



January 27, 2014

The Honorable Edward Whitfield
United States House of Representatives
2184 Rayburn House Office Building
Washington, DC 20515

Dear Representative Whitfield:

On behalf of the 362,000 members of National Taxpayers Union (NTU), I write to endorse H.R. 3826, your “Electricity Security and Affordability Act.” This legislation would rein in and help to reestablish economic sanity to costly Environmental Protection Agency (EPA) rules, as well as work to maintain an “all of the above” electricity generation portfolio.

In September 2013 the EPA proposed standards that leave prospective developers of new coal-fired power plants in a very difficult position. Effectively they must adopt technologies like carbon capture and sequestration (CCS) now or forego their plans. While CCS may have commercial viability in the future, it has only recently been introduced in the U.S. The EPA has also indicated it plans on rolling out similar requirements for current coal-fired power plants, threatening the source of nearly 40 percent of our country’s electricity and the thousands of jobs that come with the industry. Consumers won’t emerge unscathed from the proposed rule either. The Congressional Budget Office reported in June 2012 that CCS available at this time could raise the price of electricity 75 percent over traditional coal-fired plants. If CCS and other technologies are to ever be implemented economically through private-sector innovation, then companies need the time, capital, and regulatory flexibility to do so without incurring stranded costs from unwise rulemaking.

Strangely, though the proposed rule is aimed at curbing greenhouse gas emissions, and despite the CBO’s warning above, page 16 of the rule states, “The EPA projects that this proposed rule will result in negligible CO2 emission changes, quantified benefits, and costs by 2022.” The risk of lost jobs and increased costs for consumers is a high price to pay for “negligible” benefits.

In response to this latest EPA power-grab, H.R. 3826 puts in place common-sense checks and balances that restore accountability in the rule-making process. The legislation establishes new guidelines for future power plants that take into consideration current commercial plant achievements, repeals earlier proposed rules, and requires more Congressional oversight. The latter takes the form of in-depth reports assessing economic impacts of any greenhouse gas rules and a requirement that rules shall not take effect without Congress setting a specific effective date.

Given its widespread availability, and the fact that many alternatives are still prohibitively expensive and unreliable, coal will continue to be a part of our energy profile. H.R. 3826 prudently recognizes and responds to this reality. NTU is pleased to endorse the “Electricity Security and Affordability Act” and urges all Representatives to cosponsor this legislation.

Sincerely,

Nan Swift
Federal Affairs Manager