particularly compared with their RGGI neighbors, whose rates averaged 15.08 cents per kilowatt-hour in 2018—5 cents above Pennsylvania's. Imposing RGGI's strict cap-and-trade system on Pennsylvania would certainly raise electricity prices, but for what gain?

The DEP estimates that under RGGI, the state's annual greenhouse gas emissions could fall by 25 percent between 2022 and 2030. Yet the DEP also reports that the state's emissions naturally fell by nearly 19 percent from 2005 to 2016, without any such framework. That's largely due to Pennsylvania's dramatic shift from coal to natural gas production and modest increase in nuclear power production. (Natural gas emits roughly half as much carbon dioxide when burned as coal, and nuclear produces none.)

The DEP estimates that joining RGGI will add 27,000 jobs and $1.9 billion to the state economy, as well as save $6 billion in public health costs, although even sympathetic observers note that the agency didn't provide details as to how it reached those figures. State Representative Jim Struzzi (R), who authored the bill blocking RGGI membership, called the DEP report a "ridiculous piece of propaganda."

But the DEP's own reports show that the annual cost—passed through to taxpayers—could reach $320 million as early as 2022, using proceeds from the annual RGGI emission auction.

The Industrial Energy Consumers of Pennsylvania, a major manufacturers' trade group, estimates the minimum financial impact of RGGI at $275 million *per year* as an added cost to energy producers, not counting the expense of purchasing cap-and-trade emission permits—much of which will be passed along to households and other consumers.

Unlike some global warming policies, RGGI has a wealth of data to examine. A 2018 study by the libertarian Cato Institute found that the program "resulted in a 12 percent drop in [overall] goods production," compared with a 20 percent *gain* in non-RGGI comparison states. Critically, RGGI states saw power imports increase from 8 percent to 17 percent and "shifted jobs to other states." In Delaware alone, RGGI emission allowance costs added $11 million to the state's electricity bills.

One independent analysis of how RGGI invested its revenues in 2018 found that the program resulted in a nearly $900 cost per metric ton of carbon dioxide reduced, vastly higher than the "social cost of carbon"—that is, the measure of the economic impact of emissions used to justify carbon pricing schemes—that the far-left Environmental Defense Fund estimates at roughly $50 per metric ton.

But here's the kicker: Cato's study found "no added emissions reductions or associated health benefits from the RGGI program."

Carbon dioxide emissions fell more rapidly as a *percentage* in RGGI states, given their mandated shift away from so-called fossil fuels, but non-RGGI states slashed more than twice the *volume* of metric tons of carbon dioxide emissions than did RGGI states between 2007 and 2015 (57 million vs. 125 million metric tons). As in Pennsylvania, that's largely attributable to a nationwide shift from burning coal to natural gas, a product of the ongoing fracking revolution.

Some on the Left agree. Food and Water Watch (FWW), an ultraliberal environmentalist group that campaigns against natural gas and supports a ban on fracking, called RGGI a "flawed and ineffective program that does not meaningfully reduce greenhouse gas emissions." Of course, FWW doesn't believe that RGGI goes far enough and demands a statewide fracking ban.

The War on Fracking

The fight to expand RGGI hasn't been fought in a vacuum. Pennsylvania has been targeted by environmental activist groups for years, since victory in the Keystone State would almost certainly lead to a ban on fracking—dealing an enormous blow to traditional energy sources such as coal, natural gas, and petroleum in the state that begat the American oil industry.

Many of these environmental organizations are headquartered in California and Washington, DC, and all of them operate with huge funding from ultra-wealthy liberal foundations and Democratic mega-donors.

While RGGI doesn't specifically target fracking—it levies taxes on coal and natural gas power plants—these groups have been angling for a statewide ban on fracking for years.

Fracking, or hydraulic fracturing, is a method of extracting crude oil and natural gas by injecting a solution of sand, water, and chemicals (about 0.5 percent–2 percent of the mixture) into bedrock under intense pressure, fracturing rock formations to increase oil and gas flow. Contrary to popular opinion, fracking isn't new—it has been widely used since the 1950s—but it experienced a boom, starting in the mid-2000s.

America owes its energy independence to fracking. In 2009, the U.S. was the world's third-largest oil producer behind Russia and Saudi Arabia. In 2019, it led the globe in oil and natural gas output, more than doubling oil production and increasing gas production by two-thirds in a decade—producing 12.3 million barrels of crude oil per day. And in 2019, America became a net energy exporter for the first time in 67 years, according to the U.S. Energy Information Administration.

