Statement of Matt Campbell on behalf of SMART-Transportation Division
EPA Public Hearings on Clean Power Plan
Atlanta, GA
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Matt Campbell

EPA public hearing on the Clean Power Plan
Testimony

Hello and thank you for this opportunity to come before you today. My name is Matt Campbell, I am speaking on behalf of the SMART-Transportation Division, a Labor Union that represents Railroad Workers across the country. I serve as the Georgia Legislative Director and I am here today to convey our concerns with the EPA's proposed Clean Power Plan.

We are concerned and we care about this issue because of the impact this plan will have on our jobs and our future.

There are 25 freight railroads in Georgia which employ thousands of people. These are not temporary jobs, they are careers. These people, My co-workers, your neighbors, precious careers are in jeopardy because of the hit taken on the Coal industry.

Here are some Railroad facts and figures

1. Nearly 40% of all freight railroad cars in America are Coal Cars. Coal has provided the revenues needed to build and rebuild Americas railroads. Coal continues to provide the money necessary to expand and maintain our rail infrastructure. America's railroads will spend approximately $25billion in 2014 to maintain and expand rail infrastructure, as well as hire 14,000 employees.

2. 25% of the freight rail industries revenue come from the shipping of coal. The miners mine it, the loaders load it, and the railroaders haul it.

3. 20% of all freight rail jobs involve hauling coal

These are huge numbers and will have huge impacts on people's lives and the American economy.

Preliminary estimates of the impact on Jobs brought about with the EPA's proposed clean power rule indicate the potential loss of 52,000 permanent, Direct jobs by the year 2020 in the utility, rail, and coal sectors due to power

plant retirements. When you include the indirect job losses the total increases to approximately 167,000 lost jobs.
-Like I stated previously, these are not temporary jobs, these are not stepping stones, these are life changing careers. High skilled, high paying positions and they are typically in rural communities without other opportunities for comparable employment.
We, those who work in the affected sectors of the proposed Clean Power Plan would like to provide you with some recommendations and topics for consideration. We believe these would enhance the plan in a positive manner if agreed upon. :
1. The plan should provide states with credit for prior CO/2 reductions as an option towards meeting a reasonable national target for reducing CO/2 emissions from the electric power sector.
2. EPA's compliance timetable is unrealistic and unachievable, even with multi-year compliance averaging toward the interim and final targets. The initial reduction program should be delayed by several years to allow states and affected sources adequate time to prepare and submit state plans, and to structure and implement compliance strategies in the most flexible least-cost manner.
3. EPA's proposals for major expansions of state energy efficiency and renewable energy programs interfere with traditional state authority in energy planning, and appear to be well beyond the agency's authority under the Clean Air Act. The Supreme Court's recent decision on the GHG permitting rule contains strong cautionary language that the Court will take a skeptical view of an overly-expansive interpretation of EPA's authority to regulate greenhouse gases.
4. We believe that the agency should reconsider the proposed rule's "building block" approach to set state CO/2 emissions reduction goals based on end-use energy efficiency, increased use of natural gas and renewable energy, as well as other "beyond the fence" emission reduction strategies. Rather, we urge EPA to focus the rule only on options for reducing emissions within the plant fence line. The proposed 6% efficiency improvement for existing coal units is a step in the right direction, but we are doubtful that all of these investments would ever be made given the rule's negative impact on Coal generation and new source review permitting.
5. Finally, we believe that the rule is premature since we do know the extent to which other nations, particularly large developing countries, will be willing to commit to a truly global program of greenhouse gas reductions. We, America, cannot "go it alone" and expect that our actions will have any

meaningful climate impact in a world economy that is using more coal and other fossil fuels every day. Developing nations already emit more CO/2 than advanced industrial nations, and the Department of Energy projects that their share of global emissions will grow steadily and continue to do so regardless of what the United States decides to do.

Before I surrender the microphone, I want to make something clear. I love our environment and I am thankful for the clean air we breathe. That being said, I value my career on the Railroad which allows me to provide for my family. And without this career I am not sure how I could provide for them. As a middle class worker, speaking on behalf of other middle class workers, I plead with the EPA to listen to our recommendations and work to find a sensible, common sense solution that works for everyone.
Thank you for the opportunity and for your attention.

Pittsburgh Hearing – Friday, August 1, 2014

Hello my name is Paul Pokrowka. I am here speaking on behalf of SMART-TD. I am the SLD of Pennsylvania and its 3,000 members.

Why do Railroad Workers care?

1. Almost **40% of all freight railroad cars in America are coal cars**. Coal has provided the revenues needed to build and rebuild America's freight railroads. Coal revenues continue to provide the money necessary to expand and maintain our rail infrastructure. America's railroads will spend about $25b in 2014 to maintain and expand our rail infrastructure and hire about 14,000 employees.
2. **25% of the freight rail industry's revenues** come from the shipping of coal.
3. **20% of all freight rail jobs** involve hauling coal.

