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The Honorable John Barrasso
Chairman
Environment & Public Works Committee
United States Senate
410 Dirksen Senate Ofc. Bldg.
Washington, DC 20510

The Honorable Thomas R. Carper
Ranking Member
Environment & Public Works Committee
United States Senate
456 Dirksen Senate Ofc. Bldg.
Washington, DC 20510

RE: NEW SOURCE REVIEW PROGRAM

Dear Chairman Barrasso and Ranking Member Carper:

We are writing to express support for legislation designed to improve EPA's New Source Review (NSR) program. The NSR program was enacted some 40 years ago in the Clean Air Act Amendments of 1977, at a time when the nation faced the threat of rising air pollution levels in many areas. The Clean Air Act has since led to dramatic reductions of air pollutants and improvements in air quality across the country.

NSR generally has worked well to ensure that new industrial and utility sources are equipped with the best available control technology. However, its application to existing sources has led to a complex welter of EPA regulations and court rulings that have strangled investment in energy efficiency and other plant modernizations.

As enacted, the NSR program was intended to ensure that "modifications" to facilities did not "significantly increase" emissions. The statute contains a common-sense exemption for routine maintenance activities. Subsequent EPA regulations and court decisions have constrained the ability of facility owners to invest in needed plant modernization without triggering onerous NSR provisions, including elaborate air quality modeling and plantwide application of best available control technologies for all regulated pollutants.

The NSR program adversely impacts American workers by creating a strong disincentive to undertake projects that can improve the efficiency and productivity of existing utility and industrial plants, ranging from steel and chemicals to refineries. The disincentive to undertake such projects results from the burdensome regulatory consequences of triggering NSR review.

As EPA moves forward with a replacement to the Clean Power Plan, the nation needs strong incentives to undertake efficiency projects at fossil-fueled generating plants that can cost-effectively reduce CO₂ and other air emissions. Major efficiency improvement projects at existing power plants, such as boiler and generator upgrades, would greatly reduce CO₂ emissions because less coal would be used to produce each kilowatt-hour of electricity. Other types of efficiency improvement projects include the installation of more efficient auxiliary drive motors and replacement of degraded boiler components. These investments would create substantial new job opportunities while enhancing the overall reliability of the electric generation fleet.

Legislation also is needed to streamline the emissions permitting practices for routine maintenance, repair and replacement rules, and to exclude pollution control projects from the definition of "modification." We support the exclusion of pollution control projects that result in net overall reduction(s) of air pollutants from the existing definition of "major modifications."

We urge Congress to enact common-sense, simplifying reforms of NSR that can facilitate job-creating investments in our existing industrial infrastructure. These reforms will not jeopardize the air quality improvements made over the past decades, but will contribute to a modernized industrial base that will benefit American workers and the public.

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INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS
INTERNATIONAL ASSOCIATION OF IRON WORKERS, ET AL.
SMART - TRANSPORTATION DIVISION
TRANSPORTATION • COMMUNICATIONS • UNION, IAM
UNITED ASSOCIATION OF PLUMBERS, PIPEFITTERS, ET AL.
UNITED MINE WORKERS OF AMERICA

CC: ALL COMMITTEE MEMBERS