



**Statement by Mike Butler
Consumer Energy Alliance**

***U.S. Environmental Protection Agency Public Hearing
“Proposed Rule for Carbon Pollution for Existing Electric Generating Units”***

**Wilkes University, Pennsylvania
August 21st, 2014**

My name is Mike Butler, and I serve as the Executive Director for Consumer Energy Alliance’s Mid-Atlantic chapter, this chapter is headquartered in Pittsburgh, PA. CEA is a nationwide association made up of both energy consumers and producers working to advance an all-of-the-above energy policy that will lower energy costs for every American.

Access to affordable energy is of utmost importance to our members, because every dollar spent on energy is a dollar that cannot be spent on capital investments, payroll, savings, groceries, or next year’s family vacation. In order to create economic growth, it is important for the government to implement policies that will ensure affordable, reliable energy supplies to America’s families, farms, factories and small businesses.

If finalized as proposed, regulations on existing electric generating units will undoubtedly cause reliability and affordability concerns for many states, particularly those that utilize coal for a large portion of their electricity generation. This is a particularly acute problem in the Mid-Atlantic and Midwest where many states – including Indiana, Iowa, Maryland, Ohio, Pennsylvania, West Virginia and many more – rely on coal-power generation for more than 40 percent of their electricity needs.

Specifically, here in Pennsylvania this proposal puts the Commonwealth’s energy sector and the economic security and stability that it helps support daily at risk. Pennsylvania was the fourth largest coal-producing state in the nation in 2012 and the only one that produces anthracite coal. As such, these new rules could require coal-fired power plants to upgrade or shut down. Either way, higher electricity prices for consumers would be a given.

Given the nature of our electric grid, abrupt changes in our energy mix – particularly ones that have not been contemplated throughout the development of the grid – will reduce dispatch options and disrupt the fuel diversification that has been critical to low electricity costs.

Additional plant closures will continue to have a real and negative impact on state and local economies. For the most vulnerable among us, including low-income families and seniors living on a fixed budget, higher electricity costs cannot easily be absorbed – in essence, they are a regressive tax.

While natural gas, nuclear, alternative and renewable electricity generation have become a much more important part of the fuel mix over the past several decades and are certainly capable of increasing their contributions to the grid, developing additional capacity from these sources and the necessary infrastructure to realize these expansions will take time and likely come with significant costs to consumers.

We would also like to point out that EPA's aggressive timeline allows states only one year to develop a very complex plan that will need to address a series of adjustments to their electricity generation, consumption and energy infrastructure that will come from forcing a change in the energy mix.

States have historically been given several years to develop and implement regulations for criteria pollutants that are a tiny fraction of the size and scope of the proposed regulations that we are discussing today.

Forcing through regulations of this magnitude in such a short timeframe will limit the ability of states and stakeholders to thoughtfully prepare for the drastic changes that this rule will cause. If this Administration is comfortable spending more than five years evaluating the Keystone XL pipeline, it should feel comfortable taking its time to craft a thoughtful rule that fully evaluates the consequences of its proposed actions.

At a time when electricity consumption is projected to grow, it is important that government regulations and policies avoid electricity supply disruptions or unnecessary price increases. As EPA considers how to move forward, we urge the Commonwealth of Pennsylvania to keep electricity consumers in mind and advocate for the EPA to not promulgate rules that would adversely affect business and family budgets.

As a commonwealth and a nation, we should strive to have more of all forms of energy, and not simply pit one energy resource against another. We hope that this committee will compel EPA to consider the potential economic impacts on consumers across the nation because of these regulations as it takes the next steps in developing these regulations.

Because of the number of new opportunities for investment, job growth, and economic development that has have unfolded because of responsible energy production through a variety of means, including coal, CEA cannot and does not support a proposal that will undoubtedly drive up the cost of energy for all consumers, eliminate jobs, and hurt local economies. Consumer Energy Alliance instead supports an all-of-the-above approach that ensures all options – nuclear, natural gas, renewables, and coal – are on the table for utilities and electric cooperatives to deliver affordable and reliable electricity to

families, factories, and farms without damaging the economy. We urge this committee and the Commonwealth of Pennsylvania to do the same.

Thank you.