

## **2024 Business Issues Forum Summary**

### **Highlights from the Legislative Panel - Fourth Annual Western PA Reception.**

The fourth Annual Western Pennsylvania Legislative Reception was held on September 12, 2024 at CNX Resources. The Manufacturer & Business Association, Washington County Chamber of Commerce, and the Pittsburgh Business Exchange host the event and believe it is an important conduit between those who make the laws and those who bear the impact.

New in 2024 was a legislative panel in place of roundtable discussions. In years past attendees discussed their issues of top concern. 2024 provided a venue for lawmakers to speak about their top priorities. The panel included Senators Dan Laughlin and Patrick Stefano, and Representatives Bryan Cutler, and Tim O'Neal.

Each lawmaker gave a brief opening statement.

Rep. Cutler, noted that while "PA has a good workforce, energy and resources, our Number One export is young people."

Sen. Laughlin was adamant about not adding to layers of red tape and doesn't want businesses and start-ups "to jump through hoops."

Rep. O'Neal's top priority is energy policy which starts with permitting. "Permitting crosses every business sector."

Sen. Stefano identified the need for a "balanced portfolio of energy," which would protect consumers and keep prices down.

The panelists dove into a discussion about permitting and energy starting with the PJM electricity grid. The PJM Interconnection is a regional transmission organization which supplies wholesale electricity to thirteen states and District of Columbia. Pennsylvania is a major supplier of energy to the PJM accounting for 25% of the total electricity produced.

Today's challenge is EVs, and data centers which are increasing the demand for electricity while fossil fuel power plants are being shuttered early and removing electricity from the grid. What's needed is more investment in the PJM grid, but the Regional Greenhouse Gas Initiative (RGGI) poses a problem. It is held up in the courts and businesses won't invest in power plants if they fear they will be shuttered by a new ruling by the courts.

Solutions posed included development of good energy policy, the streamlining of permitting application process, and incentivizing investment.

There are 2,000 projects pending in the queue to supply energy to PJM however 90% of those projects use alternative fuels. Lawmakers emphasized that efficient and effective electricity production is needed during the 100% energy transition to renewables. A plan is needed for the transition. Clean and plentiful natural gas can be part of the transition. Fracking must be made as safe as possible, and pipelines are needed.

The discussion moved to permitting and regulatory reform. The panelists noted some improvements were made by Governor Shapiro. One includes standardized time frames and money-back guarantees for permit applications when the Commonwealth does not meet those timeframes. A second improvement allows for 3<sup>rd</sup> party review of a permit application which brings professional expertise outside the Dept. of Environmental Protection (DEP) into the process.

Panelists agreed that it was far more important to have the permit application approved quickly rather than get money back. Rep. Cutler cited an instance in Lancaster County where it took two and a half years for a business to get a permit. Errors in permit applications re-set the clock back to beginning of the line. What's unknown is whether DEP is adequately funded and staffed with enough people in a DEP regional office who can approve permits.

The plight of U. S. Steel was aired. U. S. Steel wanted to invest more than \$1.5 billion into the Mon Valley. A delay in the environmental permitting was part of the reason U. S. Steel canceled the investment and instead invested in an Arkansas plant.

Several audience questions were very briefly discussed including the need for a long-term funding solution for mass transit and the use of agricultural lands for solar fields.

The Takeaway – The panel discussion could have gone on for hours. Bravo and thank you to all who attended.

