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PA LEGISLATORS HOLD HEARING TO EXAMINE IMPACTS OF CLEAN POWER PLAN COMPLIANCE

PA Coal Alliance highlights EPA's recent track record on legally dubious and overreaching regulations

(HARRISBURG, PA) At a House and Senate Coal Caucus hearing, Pennsylvania Coal Alliance (PCA) CEO, John Pippy cautioned legislators on early compliance with EPA's most recent high impact regulation, the Clean Power Plan (CPP).

Within the last 15 years, the EPA has introduced 19 high impact rules with costs over \$90 billion dollars. By the EPA's own modest estimate, compliance with the CPP will cost \$8.4 billion annually, making it the most costly power plant regulation to date impacting the coal industry, state economy and the cost and reliability of electricity.

Under the CPP, EPA exercises primacy over a sector that has historically been regulated by states. This conflicts with the Federal Energy Regulatory Commission's responsibility under the Federal Power Act to regulate wholesale electricity markets that meet the unique needs and utilize the unique resources within each state.

The EPA faces serious legal opposition from 27 states who have filed lawsuits to block implementation of the CPP. These states represent over 60 percent of the nation's energy supply. In addition, 24 national trade associations — including the U.S. Chamber of Commerce, the National Association of Manufacturers and National Federation of Independent Businesses — are suing EPA. The members of these associations represent more than 80 percent of the U.S. economy. Another 37 rural electric cooperatives, 10 major companies and three labor unions representing over 878,000 members have also joined suit.

Many power plants are still in the process of completing compliance with the Mercury Air Toxics Standard (MATS) which forced the closure of more than 400 coal units in 36 states. In June 2015, the United States Supreme Court remanded MATS back to the D.C. Courts citing that the EPA should have taken into account the cost to utilities and others in the power sector. Unfortunately, the ruling came too late and citing the cost of compliance, several of Pennsylvania's power plants were closed and hundreds of jobs shuttered.

The CPP will face similar legal scrutiny, and the cost of developing a compliance plan to meet the carbon emissions standard will be much higher, as this is not just retrofitting existing plants with available technologies, but taking offline existing power-producing plants, replacing them with less reliable and more costly new sources and building out the transmission infrastructure statewide.

"The magnitude of layered regulations coming from this Administration, each with a higher price tag than the last is careless," said John Pippy. "This is an environmental regulation, and as such, should not be used as a template for developing our nation's energy policy as there are zero considerations given to the cost of implementation on the ratepayer, taxes, economy or jobs."

As one of the nation's top energy-producing states with the most to lose by rushing compliance, Pennsylvania should prudently apply for and take advantage of the two-year extension. If the CPP is found to be unlawful, Pennsylvania will be left with strict, federally enforceable guidelines for its energy policy, crippling the economy beyond competitive repair and disadvantaging it to other states that waited and weighed the cost of compliance.

Website: www.betterwithcoal.com Facebook: Facebook.com/PACoalAlliance Twitter: Twitter.com/PACoalAlliance

The Pennsylvania Coal Alliance is committed to promoting and advancing the Pennsylvania coal industry and the economic and social benefit to the employees, businesses, communities, and consumers who depend on affordable, reliable, and increasingly clean energy from coal.