



November 30, 2015

The Honorable Paul Ryan
Speaker
United States House of Representatives
Washington, DC 20515

The Honorable Nancy Pelosi
Minority Leader
United States House of Representatives
Washington DC 20515

Dear Speaker Ryan and Minority Leader Pelosi:

I am writing to express the strong support of the American Coalition for Clean Coal Electricity for S.J. Res. 23 and S.J. Res. 24 and urge their passage by the House of Representatives.

To begin with, EPA's carbon regulations for both new and existing power plants are unlawful. So far, 27 of 47 states subject to the Clean Power Plan have filed legal challenges seeking to overturn the rule. In addition, a wide spectrum of business groups collectively representing 80 percent of the U.S. economy are challenging the Clean Power Plan, and three national labor organizations have likewise filed legal challenges.¹

Second, the Clean Power Plan is a clear attempt by EPA to assert control over the electricity system of each state, impose the agency's biased and expensive energy preferences on states, and coerce consumers into spending more than \$25 billion per year to reduce electricity use.² In addition, EPA's new source standards will ensure that building new coal plants in the United States is no longer a viable

¹ The groups litigating include the U.S. Chamber of Commerce, National Association of Manufacturers, National Federation of Independent Business, and National Association of Home Builders. The labor unions litigating are the International Brotherhood of Electrical Workers, the International Brotherhood of Boilermakers, and the United Mine Workers of America.

² EPA, *Regulatory Impact Analysis for the Clean Power Plan Final Rule*, August 2015 and IPM Run Files.

option, despite the fact that other countries, such as China and India, continue to build new coal plants at a record pace. According to the *New York Times*, China has issued permits for 155 new coal plants this year alone, and the *Los Angeles Times* reports that China plans to double its use of coal over the next five years.³

Third, the Clean Power Plan should be disapproved because of its severe economic impacts. NERA Economic Consulting projects that the Clean Power Plan could cause double digit electricity price increases for most states, with as many as 28 states facing possible price increases of 20% or more.⁴ These price increases will be especially harmful to the 59 million low-income and middle-income American households that take home less than \$1,900 per month, on average, and who already spend a disproportionately large percentage of their family budgets on energy.⁵

NERA also projects that compliance costs for the Clean Power Plan could be as much as \$292 billion, with annual costs of \$39 billion, making the Clean Power Plan the most expensive environmental regulation ever imposed on power plants. For perspective, the Clean Power Plan alone could cost five times more than all EPA clean air regulations for the power sector cost in 2010.⁶

Finally, these unlawful and expensive regulations will not lower global CO₂ emissions or have any meaningful effect on climate change. Even with the commitments countries have made for COP21, global CO₂ emissions are projected to increase 13% by 2025, wiping out 30 years' worth of emission reductions from the Clean Power Plan.⁷ In addition, several analyses have shown that the Clean Power Plan's effect on global temperature amounts to a rounding error. The most recent analysis — relying on a widely used climate model — projects that global

³ Wong, Edward, "Glut of Coal-Fired Plants Casts Doubts on China's Energy Priorities," *New York Times*, November 11, 2015; and Bengali, Shashank, "India's Energy Plan Includes Using Solar and Wind – and a Lot More Coal," *Los Angeles Times*, October 2, 2015.

⁴ NERA Economic Consulting, *Energy and Consumer Impacts of EPA's Clean Power Plan*, November 7, 2015.

⁵ Eugene M. Trisko for ACCCE, *Energy Cost Impacts on American Families*, June 2015.

⁶ According to EPA, the annual cost of all Clean Air Act rules for the electric power sector promulgated by 2010 was \$6.6 billion (2006\$); this is \$7.6 billion in 2014\$. U.S. EPA, *The Benefits and Costs of the Clean Air Act from 1990 to 2020* (2011) at Table 3-2.

⁷ United Nations Framework Convention on Climate Change, *Synthesis report on the aggregate effect of the intended nationally determined contributions*, Note by the Secretariat, 30 October 2015, at pages 9 and 40. Global emissions are estimated to be 48.1 billion tonnes in 2010. Even with INDCs, global emissions are projected to grow to 55.2 billion tonnes (an increase of 7.1 billion tonnes) in 2025, and 56.7 billion tonnes (an increase of 8.6 billion tonnes) in 2030. According to EPA, the Clean Power Plan reduces CO₂ emissions by 240 million tonnes in 2025. An increase of 7.1 billion tonnes is 29.58 times the Clean Power Plan's reduction in 2025.

temperature increase will be 0.013° C lower (about 1/80th of a degree C) by 2100 because of the Clean Power Plan.⁸

Considering the unlawful nature of these rules, their harm to electricity consumers, and their irrelevant climate effects, we respectfully urge the House to pass both resolutions.

Sincerely,



Robert M. "Mike" Duncan
President and CEO

Copy to the following:

Honorable Fred Upton
Honorable Frank Pallone, Jr.
Honorable Ed Whitfield
Honorable Bobby L. Rush

⁸ Lomborg, Bjorn, "Impact of Current Climate Proposals," *Global Policy* (2015) doi: 10.1111/1758-5899.12295.