Pennsylvania sits firmly atop the Marcellus Shale, an enormous formation that runs from upstate New York to all of West Virginia. Geologists have known about the Marcellus Shale since the 1830s, but not until the mid-2000s—when drillers applied modern fracking techniques pioneered in Texas—did they discover just how blessed with resources Pennsylvania really is.

The Marcellus Shale contains an estimated 84 trillion cubic feet of natural gas, making it perhaps the largest natural gas field in the country. Some experts estimate that it contains up to 500 trillion cubic feet, making it the second-largest natural gas field in the world. Utica Shale, another massive formation, also runs beneath western Pennsylvania. Fracking enabled drillers to reach the gas trapped in shale—thin layers of fine-grained rock—quickly and cheaply.

Fracking helped much of western Pennsylvania escape the worst of the 2009 Great Recession. The Bureau of Labor Statistics reports that between 2007 and 2012, the average annual pay in Pennsylvania's oil and gas industry grew faster (by $13,624, or 14.6 percent) than pay in the rest of the nation. Between 2008 and 2012, employment in the Keystone State's oil and gas industry went from the nation's 10th largest to its sixth largest.

The American Petroleum Institute, an industry trade association, reported that Pennsylvania's natural gas industry contributes nearly $35 billion to the state's economy. Combined with its oil industry, the natural gas industry supports about 340,000 local jobs.

And the industry hasn't let up—in 2016, Shell began construction on a $5 billion plant outside Pittsburgh that will use ethane produced from the Marcellus and Utica fields to produce polyethylene, a plastic widely used in commercial products and packaging. The plant is expected to create as many as 20,000 local jobs.

One Allegheny County executive, Rich Fitzgerald, put it this way:

No city in America has benefited more from the shale revolution in the last dozen years than Pittsburgh. We were one of the only regions in the country that did not experience the Great Recession back in 2008, because that's when we discovered the Marcellus Shale.

Pittsburgh mayor Bill Peduto (D) told *The New York Times* in January that the far Left's "ban-all-fracking-right-now" position favored by former presidential candidates Senators Elizabeth Warren (D-MA) and Bernie Sanders (D-VT) would "absolutely devastate communities throughout the Rust Belt." And Pennsylvania lieutenant governor John Fetterman (D) agreed, adding that a fracking ban would leave "hundreds of thousands of [people in] related jobs . . . unemployed overnight."

Democratic presidential nominee Joe Biden has waffled on a fracking ban, but his running mate, Senator Kamala Harris (D-CA), supports the far-left Green New Deal and a national fracking ban.

Enter Activism Inc.

The loudest voices demanding a fracking ban in Pennsylvania come from the professional Left, headquartered in California and Washington, DC. While a fracking ban is supported by virtually every environmentalist group, a few national groups are noteworthy for driving the far Left's anti-fracking agenda and take-no-prisoners tone.

Sierra Club. The Sierra Club (based in Oakland, CA) has lobbied the commonwealth for a fracking ban and supports a blanket ban on fracking across the country as part of its goal of "eliminating the use of fossil fuels . . . as soon as possible." "There are no 'clean' fossil fuels," the group contends.

The Sierra Club represents the extreme tip of the activist Left and attracts hardline environmentalists. Among its board members is Paul Watson, founder of the radical Sea Shepherd Conservation Society and a cofounder of Greenpeace, infamous for using steel-hulled ships to ram and sink whaling vessels.

The group opposes all extraction, transportation, and use of oil, natural gas, and coal, as well as nuclear power plants and hydroelectric power generated by dams. Nevertheless, the Sierra Club accepted $25 million from the natural gas industry between 2007 and 2010 as part of its Beyond Coal campaign, most of which came from the CEO of Chesapeake Energy, a company involved in fracking.

However, most of its significant funding (nearly $250 million in 2018 revenues, including its fund-raising arm) comes from ultra-wealthy liberal foundations such as Tom Steyer's TomKat Charitable Trust, New Venture Fund, Sea Change Foundation, Energy Foundation, and Rockefeller Brothers Fund.

