

GOVERNOR JOSH SHAPIRO

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Governor Shapiro Unveils "Lightning Plan" to Strengthen Commonwealth's Energy Leadership, Create Jobs, and Lower Costs for Consumers

Building on Ben Franklin's energy legacy, the plan will power Pennsylvania, create jobs, lower costs for consumers, address climate change, and position the Commonwealth as a national energy leader for decades to come.

Governor Shapiro's plan brings together labor and industry leaders, environmental advocates, and consumer groups to drive energy growth — ensuring clean, reliable, and affordable energy for all Pennsylvanians.

Governor Shapiro highlighted the transformative hydrogen and sustainable aviation fuel project at Pittsburgh International Airport — a partnership between KeyState Energy and CNX Resources — as a prime example of the bold, all-of-the-above energy strategy that defines his vision for powering Pennsylvania.

Pittsburgh, PA – Today, **Governor Josh Shapiro** visited **Pittsburgh International Airport** to announce the "**Lightning Plan**" — a comprehensive, all-of-the-above energy plan to secure Pennsylvania's energy future. Supported by labor and industry leaders, environmental advocates, and consumer groups, **Governor Shapiro's** commonsense energy plan will create jobs, lower costs for consumers, protect Pennsylvania from global instability by building next generation power, and position the Commonwealth to continue to be a national energy leader for decades to come.

The Governor made this announcement at Pittsburgh International Airport, the site of a groundbreaking \$1.5 billion proposed partnership between **KeyState Energy** and **CNX Resources**. This type of project, aimed at accelerating hydrogen and sustainable aviation fuel (SAF) production, could position the region as a hub for next-generation energy solutions while supporting 3,000 construction jobs. This project is a prime example of the type of innovation the **Lightning Plan** will drive all across the Commonwealth.

"Pennsylvania has long been a national energy leader, from Ben Franklin to today, but right now, we're letting other states outcompete us and we're losing out on jobs, new investment, and innovation – that has to change," said **Governor Shapiro**. "My energy plan will power Pennsylvania forward by incentivizing the building of next generation energy projects in the Commonwealth. We have to meet this moment – and this plan builds on the work my Administration did last year to bring together leaders from the energy industry, organized labor and environmental groups, and consumer advocates to develop a plan for the future. I look forward to working with the General Assembly to get this commonsense plan to my desk so that we can lower costs for consumers, create more jobs, and position the Commonwealth to continue to be a national energy leader for decades to come."

Pennsylvania needs an energy plan to power the Commonwealth forward. Energy consumption is rising in Pennsylvania and around the world; the nation is facing more extreme weather events; the limits of the energy grid are constantly being tested; and utility costs are on the rise as a result of global instability and foreign wars. Doing nothing is not an option.

The Governor's energy plan will provide funding for new projects through an updated **Pennsylvania Economic Development for a Growing Economy (EDGE)** manufacturing tax credit, streamline energy project approvals by creating a state energy siting board to cut red tape, and encourage communities to lower utility bills through shared energy resources. Additionally, the plan increases rebates for energy-efficient appliances to help reduce household energy costs. The **Lightning Plan** will supercharge energy development in the Commonwealth, positioning Pennsylvania to lead the way in clean, reliable, and affordable energy for years to come.

"At Pittsburgh International (PIT), we are uniquely positioned in the aviation industry to drive energy initiatives. We know that increasing sustainable aviation fuel (SAF) is necessary for the industry and allows the sector to grow and move toward a cleaner, greener future," said **Christina Cassotis, CEO, Allegheny County Airport Authority**.

"Because we believe that it can be developed right here at PIT, we've pursued multiple pathways to produce this much needed asset. We are happy to see a SAF tax credit so well received in Harrisburg and look forward to working with our partners on this issue."

"It is long past time that Pennsylvania unites behind an energy strategy that incentivizes growth, creates good paying union jobs, and does so in a way that keeps costs low for people and keeps our kids and grandkids safe and healthy. While many have talked, Governor Shapiro has acted, and by putting his concrete ideas on the table he shows that he is committed to getting something done on energy," said **Gregory Bernarding, Business Manager, Pittsburgh Regional Building and Construction Trades Council**. "Organized labor is excited by the prospect of a plan that creates thousands of good paying union jobs, and we look forward to working with the Governor and partners in the legislature on a plan that solidifies Pennsylvania as the rightful energy powerhouse of the United States."

"It's an honor to stand with Governor Shapiro, Lieutenant Governor Davis, and our partners who share the vision of Southwestern Pennsylvania leading the future of energy. Our economic prosperity depends on energy affordability and grid reliability, and we appreciate the Governor's leadership in this space," said Stefani Pashman, **CEO, Allegheny Conference**. "At this critical moment, a strong state policy framework is essential — not just to create the right conditions for growth, but to signal that Pennsylvania is open for investment. We stand ready to work with the Governor and all elected officials to make this all-of-the-above energy plan a reality." "Pennsylvania has long benefited from abundant, affordable energy, and Governor Shapiro's energy plan will strengthen that position for the next decade and beyond — at a time when it's more important than ever," said David Dardis, Executive Vice President, Constellation Energy. "We appreciate the Shapiro Administration's collaboration and willingness to engage with us on the Commonwealth's energy future — something that doesn't happen in every state. This plan strikes the right balance, supporting energy security while preserving the competitive markets that have served Pennsylvania so well."

Governor Shapiro's announcement builds on the energy plan <u>unveiled</u> by the Governor last March, which will protect and create nearly 15,000 energy jobs, lowering utility bills for households, and taking real action to address carbon pollution. These initiatives are projected to save Pennsylvania energy customers \$664 million by 2040 and generate \$11.4 billion in clean, reliable energy investments.

