



Comments on EPA's Plans to Address Carbon Pollution from Existing Power Plants

*Submitted in lieu of a personal appearance at the Washington, D.C. Public Listening Session
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**Prepared by
The Association of Union Constructors (TAUC)**

The Association of Union Constructors (TAUC) appreciates the opportunity to comment as EPA begins to develop possible new standards, regulations or guidelines addressing carbon pollution from existing power plants. TAUC is a national trade association representing more than 2,000 contractor firms that utilize union labor for their projects, as well as local contractor associations and vendors in the industrial maintenance and construction fields.

TAUC supports EPA's goal of cleaner air, and there is no question that a healthier environment is in the best interest of all Americans. In fact, a large percentage of our member contractors are engaged in the installation and construction of technology designed to lower the level of harmful emissions from power plants and large manufacturing facilities (e.g. scrubbers, flue-gas desulfurization units, selective catalytic reduction devices, etc.). The dramatic reduction in these harmful emissions over the last several decades has been due in no small part to the diligent efforts of our union contractors and their partners in the building trades on behalf of a multitude of power generators and manufacturers.

On its website, EPA notes that "feedback from these 11 public listening sessions will play an important role in helping EPA develop smart, cost-effective guidelines that reflect the latest and best information available. The agency will seek additional public input during the notice and comment period once it issues a proposal by June 2014."

The agency further states on its website: "Before proposing guidelines, EPA must consider how power plants with a variety of different configurations would be able to reduce carbon pollution **in a cost-effective way**" (emphasis added).

TAUC respectfully urges EPA to pay close attention to the cost-effectiveness of any proposal to reduce carbon emissions from existing power plants, especially coal-fired plants. The already beleaguered U.S. energy sector should not be subjected to yet another round of costly, excessive and unrealistic regulations.

We ask that EPA learn from the mistakes that were made in promulgating the proposed Carbon Pollution Standard for New Power Plants. Both the original proposal released in April 2012 and the revised proposal released in September 2013 set forth a series of requirements that, if enacted, would inflict severe economic harm not only on the industrial maintenance and construction industry and our clients in the energy production and services sector, but also on the American economy in general. The proposed limit of 1,000 pounds of CO₂ per megawatt hour (well below the average of 1,800-1,900 pounds of CO₂ per megawatt hour that the most efficient coal plants emit), coupled with the requirement that new coal-fired power plants implement costly and unproven carbon capture and storage (CCS) systems, would have effectively prevented any new coal-fired plant from being built in the U.S.

When the original proposed rule was released in 2012, TAUC urged the agency to withdraw it from the rulemaking cycle in favor of an alternative rule that recognizes the practical impact of imposing drastically low carbon emission limits on a country that is already facing severe economic challenges. Unfortunately, the revised proposal issued earlier this year offered only minor and inconsequential changes, increasing the limit for coal-fired plants only slightly to 1,100 pounds of CO₂ per megawatt hour. Only natural gas-fired plants could comfortably meet such limits. This essentially places our power generation future on one energy source.

We trust EPA understands that the same approach cannot be taken with respect to the carbon emissions of existing power plants, especially coal-fired plants. We were heartened to read news reports that in September, EPA Administrator Gina McCarthy stated that new emissions rules for existing power plants would not require implementation of CCS technology. However, this is only half the battle.

If limits similar to those proposed for new coal-fired plants (e.g. 1,000 -1,100 pounds of CO₂ per megawatt hour) are implemented for existing plants, the resulting damage to the nation's power grid (not to mention the economy) would be staggering. Even nominally higher limits would still present massive hurdles to coal-fired plants.

TAUC respectfully asks that the agency "start from scratch" with respect to carbon standards for existing power plants. Any proposed regulation should recognize that the energy provided by coal-fired plants is crucial to our country's economic prosperity. New regulations should also take into account the economic impact and cost-effectiveness of restrictions on carbon emissions.

Coal-fired power plants are vital to the union construction and maintenance industry. Between 2006 and 2012, more than 214 million work hours were performed under the terms of the National Maintenance Agreements at utilities across the United States, the vast majority of which are coal-fired plants. That figure translates into over 120,000 stable, well-paying jobs. If EPA implements unrealistic carbon emissions limits, almost all of these jobs will disappear, because existing coal-fired plants will be regulated out of existence.

TAUC urges EPA to implement a thorough analysis of the economic impact any new emissions limits would have on the U.S. as a whole. This analysis should not be limited to electricity costs or utility infrastructure investments. It should also include a thorough study and estimate of all

job losses associated with implementation of the rule, both in the short and long term. EPA should make these job loss estimates public.

TAUC looks forward to working with EPA on crafting a set of emissions standards for existing power plants that is rooted in reality and acknowledges today's difficult economic realities.

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