

**Oral Statement of Vicky Sullivan
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Before the U.S. Environmental Protection Agency

**At a public hearing regarding
Repeal of Carbon Pollution Emission Guidelines for
Existing Stationary Sources: Electric Utility Generating Units
November 29, 2017**

Good morning. My name is Vicky Sullivan. I am Associate Vice President, Policy Development at the American Coalition for Clean Coal Electricity (ACCCE). The mission of ACCCE is to advocate on behalf of America's fleet of coal-fueled power plants. Our members include electricity generators, coal producers, railroads, barge lines, and equipment manufacturers.

ACCCE is pleased to testify today in support of EPA's proposed repeal of the Clean Power Plan. The CPP exceeds EPA's statutory authority under the Clean Air Act, usurps states' and grid operators' traditional role of determining the appropriate mix of electric generating resources, would cost consumers and businesses billions of dollars, and would have no meaningful effect on climate change. Importantly, the CPP is projected to cause substantial additional coal retirements which increase threats to electric grid reliability and resilience. I will address each of these issues in turn.

First, EPA is correct to repeal the CPP because the rule greatly exceeds EPA's authority under the Clean Air Act. Section 111(d) of the Clean Air Act only provides EPA with the authority to develop emission guidelines that can be applied to an individual power plant. The CPP exceeds this authority by establishing emissions limitations that could not be met by individual coal-fired power plants but instead requires shifting of electricity generation to other types of generating plants. EPA is now proposing to adopt a proper interpretation of the Clean Air Act that would consider only measures that can be implemented at individual power plants. This is an appropriate interpretation that is consistent

with EPA's historical practice for Section 111(d) guidelines for other source categories.

Second, the CPP improperly infringes on the traditional authority of state public utility commissions, grid operators, and utility companies by seeking to, in the words of the previous Administration, "aggressively transform ... the domestic energy industry." This is clearly beyond EPA's authority and mission. Therefore, the Agency is right to repeal this expansion which occurred without Congressional authorization.

Third, the CPP would unnecessarily cost consumers and businesses billions of dollars. For example, EIA estimated several months ago that the CPP would cost \$14.4 billion by 2030. In the Regulatory Impact Analysis for this proposal, EPA estimated the cost of the CPP to be as much as \$33 billion per year by 2030. For perspective, EPA estimated the cost of all power sector regulations under the Clean Air Act through 2010 to be \$7 billion per year, with MATS adding \$10 billion per year to that total.

Fourth, the CPP would have no meaningful effect on climate change. For example, the CPP would reduce global average temperature increase by 0.013 degree C (1/80th of a degree) by 2100, and reduce sea level rise by 0.2 millimeter (the thickness of two sheets of paper) by 2050.

Finally, EPA projected that the CPP would cause the retirement of 29,000 MW of coal-fired generating capacity by 2025. For perspective, these CPP-caused coal retirements would be twice as large as the entire electricity supply of West Virginia. However, DOE recently expressed concerns about the impact of continuing retirements of baseload generating capacity, primarily coal, on the reliability and resilience of the electric grid. As a result of these concerns, DOE proposed a rule for adoption by FERC to help prevent further coal retirements in certain organized electricity markets. The CPP would be in stark conflict with DOE's goal of preventing further retirements of coal-fired generating capacity.

Thank you for the opportunity to testify today in support of EPA's proposed repeal of the Clean Power Plan.