

BEFORE THE U.S. ENVIRONMENTAL PROTECTION AGENCY

**Public Hearings on EPA's Proposed
Clean Power Plan**

July 2014

**Comments of Utility Workers
Union of America, AFL-CIO**



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I wish to thank EPA for this opportunity to provide our views on the proposed Clean Power Plan and its likely impacts on utility workers, especially for the thousands of UWUA members employed in electric power generating facilities.

The UWUA represents 50,000 employees in the electric generation, distribution, and other utility industries. The future of our members employed in power generating facilities – including the welfare of their families and their communities – will be vitally impacted by the final rule adopted by EPA in this matter. UWUA members will also be directly affected by the State Implementation Plans the states will ultimately adopt in order to comply with EPA's proposed rule.

Given the enormous stake our members have in these decisions, we would like to offer our recommendations for how our nation can substantially reduce carbon emissions while also protecting existing jobs in the utility and related industries.

First, we urge that the final rule should encourage the states to embrace in their State Implementation Plans concrete support for new technologies that will protect existing jobs while reducing emissions.

We strongly support the flexibility given to the states in the proposed rule to determine how best to reduce carbon emissions. In addition, however, we believe the rule should specifically encourage the states to embrace policies that will support the modernization of the existing power generation infrastructure so critical to many of our states' economies.

This should include a recognition that coal will continue to play an important role in meeting our essential power needs. In our view, technologies such as carbon capture and sequestration are essential not only to protect the thousands of family-supporting jobs associated with coal-fired generation, but also as an essential component of any workable plan to address climate change.

With power demand surging around the globe, and with countries such as China and India expected to continue to build new coal-fired plants to power their growing economies, effective carbon capture and sequestration will be essential if we have any chance of reducing carbon emissions on a global level.

And just as we believe the U.S. should play a leading role in developing and exporting renewable energy technologies such as wind and solar, the U.S. should

also take the lead in developing carbon capture and sequestration as well as other technologies to significantly reduce emissions from coal-fired power plants.

With federal support, NRG Energy recently began construction of a \$1 billion carbon capture project designed to remove 1.6 million tons of carbon dioxide a year from emissions from a power plant near Houston, Texas. This will be one of the largest carbon-capture projects operating at a commercial scale and is an important first step, but much more needs to be done.

Other technologies are also available to increase the efficiency of existing coal-fired plants so that total carbon emissions are reduced. Similarly, our nation's electric power grid desperately needs modernization. One important benefit of grid modernization is that transmission over the grid will become more efficient, which in turn will reduce overall emissions from power generation.

In short, we urge that the final Clean Power Plan should encourage the states to include concrete support for technologies designed to modernize and sustain existing generation facilities as part of their overall plans to reduce carbon emissions, while also protecting jobs.

Second, we urge that the final rule should encourage the states to conduct state-specific job impact assessments in their State Implementation Plans, and to provide detailed plans for mitigating any expected adverse impacts stemming from implementation of the rule on dislocated workers and their communities.

In our view, federal and state regulators must plan in advance for the economic dislocations that will inevitably occur whenever new regulatory policies are introduced. This includes the need to identify adequate funding sources for programs to assist workers and communities that may find themselves the innocent victims of the shift toward low-carbon energy.

In the proposed rule itself, EPA estimates that up to 50 gigawatts of coal-fired generation could be taken offline by 2030 as a result of implementation. The proposed rule also implicitly recognizes that, while this historic shift in national energy policy will create new jobs in new industries, there is no guarantee that workers who may lose their existing jobs in coal-related industries will be the beneficiaries of these new jobs.

We believe that any regulatory policy that transfers the full cost of compliance onto stranded workers and communities is bad policy.

We therefore recommend that the final rule should urge the states to include in their State Implementation Plans state-specific job impact assessments, coupled with specific plans to mitigate any adverse job impacts. These should include transitional programs and designated sources of funding to support:

- Wages, benefits, and retraining for utility workers, mine workers, and others who may become displaced as a result of the shift toward lower-carbon energy;
- Expansion of existing economic development programs to enable communities to respond to power plant closures or downsizing; and
- Support for the development of new energy projects and technologies in the communities most impacted by this shift in national policy, and guarantees that displaced workers will be able to find new, sustainable jobs in our new energy future.

Beyond simple notions of fairness, mitigating these adverse job impacts would provide critical economic benefits. An effective transition plan for workers and communities would foster new economic development strategies to replace lost tax revenues, and would also help ensure that the skills needed to compete in a 21st Century economy will remain available.

In summary, the UWUA supports the need for bold action to address the challenges of climate change, but in the process we must avoid creating another Rust Belt that would result from a new wave of power plant closures caused by ill-conceived regulations. We believe this can be done while also substantially reducing carbon emissions, if we combine sensible regulatory policies with a sound plan to assist affected workers and communities in the transition.

In our view, the best way forward is to adopt policies that support the modernization of our existing power generation and transmission infrastructure, including the continued use of responsible coal-fired generation, coupled with concrete, long-term support for the workers and communities who may become stranded in the process.

Thank you again for giving us the opportunity to comment on EPA's proposed Clean Power Plan.