And it's moving further left into so-called environmental justice. In June 2020, the group announced that it was disowning its founder, famed conservationist John Muir, for his friendship with fellow conservationist Henry Fairfield Osborn, who cofounded the American Eugenics Society after Muir's death.

Greenpeace. Tied with the Sierra Club on the far Left is Greenpeace, born from the antinuclear activism of the 1960s. Greenpeace opposes all use and extraction of fossil fuels, organizing stunts such as dangling protesters from a bridge in Portland, Oregon, to block a Shell icebreaker from leaving port en route to the Arctic, where the company planned to drill for oil. Greenpeace was one of the earliest groups to demand the absolute transition to renewables by 2050, now an issue supported by the broader Left—albeit for the entire planet, not just the country, at the bargain-basement price of *$48 trillion* (more than twice the GDP of the U.S.).

Greenpeace's anti-fracking crusade is largely built on lies and deception. Its website contains numerous images of bronze-colored water supposedly "contaminated" by nearby fracked wells and spreads the claim that "fracking causes earthquakes." The group also spreads the claim that fracking creates "explosive water"—tap water so contaminated with methane that it's flammable—popularized by the 2010 propaganda documentary *Gasland*. (In reality, according to *The New York Times*, the methane-laced water depicted in the film was due to gas migration caused by poor cement well casings and not fracking. Methane, while potentially asphyxiating in high concentrations, is not harmful to drink.)

Pennsylvania is ground zero for Greenpeace's war on coal. "Did you know that 1,359 people die each year . . . as a result of coal pollution in Pennsylvania?" its website asks, citing the now-debunked theory that coal-burning power plants contribute to acid rain (the big environmental scare of the 1970s and 1980s).

Like other eco-activist groups, Greenpeace receives huge grants ($53 million in 2018, between its two national arms) from liberal foundations such as the Hewlett Foundation, Packard Foundation, and Ford Foundation.

League of Conservation Voters. The League of Conservation Voters (LCV) is even more politically active than Greenpeace or the Sierra Club, serving as little more than an advocacy group for the Democratic Party's left wing.

LCV publishes a scorecard in which it rates the "pro-environment" vote on bills passing through the Pennsylvania legislature. It regularly lobbies for legislation that would expand the scope of government regulation and hamper the oil and gas industry. The group also endorses environmentalist politicians for Congress and the Pennsylvania General Assembly, ranking each politician on a personal "green" scorecard. In 2016, LCV endorsed Josh Shapiro's successful bid for Pennsylvania attorney general, lauding his efforts to enact a fracking ban and for seeking "criminal penalties for those who poison our air and water."

LCV receives funding from the same bevy of liberal foundations ($99 million in 2018 revenues, including its fund-raising arm) and major political groups, including the Service Employees International Union (SEIU) and "dark money" Sixteen Thirty Fund, as well as the Hewlett Foundation, Sea Change Foundation, Energy Foundation, and Joyce Foundation, which once had Senator Barack Obama on its board.

PennFuture

Pennsylvania is also replete with homegrown eco-activists—unsurprising, given the commonwealth's importance to the war on fossil fuels and fracking. These groups operate with funding from outside donors and ultraliberal foundations based in Pennsylvania.

PennFuture (formerly Citizens for Pennsylvania's Future) is one of the leading homegrown "green" groups championing a shutdown of "dirty fuels" in Pennsylvania. PennFuture also lobbies for a severance tax on natural gas—that is, a tax when gas is extracted from the ground—that it (misleadingly) claims will be "borne by the producers instead of taxpayers."

The group envisions reducing Pennsylvania's carbon dioxide emissions by a whopping 50 percent over the next five years, mostly by implementing President Obama's 2015 Clean Power Plan, which would have hiked household energy prices by some 250 percent while reducing global temperatures by only 0.02 of a degree by the end of the century. (Obama himself said on the campaign trail that under his plan, "electricity rates would necessarily skyrocket.")

The Clean Power Plan—axed by Donald Trump early in his presidency—was supposed to be the culmination of the Left's decades-long war on coal after congressional Democrats failed to pass the 2010 Waxman-Markey cap-and-trade bill, leaving President Obama to enact the 460-page behemoth by executive order rather than legislation.

The group's board of directors includes prominent global warming advocate Michael Mann. PennFuture has hosted at least one gala attended by climate alarmist Al Gore and Teresa Heinz, heiress to the Heinz family's food fortune and wife of former Democratic presidential nominee John Kerry. This is not surprising, given where PennFuture receives its funding.