I am here today because our members are concerned about the loss of their jobs due to EPA's proposed Clean Power Plan.

EPA reports that the reduction of CO_2 emissions under the Clean Power Plan is equivalent to a **30%** cut from 2005 emissions. However, EPA's proposal gives no credit to states that already have reduced their CO_2 emissions due to market-driven forces including increased natural gas use, the retirement of older coal generating plants, and construction of new nuclear generation.

Since 2005, CO_2 emissions from all fossil-fueled plants have decreased by **13%**. Many states highly dependent on coal-based generation have already achieved significant emission reductions, but still face the additional burden of further reducing their CO_2 emissions on the short timetable set by EPA's proposed rule.

We recognize that states will have flexibility in developing the measures to achieve the CO_2 emission reduction goals called for by the Clean Power Plan. However, the stringency of state reduction goals will nonetheless have the effect of dictating, for the first time, how states regulate the generation and use of energy.

EPA projects that the proposed CO_2 reductions would reduce U.S. coal production for electric generation by **35%** from 2009 levels by the year 2020, with a comparable reduction of coal-based electric generation. Even larger regional coal production reductions are projected by 2020 for Appalachia (a **63%** reduction) and the West (a **47%** reduction).

EPA also projects that this rule will cause the loss of 41 to 49 Gigawatts of coal generating capacity by 2020. These retirements are in addition to the 92 Gigawatts of coal capacity that EPA is already projecting will shut down between 2012 and 2020 due, in large part, to compliance with the 2012 Mercury and Air Toxics Rule. We believe that losing around 130 Gigawatts of baseload coal capacity, nearly 40% of the nation's coal generation fleet in 2012, raises serious concerns about the future reliability of our electric power supplies.

Our reliability concerns will no doubt become even more urgent as existing baseload nuclear units begin to retire upon the expiration of their already extended NRC operating licenses.

Our preliminary estimates of the job impacts of EPA's proposed Clean Power rule indicate the potential loss of **52,000** permanent direct jobs by 2020 in the utility, rail and coal sectors due to power plant retirements, and the loss of **167,000** total direct and indirect jobs. These direct jobs are all highly-skilled, high-paying jobs, typically in rural communities without opportunities for comparable employment. These impacts do not consider any of the job losses associated with the closure of plants due to the MATS rule, and other factors.

EPA's proposal for increasing the dispatch of natural gas combined cycle units, in addition to the 40 Gigawatts of new natural gas combined cycle capacity that EPA projects to come on-line from 2020 to 2030, will lead to significant increases in natural gas prices well above EPA's projections. These price increases will be further amplified by LNG exports. Independent analysts project that utility gas demand may rise three-fold above EPA's forecast. Consumers and energy-intensive industries will bear the brunt of these gas price increases.

We have several recommendations about revisions to the Clean Power Plan:

1. The plan should provide states with credit for prior CO_2 reductions, as an option towards meeting a reasonable national target for reducing CO_2 emissions from the electric power sector.

2. EPA's compliance timetable is unrealistic and unachievable, even with multi-year compliance averaging toward the interim and final targets. The initial reduction program should be delayed by several years to allow states and affected sources adequate time to prepare and submit state plans, and to structure and implement compliance strategies in the most flexible, least-cost manner.

3. EPA's proposals for major expansions of state energy efficiency and renewable energy programs interfere with traditional state authority in energy planning, and appear to be well beyond the agency's authority under the Clean Air Act. The Supreme Court's recent decision on the GHG permitting rule contains strong cautionary language that the Court will take a skeptical view of an overly-expansive interpretation of EPA's authority to regulate greenhouse gases.

4. We believe that the agency should reconsider the proposed rule's "building block" approach to set state CO_2 emissions reduction goals based on end-use energy efficiency, increased use of natural gas and renewable energy, as well as other "beyond the fence" emission reduction strategies. Rather,

we urge EPA to focus the rule only on options for reducing emissions within the plant fence line. The proposed 6% efficiency improvement for existing coal units is a step in the right direction, but we are doubtful that all of these investments would ever be made given the rule's negative impact on coal generation and new source review permitting constraints.

5. Finally, we believe that the rule is premature since we do not know the extent to which other nations, particularly large developing countries, will be willing to commit to a truly global program of greenhouse gas reductions. We cannot “go it alone” and expect that our actions will have any meaningful climate impact in a world economy that is using more coal and other fossil fuels every day. Developing nations already emit more CO_2 than advanced industrial nations, and the Department of Energy projects that their share of global emissions will grow steadily.

Thank you for your time and attention to our concerns and recommendations.