Independent studies <u>confirm</u> that **Governor Shapiro's** plan will save Pennsylvanians money on their electricity bills, create energy jobs, and lead to billions in new investment in power plants and energy infrastructure. This year, during his upcoming budget address, the Governor will again call on the General Assembly to pass legislation that propels Pennsylvania forward as an energy leader.

"The Governor and I want us to build on our energy legacy and use it to power a better future for Pennsylvania," said **Lieutenant Governor Austin Davis**. "Our Administration is working with our friends in labor, as well as the business community, environmental

advocates, and consumer advocates. We want to bring together elected leaders at the federal, state and local level, and we hope folks can take off their red and blue jerseys and put on their Pennsylvania jerseys. Because our Commonwealth's future is at stake. This is the arms race of our lifetime, and we need to win -- that's why our Lightning Plan is so important."

"The Lightning Plan is a blueprint for Pennsylvania's energy future — more energy means more jobs, lower costs, and a stronger economy. Clean energy doesn't take away — it adds and Pennsylvania's workforce is second to none. I stand ready to work with Governor Shapiro and all stakeholders to get it done this year," said **Representative Rob Matzie**.

The Lightning Plan: A Bold, All-of-the-Above Energy Plan

Governor Shapiro's plan will supercharge energy development in the Commonwealth and help energy projects get built and approved faster than ever before through several strategic initiatives:

- RESET Board: Pennsylvania needs to streamline the process for building
 energy projects. Currently, Pennsylvania is one of only 12 states without a state
 entity to handle siting decisions for key energy projects. The Governor is
 proposing the Pennsylvania Reliable Energy Siting and Electric Transition
 (RESET) Board to speed up permitting, reduce red tape, and support the next
 generation of energy projects in the state.
- EDGE Tax Credit: The Pennsylvania Economic Development for a Growing Economy (PA EDGE) Tax Credit Program, established in 2022, hasn't been used, leaving billions in potential economic development untapped. The Governor's proposed 2025-26 budget will include key tax credit modifications to revamp the program, including:
 - Reliable Energy Investment Credit: Up to \$100 million per facility for three years, focused on adding reliable energy sources to the grid.
 - Regional Clean Hydrogen Tax Credit: Up to \$49 million annually for regional hydrogen projects, with lower thresholds to qualify.
 - Sustainable Aviation Fuel: Up to \$15 million per year for a taxpayer who makes a \$250 million capital investment and creates 400 jobs at a facility to produce sustainable aviation fuel (SAF), like the CNX and KeyState Energy collaboration at Pittsburgh International Airport.
- PACER (Pennsylvania Climate Emissions Reduction Act): PACER would establish a cap-and-invest program to set Pennsylvania's carbon limit and invest

in reducing electricity costs. Under PACER, 70 percent of the revenue generated would be returned to Pennsylvanians as rebates on their electric bills.

- PRESS (Pennsylvania Reliable Energy Sustainability Standard): PRESS would modernize Pennsylvania's outdated energy standards, incentivizing innovation in nuclear and renewable energy, including battery storage, to remain competitive with other states.
- Lowering Energy Costs for Rural Communities: The Governor's proposed 2025-26 budget introduces "Community Energy," a proposal that helps rural communities, farmers, and low-income Pennsylvanians jointly share energy resources to lower costs. For example, farmers could use methane digesters to produce energy for their farms, reducing reliance on utility companies and lowering their energy prices.
- Rebates to Reduce Household Energy Costs: In addition to these initiatives
 and reimagining the PA EDGE tax credit programs, Pennsylvania must reform
 Act 129, the law that provides rebates and incentives to buy new energy efficient
 appliances and other ways to reduce electricity needs over time which in turn,
 leads to lower electricity prices. The Governor's proposal will update these
 energy efficiency standards for the first time in nearly two decades.

"Pennsylvania has long powered the country. Now is the time for the Commonwealth to jump into action to secure Pennsylvania's energy future and move the nation toward energy security," said **Congressman Chris Deluzio**. "I applaud Governor Shapiro's leadership and work to lower energy costs, create strong jobs, and streamline and strengthen our energy system with his new 'Lightning Project.' I stand ready to do whatever I can in Congress to support this statewide effort to lower energy costs, protect our air and water, and grow our economy."

"I work across over a dozen states, and I can confidently say the Lightning Plan is one of the most ambitious plans we've seen. Pennsylvania is personal to me, and I was honored to work with Governor Shapiro's diverse working group," said **Jackson Morris**, **Director of State Power Sector Policy, Climate & Energy, Natural Resources Defense Council**. "Bringing together business, labor, environmental, and consumer groups to find common ground was incredibly rewarding. This plan reflects that collaboration and Governor Shapiro's leadership in uniting diverse perspectives to move the state forward."

This week, **Governor Shapiro** also announced decisive action to lower energy costs and protect Pennsylvania consumers. The Governor reached an agreement with PJM Interconnection on a plan to resolve his recent lawsuit and to save consumers over \$21 billion over the next two years. In December, the Governor filed a complaint with the Federal Energy Regulatory Commission (FERC) against PJM Interconnection, criticizing flaws in PJM's capacity auction design that threatened to impose significant new price increases. The Governor's agreement with PJM will avoid historic price hikes on consumers across all 13 states PJM serves, including Pennsylvania. The Commonwealth is a leading producer of energy and the nation's largest exporter of

electricity — nearly a century ago, Pennsylvania helped to found PJM, and today still serves as a generation backbone for the region.