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Pennsylvania Department of Environmental Protection  
Rachel Carson State Office Building  
P.O. Box 2063  
Harrisburg, PA 17105-2063

**RE: Listening Session on CAA Section 111(d) Guidelines**

My name is Martin Williams and I am currently serving as Vice-President of and a business representative for Boilermakers Local 13, Philadelphia. I appreciate the opportunity to offer comments on EPA's goal to address the reduction of greenhouse gas (GHG) emissions from existing electric generating sources.

Boilermakers Local 13 represents nearly 800 active members covering 41 counties in eastern Pennsylvania. Primarily, our work involves the installation, repair, and maintenance of industrial pressure vessels and associated components. Accordingly, our members work in a variety of facilities, including power generation, petrochemical, and steel mills.

**CONCERNS**

To be clear, Local 13 acknowledges the realities of climate change and supports EPA's overall goal of reducing the threat of climate change to our country. This is consistent with EPA's mandate under the Clean Air Act to protect the environment and human health. In the past, we have supported EPA's goals of reducing energy sector emissions and our members have greatly benefitted from those efforts, through the installation of pollution control equipment such as electrostatic precipitators (ESP), selective catalytic reduction (SCR) units, and flue gas desulfurizers (FGD). However, with regard to the approach to mitigate carbon emissions, we have a few concerns--especially over the future viability of coal-fired power generation and job opportunities for our members.

Last year, EPA released a proposal for carbon emission limits for new power plants, subsequently followed by a modified proposal in response to stakeholder concerns. Although the current proposal is a slight improvement over the existing proposal, we believe the current proposal establishes an aggressive, almost unrealistic threshold for new, coal-fired power

plants. The proposed limits of 1,100 lb. CO<sub>2</sub>/MWh over 12 months or 1000-1050 lb. CO<sub>2</sub>/MWh over 84 months are far below what today's most efficient coal-fired power plant emits in one year. EPA is assuming the use of carbon capture technology to meet these thresholds, however, current CCS technologies are very expensive and, relatively, unproven.

Considering the approach taken with establishing CO<sub>2</sub> limits for new sources, we fear recommendations for existing sources will parallel that approach. Setting an aggressive emissions threshold for existing sources will undermine progress that has already been made and disregard the billions of dollars that have already been spent by facility owners to reduce emissions. As an example, over the last seven years, PPL spent a combined \$1.6 billion at its Montour and Brunner Island facilities on flue gas desulfurization scrubbers, which have reduced sulfur dioxide emissions at each plant by 97%. We are also concerned about the possibility that new requirements will accelerate coal-fired power plant closings and lead to grid reliability issues. In the last three years alone, we have witnessed the retirement of five coal-fired units--Exelon Cromby Generating Station Units 1, 2, Exelon Eddystone Generating Station Units 1, 2, and NRG Titus Generating Station--as well as the announced retirement of NRG Portland Generating Station.

We are also concerned that regulatory approaches which appear to favor natural gas will lead to a technological stagnation within the coal industry. In a sense, we have been here before. During the late 1990s and early 2000s, the energy sector experienced a natural gas price bubble, which led to a rapid expansion of natural gas-fired generation, quickly outpacing demand. Within a few years, the bubble burst sending gas prices soaring and leaving many newly constructed plants sitting idle. Subsequently, use of coal started to increase, once again, taking advantage of coal's stable pricing and abundance. Natural gas prices are volatile and there is a good possibility that we will see a repeat of the gas price bubble. Increased use of shale gas for liquefied natural gas (LNG) export, compressed natural gas (CNG) vehicles, and home heating will inevitably push prices up, leading to an increase in electricity costs for consumers. At that point, many power generators will want to take another look at coal. But, if the industry is not innovating and advancing, then consumers will be stuck with inflated electric costs.

## **RECOMMENDATIONS**

Given that most existing coal-fired power plants are near or have exceeded their original lifespan, we feel any state plan should give serious consideration to focusing on efficiency improvements, e.g. supercritical retrofit, and/or conversion to lower carbon fuels rather than attempting to apply technologies which will decrease efficiency and net power production. Higher efficiencies also mean reduced CO<sub>2</sub> output, as it will require less coal to generate the same level of electricity.

Also, consideration should be given to encourage Pennsylvania to enter into an emissions trading program, such as the Regional Greenhouse Gas Initiative (RGGI). Although these types of programs have become politically tainted in recent years, emissions trading programs have proven they can provide solutions while having a negligible effect on consumers. Most notably,

the EPA's Acid Rain Program was able to reduce annual sulfur dioxide emission levels to 50% of 1990 levels, while costing approximately one-fourth of original projections.

## **CONCLUSION**

Recent plant closings have resulted in the loss of tens of thousands of man-hours for our members and we are concerned that, without the right approach to reducing carbon dioxide emissions, we will see more plant closings which will mean more job loss. However, we believe that it is possible to strike the right balance of achieving lower total CO2 emissions, preserving and creating jobs, and keeping costs down--for both consumers and industry. We stand ready to work with DEP and the EPA on this issue and we appreciate the opportunity to share our concerns.

Respectfully,

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