



March 23, 2020

The Honorable Tom Wolf  
Governor, Commonwealth of Pennsylvania

**Re: Veto HB1100, “ENERGY and FERTILIZER MANUFACTURING TAX CREDIT”**

Dear Governor Wolf,

Delaware Riverkeeper Network supports your expected veto of HB1100, the “ENERGY and FERTILIZER MANUFACTURING TAX CREDIT” bill. We know you promised to veto this bill if it ever made it to your desk, and we greatly appreciate your stand opposing it. Now that the legislation is in your hands, we are asking that you veto it as soon as possible.

We are opposed to the tax credit for energy and fertilizer facilities’ use of natural gas in Pennsylvania. We do not support the proliferation of fracking due to the adverse public health, environmental and climate change impacts of methane and natural gas development. We do not support taxes being forfeited so private companies can exploit shale, which would spur more fracking, increasing the harm that shale gas development brings to communities, our economy, and the environment. Government support is needed for clean and sustainable development and growth that supports a healthy and sustainable economy, not for fertilizer, shale gas products and chemical production that pollute our land and water.

As you know, HB1100 is one of a package of shale gas promotion bills (“Energize PA”) introduced by the Republican majority Legislature to incentivize new petrochemical and energy plants using shale gas from Pennsylvania. Delaware Riverkeeper Network is opposed to this entire package of bills. For HB100 alone, the Department of Revenue estimates a cost to the taxpayer of about \$22 million per plant per year, until 2050. This tax credit is not only unsustainable due to the enormous imbalance of costs over benefits that accompany shale gas development, but because it is attempting to prop up a fossil fuel industry that is failing under its own weight. If the industry can’t pay its own way, it shouldn’t expect to get bailed out by our government. According to a recent report on the costs of fracking, the annual costs of current fracking activity in Pennsylvania is over \$1 billion, with cumulative costs given continued fracking activity over the next 20 years of over \$50 billion in net present value.<sup>1</sup>

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<sup>1</sup> “The Economic Costs of Fracking in Pennsylvania”, authored by ECONorthwest, May 2019.  
[https://www.delawareriverkeeper.org/sites/default/files/ECONW-Costs\\_of\\_Fracking-May2019.pdf](https://www.delawareriverkeeper.org/sites/default/files/ECONW-Costs_of_Fracking-May2019.pdf)

The economic burden is compounded by the injuries that the health of communities and the environment are suffering from shale gas. As the state investigates the rare cancers that children are suffering in heavily fracked areas of southwestern Pennsylvania and other health problems associated with fracking, you are undoubtedly becoming more aware of the health costs of fracking operations for residents and workers.<sup>2</sup> We also bring to your attention the findings of the fact-finding report completed last year of the high incidence of adverse health outcomes for people who live near fracking and fracking operation sites in Pennsylvania, based on peer reviewed papers and studies over recent years.<sup>3</sup>

Governor Wolf, on behalf of our 25,000+ members, many of whom live in Pennsylvania, we ask you to recognize that Pennsylvania needs a new green economy that supports clean water and air to replace fracking, shale gas products, and petrochemicals. It is imperative that the Commonwealth turns to a clean renewable energy economy and provides a just transition for workers from jobs that make them sick to healthy and family-supporting employment. This is essential to fulfill your responsibility to implement the tenants of the Environmental Rights Amendment, Article 1 Section 27, of the Pennsylvania Constitution:

“The people have a right to clean air, pure water, and to the preservation of the natural, scenic, historic and esthetic values of the environment. Pennsylvania’s public natural resources are the common property of all the people, including generations yet to come. As trustee of these resources, the Commonwealth shall conserve and maintain them for the benefit of all the people.”<sup>4</sup>

Respectfully submitted,



Maya van Rossum  
the Delaware Riverkeeper  
Delaware Riverkeeper Network

Tracy Carluccio  
Deputy Director  
Delaware Riverkeeper Network

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<sup>2</sup> <https://stateimpact.npr.org/pennsylvania/2019/11/22/state-to-fund-studies-on-fracking-and-cancers-other-health-effects/>

<sup>3</sup> “Categorical Review of Health Reports on Unconventional Oil and Gas Development; Impacts in Pennsylvania”, authored by Fracktracker Alliance, 2019.  
[https://www.delawariverkeeper.org/sites/default/files/FracTrackerAlliance\\_DRKHealthReview\\_Final\\_4.25.19\\_0.pdf](https://www.delawariverkeeper.org/sites/default/files/FracTrackerAlliance_DRKHealthReview_Final_4.25.19_0.pdf)

<sup>4</sup> <https://www.legis.state.pa.us/WU01/LI/LI/CT/HTM/00/00.001...HTM>