

Testimony of Philip D. Smith, Director of Governmental Affairs,  
United Mine Workers of America

U.S. EPA Clean Power Plan Hearings

Pittsburgh, PA

July 31, 2014

Good Evening. My name is Phil Smith. I am the Director of Governmental Affairs for the United Mine Workers of America. As you probably know by now, more than six thousand union members and their families marched through the streets of Pittsburgh today, raising their voices in opposition to this proposed rule. Some of them, including UMWA President Cecil Roberts, UMWA Secretary-Treasurer Dan Kane and the entire UMWA Executive Board were arrested as they engaged in nonviolent civil disobedience on the sidewalk outside this building.

All these people came here today because they have serious concerns about the effect this proposed rule will have on their lives. EPA's own analysis of this rule acknowledges that thousands of coal miners will lose their jobs. That puts their ability to provide for their families at risk. And it puts the retirement security for retired miners, their dependents and widows at risk.

That makes them, rightfully, very concerned. And since EPA has thus far refused to hold one of these hearings in the coal producing areas of the country, they had no choice but to come here to make their voices heard.

And I assure you, you have not heard their voices for the last time. If EPA does not have the courage to come to the coalfields and look the people who will be most harmed by this and other rules in the eye, then they will keep coming to you.

It is important that we put into perspective what this proposed rule does and does not do. Despite bearing a name only a focus group could love, the Clean Power Plan is and always was about taking action to reducing greenhouse gas emissions from existing sources. But will it? I have heard some in the environmental community complain that it does not go far enough.

I can understand their point, if EPA's goal is to significantly reduce global greenhouse gas emissions. This proposed rule does not do that. Indeed, it will have a fairly insignificant effect on global emissions, reducing them by about 1 percent. One doesn't hear much about that from EPA and its cheerleaders.

But in exchange for that one percent reduction, tens of thousands of coal miners, electrical workers, boilermakers, utility workers and railway workers will lose their jobs. The pensions and health care retired miners earned through decades of dangerous, backbreaking work will be threatened, if not eliminated entirely. The harmful effect on their families and their communities will be significant.

We don't see this as a fair trade-off. Some say there will be other jobs created that our members can get. But where will those jobs be? What will they pay? What benefits will they have? You are asking people who earn about 27 dollars an hour plus benefits -- and believe me, they earn that money working in a coal mine -- to willingly give that job up, take the government's word for it that there will be another job, move away from the place where their families have lived and died for generations, then get retrained to do something that will likely pay much less than they earned before, with few if any benefits. Nor is it likely that this new job will have the protections of a union contract. How can anyone wonder why our members are upset about that prospect?

Some have said that the United States needs to take the lead on combatting climate change with this rule. If we do it, others will follow, or so that line of thinking goes. But how do we know this? I am no expert in foreign affairs, but I do know something about economics and the global marketplace.

The truth is that rising economic competitors like China and India have welcomed millions of what used to be American jobs to their shores in the past decades. They are able to do that by providing cheap labor and cheap energy. They will continue to have both in abundance for decades to come, and that energy is and will continue to be powered by coal no matter what we do.

The UMWA does not dispute the science regarding climate change and the role greenhouse gas emissions play in that. We understand that steps need to be taken to address this issue. Our very real concern is that this proposed rule does not do that in a way that is fair to all Americans and their families.

So here are my requests of you today. First, bring these hearings to the coalfields. You have a responsibility in a representative form of government to hear from those who are going to be most affected by this rule.

Second, go back and take a look at how you can take meaningful steps in this rule to incentivize the development and application of technologies that will allow our nation to continue to take advantage of its most abundant fuel source, coal.

Lastly, don't destroy the lives of the very people who did what our nation asked of them -- providing the coal that for the last 150 years has

energized America and provided us with the means to become the most powerful nation on earth. Please, hear their voices. Thank you.

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Statement of Eugene M. Trisko  
on behalf of  
United Mine Workers of America  
U.S. EPA Clean Power Plan Hearings  
Washington, D.C.  
July 30, 2014

Good evening. My name is Gene Trisko. I am an attorney in private practice and have represented the United Mine Workers in Clean Air Act matters for 30 years. I am here because the UMWA is concerned about the loss of jobs due to EPA's proposed Clean Power Plan.

The reduction of CO<sub>2</sub> emissions under the Clean Power Plan is equivalent to a 30% cut from 2005 emissions. However, the rule gives no credit to states that already have reduced their CO<sub>2</sub> emissions due to market-driven forces such as increased natural gas use and the retirement of older coal generating plants.

The majority of states would have smaller emission reduction targets if their reductions were calculated against a true 2005 baseline. Many states would have no reductions at all due to their recent emission cutbacks.

The short timetable set by EPA's proposed rule is unworkable. States will require more than one year to prepare SIPs. Many states require legislative approval of SIPs, a process that itself can take a year.

We recommend that the interim target be designed to allow greater flexibility. A mid-course review such as used in regional haze SIPs or a reasonable further progress requirement would afford greater flexibility than a mathematical averaging process tied to an interim target.

EPA projects that state option I would reduce U.S. coal production for electric generation by 27%, or 228 million tons in 2020 relative to the base case. Appalachian production is projected to decline by 35% from 140 to 91 million

tons. Even larger production declines are projected in the West.

EPA forecasts that the 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 will shut down between 2012 and 2020 due, in large part, to compliance with the 2012 Mercury and Air Toxics Rule.

Losing some 130 Gigawatts of baseload capacity, nearly 40% of the nation's coal generation fleet in 2012, raises serious concerns about the future reliability of our electric power supplies. The reliability analysis contained in EPA's Technical Support Document is inadequate because it fails to account for potential subregional supply deficits and relies on overly optimistic assumptions about demand reductions associated with the rule's energy efficiency provisions.

Our estimates of the job impacts of the 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 high-paying jobs, typically in rural communities without opportunities for comparable employment. These impacts do not consider any of the plant closures and job losses expected over the next few years due to the MATS rule and other factors, or the impacts of higher electricity and natural gas prices on other industries.

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.

State legislatures that have set renewable energy goals based on a balancing of local economic and environmental considerations now find that those judgments have been second-guessed by EPA. Congress itself has been unable to agree on national renewable energy targets.

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 be made given the rule's negative impact on coal generation and new source review permitting constraints.

Finally, 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. Our actions will have negligible climate impacts in a world economy that is using more coal and other fossil fuels every day. All indications from the UN climate negotiation process point to extreme difficulty in reaching an agreement in Paris next year that would lead to decreases in emissions from major developing nations sufficient to meet the 1992 Framework Convention's long-term goals.

Thank you.