

**A NEW VISION
FOR ENERGY:**

**Pennsylvania
Leading the Way
for American
Energy Security
and Prosperity**

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EnergyVisionPA.com

MISSION STATEMENT

The Commonwealth Foundation promotes market-driven solutions for energy policy that will benefit all Pennsylvanians. These policies must prioritize reliability, affordability, fairness, competition, and innovation, paving the way for Pennsylvania to embrace all its energy resources and unlock its full economic potential.



A silhouette of a worker wearing a hard hat and using a tool joint on an oil well. The worker is positioned in the foreground, with the well's machinery visible. The background shows a sunset sky with a bright sun low on the horizon, creating a strong backlight effect. The overall scene is industrial and evocative of energy production.

ENERGY POLICY VISION

The Keystone State is the birthplace of the modern energy industry and a pivotal global energy supplier. American energy independence and international energy market security rely on Pennsylvanian energy. Today's hyper-partisan politics mislead the nation about our energy future, often favoring false dichotomies and emotional appeals rather than fostering well-informed, good-faith solutions. It does not have to be this way.

Pennsylvania must have a bright, market-driven energy future where:

- Energy is reliable and affordable.
- Commonsense management and stewardship protect the environment.
- Pennsylvanians are free to innovate and address energy and environmental challenges responsibly.
- Families and businesses benefit from the commonwealth's abundance of natural resources.
- Pennsylvania leads the way to secure American energy independence and dominance in the global marketplace.



A NEW VISION FOR ENERGY

GUIDING PRINCIPLES

To achieve an enduring energy future, the Commonwealth Foundation endorses these guiding principles:

- A People-First Approach to Energy Policy 8
- Responsible Environmental Stewardship and Conservation 9
- One-Hundred-Percent Energy Abundance Over Net-Zero 10
- Prioritizing Electric Grid Reliability and Affordability 11
- Market-Driven Solutions, Not Handouts or Subsidies 12
- Opposing Carbon Taxes 13
- Robust Federalism for American Energy Security 14
- Pro-Energy Regulatory and Permitting Reform 15

PENNSYLVANIA ENERGY POLICY SOLUTIONS

- Immediate Calls to Action 16



A People-First Approach to Energy Policy

Energy policy must fundamentally be about people—supporting families and businesses. Environmental conservation and efforts to address climate issues can and must be undertaken while preserving a people-first energy policy. People-focused, market-driven policies have had countless positive impacts on the environment without draconian regulatory mandates. Policymakers should focus on preventing energy shortages, lowering electric costs, creating and projecting jobs, and delivering electrical grid stability while responsibly addressing environmental issues. All human activity impacts our natural environment, and every conceivable energy policy has intrinsic tradeoffs. Human flourishing and prosperity must be the central incentives guiding our energy future.



Responsible Environmental Stewardship and Conservation

Environmental stewardship and conservation start at home: individuals, families, and businesses taking the initiative to conserve and maintain the natural beauty of their communities. People must be free to engage in virtuous citizenship and make reasonable choices for conservation and energy efficiency that meet their needs—not coerced by overzealous regulation. Responsible environmental conservation should focus on enterprises such as forest management, ecosystem restoration, and agriculture rather than radical initiatives resulting in energy scarcity. Environmental policies should promote resilience and adaptation that support human life and prosperity, allowing the market to drive the best technological advancements to conserve our land, water, and air.



One-Hundred-Percent Energy Abundance Over Net-Zero

Energy abundance is necessary for a healthy and prosperous society, and our energy future must promote abundance to sustain and advance modern life. Net-Zero policies focused on removing reliable hydrocarbon energy sources from the electric grid will yield little results for our natural environment and harm our economic environment. Most of the world's energy comes from hydrocarbons, and that is not likely to change in the coming decades without colossal economic devastation and radical authoritarian policies. With the growth of artificial intelligence, data centers, cloud computing, and an increased need for electricity across all sectors of society, we need more energy.



Prioritizing Electric Grid Reliability and Affordability

Energy policies should pursue an energy-source-neutral approach and least-cost generation planning. This approach must ensure that any generation and resource changes maintain or improve the adequacy and reliability of the electric grid, considering the latest technological breakthroughs to achieve these goals. Renewable or alternative energy portfolio standards are antiquated central planning initiatives that impede grid capacity, adequacy, meeting demand, and prioritizing reliability at least cost. These standards should be removed from common usage in law. Policymakers must also ensure that baseload and dispatchable facilities retire only when an equally baseload or dispatchable power generation facility replaces it.



