August 3, 2011

The Honorable Lisa Jackson  
Administrator  
U.S. Environmental Protection Agency  
Ariel Rios Building  
1200 Pennsylvania Avenue, NW  
Washington, D.C. 20460

RE: Docket # EPA-HQ-OAR-2011-0044-0001

Dear Administrator Jackson:

On behalf of The Association of Union Constructors (TAUC), a national trade association comprised of more than 2,000 construction firms, we respectfully request that the Environmental Protection Agency reconsider the implementation timeline for the proposed Mercury and Air Toxics Standards (MACT) rules. Our member companies, in discussion with their existing customers within the domestic utility sector, believe that the current three-year implementation timeline to complete the retrofits required to reduce emissions and toxic air pollutants from power plants would have a negative impact on long-term job creation and growth.

A recent study conducted by the National Economic Research Associates (NERA) estimated nationwide net employment losses will total 1.44 million job-years by 2020 if the MACT rules are implemented in their current form. Many of those job losses will be incurred by our member contractors and employees. Our member firms have performed billions of work hours under the terms of the National Maintenance Agreements (NMA), a national project labor agreement heavily used by the country’s utility sector. The NMA is administered by our sister organization, the National Maintenance Agreements Policy Committee, Inc., which has more than 2,000 signatory contractors that perform work under the program, and fourteen participating international unions in the building and construction trades. According to a recent study done by the Construction Labor Research Council, in a recent three-year period, NMA projects facilitated on average 40,000 full-time construction jobs per year. In one 12-month period alone, payments to workers on NMA projects averaged nearly $2.5 billion, and a majority of this work was performed on fossil power generating units within the domestic utility industry.

By forcing utilities to conform to the new MACT standards without adequate time to prepare, units and even entire plants could be shuttered, because the compressed deadlines and budgets for completing the retrofits would simply be unworkable. As a result, our members would experience significant lost work opportunities at a time when our industry is already racked with extremely high unemployment.

Our association recognizes that emissions reductions need to take place. However, the November 2014 deadline is unrealistic and would have a significant negative impact on existing jobs as well as the creation of future jobs. Based on our contractors’ extensive experience in the construction and
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maintenance of coal-fired power plants, we believe that extending the deadline would result in a more realistic and cost-effective approach for all parties involved. Such an extension would allow utility companies to more carefully phase in the MACT changes, an approach that would ultimately result in the desired effect of reducing emissions and toxic pollutants, while at the same time significantly reducing the risk of runaway costs and massive job losses through the premature closings of existing facilities.

It is our belief that a more realistic timeline is needed to allow our utility clients, along with our contractor members who will engineer and construct these retrofits, to meet the new MACT standards in a manner that would not hinder job growth. With unemployment in the construction sector already hovering at 30%, it is imperative that the EPA’s laudable goal of reducing harmful emissions is achieved in a way that will not further harm our already fragile industry, and our country. We would welcome the opportunity to work with your Agency in developing realistic and mutually beneficial solutions to this issue.

Sincerely,

Stephen R. Lindauer
Chief Executive Officer
The Association of Union Constructors