

September 9, 2013

The Honorable Gina McCarthy
Administrator
Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Dear Administrator McCarthy,

The President's recently-announced Climate Action Plan directs the Environmental Protection Agency (EPA) to issue New Source Performance Standards (NSPS) for carbon emissions from new power plants and carbon requirements for existing, modified and reconstructed power plants over the next two years. In particular, the President's memorandum supporting the plan instructs the Agency to ensure that affected stakeholders be included and actively engaged in the design of the program. The undersigned trade associations collectively represent virtually all stakeholders affected by these carbon regulations: the electric power sector that is directly regulated, electric power fuel suppliers and transporters, electricity consumers who will be affected by the impact these regulations have on prices, and industrial manufacturers who are "next in line" for NSPS regulations for which these electric power regulations could serve as a precedent. As stakeholders, we respectfully request that we be actively included in any discussions the Agency undertakes to design the program to regulate carbon emissions from the electric power sector.

We continue to believe that the Clean Air Act is not a suitable vehicle for regulating greenhouse gases. However, to the extent that EPA moves forward, it is critical that carbon regulations are developed using the best available technical information to ensure that standards are set at achievable levels based on commercially and economically viable technologies and that new rules take proper account of potential impacts to the economy and jobs. As representatives of both companies that will have to meet carbon standards and manufacturers of technologies that can assist in reducing emissions, we are uniquely situated to provide useful input to the Agency as to what is economically achievable from available technologies.

With respect to the re-proposed rule for new power plants, to be issued by September 20, 2013, we urge you to provide a realistic path forward that does not foreclose the use of any one fuel source for generating electricity. We found the original 2012 proposed NSPS for new power plants unworkable, and therefore urge the Agency to redraft the regulation to support an "all of the above" energy strategy. We strongly urge you to set performance standards that take advantage of the diverse and abundant energy resources available in this country for electricity generation by setting separate, achievable performance standards for different fuels and electric generating technologies. For the June 2014 proposal for existing and modified power plants, we urge you to look critically at realistic solutions that balance the desire for reducing carbon emissions with real-world impacts, including the continued availability of affordable and dependable electricity on which this country relies.

With the potential to touch nearly every sector of the U.S. economy, it is critical that any effort by the EPA to set carbon standards be done right and include significant input from the impacted industries. We would welcome an opportunity to discuss the Agency's intention to develop carbon standards for power plants. Please contact Ross Eisenberg (202-637-3173, reisenberg@nam.org) with any questions.

Sincerely,

American Chemistry Council
American Coalition for Clean Coal Electricity
American Farm Bureau Federation
American Fuel & Petrochemical Manufacturers
American Iron & Steel Institute
Association of American Railroads
Electric Reliability Coordinating Council
Industrial Energy Consumers of America
National Association of Manufacturers
National Mining Association
Portland Cement Association
The Fertilizer Institute
U.S. Chamber of Commerce