Market-Driven Solutions, Not Handouts or Subsidies

Massive subsidies for weather-dependent, unreliable energy sources—particularly those from the Inflation Reduction Act—poison our energy markets, jeopardizing grid reliability and adequacy and raising electric costs. Policymakers should resist energy tax credits and subsidies and work to realign market incentives away from harvesting subsidies and toward people’s need for affordable and reliable power. The proper role of energy regulation should be to establish source-neutral grid reliability, adequacy, and least-cost procurement standards, enact basic safety measures to protect consumers, and allow private industry to innovate, compete, and provide services.



Opposing Carbon Taxes

Carbon taxes and cap-and-trade schemes are economy-wide energy taxes that create enormous economic burdens on families and businesses. Hydrocarbons comprise around 80 percent of the world’s energy and virtually every aspect of consumer goods, cosmetics, pharmaceuticals, clothing, mobile devices, and more. Constructing solar panels, wind turbines, computing systems, and electronics also requires hydrocarbons. In sum, they are an essential part of our everyday lives. These policies punish energy usage, coerce the market away from affordable and reliable energy, and fundamentally place a tax on modern life without any clear benefits.



Robust Federalism for American Energy Security

Ever-expanding federal overreach in energy policy prevents states—energy-producing states in particular—from unlocking their full economic potential and increases the threat of an electrical grid crisis nationwide. Unelected bureaucrats from federal agencies have extraordinary, unchecked power. States must fully exhaust their legal, regulatory, and legislative powers to rein in federal overreaches to protect the integrity of their electric grids, expand energy production and infrastructure, and responsibly use their natural resources to benefit their unique economic and social interests.



Pro-Energy Regulatory and Permitting Reform

American energy independence and dominance require the federal and state governments to streamline permitting and remove arbitrary and duplicative regulations preventing energy expansion. For example, most of our natural gas pipeline infrastructure is fully subscribed, and our nuclear fleet is small relative to needs. Draconian regulations and permitting issues are the primary cause. Permitting should have predictable timelines and clearly defined metrics for success. Energy projects should thrive in the United States, and energy-producing states should be experiencing economic booms due to increased energy demand worldwide. American energy is cleaner and more affordable than our international competitors. Instead of being shackled by poor regulation and permitting schemes, states should be free to expand into regional and global markets.

PENNSYLVANIA ENERGY POLICY SOLUTIONS

IMMEDIATE CALLS TO ACTION

1

The Pennsylvania General Assembly must reject Gov. Josh Shapiro's proposed Pennsylvania Climate Emissions Reduction Act (PACER) and Pennsylvania Reliable Energy Sustainability Standard (PRESS). Lawmakers must also prevent the commonwealth from joining the Regional Greenhouse Gas Initiative (RGGI) or imposing any other carbon tax schemes.

2

The Pennsylvania General Assembly must pass legislation to create an energy-source-neutral standard of grid reliability and adequacy tied to least-cost generation planning. In line with prioritizing reliability and cost over government central planning, lawmakers should repeal the Alternative Energy Portfolio Standards Act (AEPS), which currently mandates 18 percent of electrical energy come from alternative sources.

3

Lawmakers must pass legislation to streamline the permitting process for energy and environmental projects. Reforms that prioritize transparency and certainty are vital to maximizing the responsible utilization of our natural resources. Lawmakers should restore the balance of power through reforms, including an enhanced review process like Congress's Regulations from the Executive in Need of Scrutiny, or REINS Act of 2023, a policy supported by 79 percent of Pennsylvania voters, and Sunset Reviews that ease the ability to repeal a regulation. They should also consider a regulatory reduction program.

4

The Pennsylvania General Assembly should consider passing a version of the "Pay for What You Get Act," which is model legislation tying utility profits to power plant reliability.

5

Pennsylvania lawmakers, in-state stakeholders, and partners from neighboring states should collaborate and reform the current Regional Transmission Organization (RTO) system with the Pennsylvania-New Jersey-Maryland Interconnection (PJM). This should include exploring options for removing Pennsylvania from PJM. Doing so would ensure a reliable and affordable electric system for the commonwealth and address known grid reliability concerns and market distortions in the current system.

Five Fast Facts About Pennsylvania Energy



1. Pennsylvania is the top exporter of electricity to other states.
2. Pennsylvania is the second largest natural gas producer among the states, after Texas.
3. Pennsylvania is the second largest producer of nuclear energy, after Illinois.
4. Pennsylvania is the birthplace of the modern oil drilling industry (in Titusville, PA) and the commercial nuclear power industry (in Shippingport, PA).
5. Pennsylvanians do not support Gov. Shapiro's radical proposals to tax reliable energy sources. Nearly two-thirds of voters oppose these proposals, which would more than double the average household electric bill by 2035.



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