Heinz Endowments, the $1.2 billion mega-foundation in Pittsburgh chaired by Teresa Heinz, has given PennFuture $15 million since 2002. Heinz—who married Senator John Heinz (R-PA) and inherited his family fortune after his death in a 1991 plane crash—is a global warming devotee. In 1990, she met Kerry at an Earth Day event; two years later, she was made a delegate to the Earth Summit in Rio de Janeiro, which created the United Nations Framework Convention on Climate Change, which governs the UN global warming agenda.

PennFuture also receives substantial funding from the William Penn Foundation—$5.5 million since 2001—a little-known Philadelphia-based foundation that poured out $136 million in grants in 2018. The Penn Foundation also funds left-wing environmentalist groups, including the National Fish and Wildlife Foundation, Sierra Club Foundation, League of Conservation Voters Education Fund, and Nature Conservancy.

The San Francisco–based Energy Foundation has given $2.1 million to PennFuture since 2003. The Energy Foundation is a "pass-through" group created in 1991 as a $20 million collaborative by the Pew Charitable Trusts, Rockefeller Foundation, and MacArthur Foundation to move hundreds of millions of dollars to far-left political groups.

Delaware Riverkeeper

The Delaware River Basin, the huge watershed running from upstate New York to the Delaware Bay south of New Jersey, is a favorite target of leftist groups trying to ban fracking in Pennsylvania piecemeal.

President John F. Kennedy founded the Delaware River Basin Commission (DRBC) in 1961 to monitor local water quality, but it has since morphed into a cudgel that special interests use to stymie development of traditional energy sources.

In 2010, the New Jersey–based commission imposed a de facto ban on fracking natural gas in parts of Pennsylvania and New York, citing three concerns related to water quality. Predictably, the ban wasn't enough for environmental activists, who submitted thousands of comments to the commission and have sought a moratorium on all natural gas development in the commonwealth.

The DRBC is closely tied to Delaware Riverkeeper, an activist group based in Bristol, Pennsylvania. Riverkeeper is as ideologically motivated as they come. The group's CEO, Maya van Rossum, authored *The Green Amendment: Securing Our Right to a Healthy Environment*, which argues for adding "inalienable rights to pure water, clean air, a stable climate and healthy environments" to the U.S. Constitution. It regularly sues the government on environmental issues. In April 2020, it sued the U.S. Army Corps of Engineers after it approved construction of a liquefied natural gas terminal on the Delaware River.

According to testimony by Tom Shepstone, who operates the blog NaturalGasNow on behalf of his research firm, the DRBC "has stacked almost all its committees with representatives of the Delaware Riverkeeper, a special interest anti-gas advocacy group that sued it over gas drilling issues." Shepstone has called the DRBC and Riverkeeper "allies" in their funding and agenda:

The fact the DRBC saw no conflict of interest in taking money from a foundation that also financed the Riverkeeper, which was suing the agency at the same time over gas issues, tells anyone with half a brain the William Penn Foundation was orchestrating everything. The foundation funded DRBC studies of gas drilling impacts were a sham effort to delay forever having to take a vote, killing fracking without taking responsibility as the Riverkeeper provided the opposition to justify the studies.

The DRBC and Delaware Riverkeeper are both funded by the William Penn Foundation, which has given grants totaling at least $2 million to the DRBC and close to $3 million to Riverkeeper. Many of the grants are marked for “advocacy” against natural gas development—that is, fracking. PennFuture, which also receives Penn Foundation grants, supports a “permanent ban on natural gas extraction” in the Delaware River Basin.

But the biggest donor to the Delaware Riverkeeper is the Woodtiger Fund, a foundation based in Bucks County, Pennsylvania, operated by the descendants of Henry Wallace—vice president to Franklin D. Roosevelt and widely considered a far-left radical sympathetic to the Soviet Union. Woodtiger has gifted $4 million to the Riverkeeper in recent years.

A Turning Point for Pennsylvania

This year could prove one of the most important in Pennsylvania’s history. Pennsylvanians have a clear path laid out before them on the road toward growth, prosperity, and affordable energy, or they could succumb to the designs of the far Left. It’s no exaggeration to say that the very future of the commonwealth hangs in the balance. The consequences of the decisions that Pennsylvanians make this year will ring through the ages.