

Statement of Megan Toomey, Project Manager,
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Good afternoon. I would like to thank the DEP for the opportunity to discuss this important matter.

My name is Megan Toomey, and I am a Project Manager in PPL's Environmental Management Department. PPL owns or controls generation assets in Pennsylvania, Kentucky and Montana. PPL Corporation's total generating capacity is 19,000 megawatts, including 6,422 megawatts which PPL owns or controls in the Commonwealth that would be impacted by this rule.

PPL does not oppose reasonable environmental regulation that would establish achievable targets based on proven and commercial available technologies, acknowledge and mitigate effects on electricity prices and reliability, and maintain the diversity of fuels used to generate electricity. PPL companies have invested more than \$2 billion in scrubbers and other environmental upgrades and are installing another \$2.5 billion in improvements at coal-fired plants in Kentucky, to meet requirements of the Clean Air Act and other environmental regulations on schedule. PPL asks that the Environmental Protection Agency and the Pennsylvania DEP keep this in mind as they develop guidelines and state plans.

The Commonwealth has been an innovative and early adopter of programs that seek to improve the environment while recognizing the importance of Pennsylvania's economic growth and vitality. From Growing Greener to the Alternative Energy Portfolio Standard Program, Pennsylvania has proactively adopted programs that work for Pennsylvania, with input from all stakeholders. Most recently, Pennsylvania has been a leader in the area of demand side management and energy efficiency programs through the requirements of Act 129 that have reduced electricity consumption and peak demand in the state. Pennsylvania has also been careful not to fall into the trap of adopting lofty goals without basis in science or economics, but has instead been a steadfast leader on environment and energy issues with quiet, but measurable, success. We applaud the Corbett Administration for its leadership on energy issues and look to DEP to work with industry and other stakeholders in the Commonwealth to create a greenhouse gas emissions reduction plan that works for Pennsylvania. PPL commits to working with the state and offers the following specific comments for consideration.

1. Government policy should embrace an "all of the above" approach to generation fuel sources to ensure long-term reliability of electricity supply that is essential to the U.S. economy at a price that does not harm electricity customers or

disadvantage U.S. business in global markets. Removing coal as an option, as EPA's proposed regulation for new power plants does, would drive the industry to depend primarily on natural gas for future baseload generation needs. Over-dependence on any fuel source is risky policy that could have serious consequences for electricity prices and reliability.

2. Technology to remove carbon dioxide from power plant emissions is a long way from being ready for broad use on a commercial scale, and should not be considered a viable option for meeting near-term reduction goals at existing generation sources. Technology to capture carbon dioxide from power plant emissions has been tested on only a very small scale. Storing carbon dioxide underground is not geologically feasible in much of the United States and has many unresolved legal issues.
3. EPA regulations should establish broad general guidelines and allow states the flexibility to develop compliance strategies consistent with those guidelines based on their natural resources, geography, and generation fuel mix. EPA must give states flexibility to develop compliance strategies consistent with broad federal guidelines, rather than establishing a single, one-size-fits-all mandate.
4. In the absence of a viable control technology for carbon dioxide emission reductions at existing fossil plants, states should take advantage of any flexibility afforded to them under EPA's guidelines for the development of their state implementation plans. This type of flexibility could include, but is not limited to, efficiency improvements at existing coal-fired power plants, fuel switching, expansion of existing hydro and nuclear generation, other non-hydro renewable energy sources, demand management and energy efficiency improvements.
5. Generators in the Commonwealth have already done a great deal to contribute to greenhouse gas emission reductions. States and EPA should recognize these actions as broadly as is legally defensible in the implementation of this rule.
6. Given what's at stake for the environment, economy and energy future, it is essential that states and EPA get it right when it comes to regulation of carbon dioxide emissions.

Once again, thank you for the opportunity to provide this input. Your consideration of these comments will result in a reasonable state plan with workable conditions for existing generation sources in the Commonwealth.