

**Statement of David Doniger,
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Natural Resources Defense Council
Public Hearing on EPA Proposed Standards of Performance for Greenhouse
Gas Emissions from New Electric Generating Units
February 6, 2014**

Thank you for the opportunity to speak today on behalf of the Natural Resources Defense Council's 1.4 million members and online activists in support of EPA's proposed standards to limit carbon pollution from future power plants. Several of my NRDC colleagues will testify later in the day, and we will address different aspects of the proposal.

This is the first big step to implement President Obama's Climate Action Plan, announced last June. "The question," the president said then, "is whether we will have the courage to act before it's too late. And how we answer will have a profound impact on the world we leave behind not just to you, but to your children and to your grandchildren. As a President, as a father, and as an American, I am here to say we need to act."

The President set out a specific timetable for EPA to take action under the Clean Air Act on carbon pollution from new and existing power plants. Power plants are the most important place to act, because they are the nation's biggest drivers of dangerous climate change – responsible for more than *two billion* tons of carbon dioxide (CO₂) emissions each year.

Cutting carbon pollution from new power plants is vital to assure that tomorrow's electricity won't come at the expense of our children's future. It is also a critical step towards establishing standards to clean up the existing fleet of power plants. We commend EPA for the steps it is taking on both new and existing power plants to carry out the President's timetable for action.

EPA's authority and responsibility to curb carbon pollution under the Clean Air Act is absolutely clear. The Supreme Court upheld EPA's authority to curb carbon pollution from motor vehicles in *Massachusetts v. EPA* in 2007, and the Court upheld EPA's authority to do the same for carbon pollution from power plants in *American Electric Power v. Connecticut* in 2011. The Court delivered the "third strike" when it refused all pleas to strike down the agency's landmark clean car standards last fall.

I would like to focus on two major points. First, EPA is fully justified in setting standards for new power plants under Section 111(b). As the proposal notes, EPA has made the science-based determination that emissions of CO₂ and other greenhouse gases contribute to air pollution that endangers public health and welfare. The D.C. Circuit Court of Appeals upheld the endangerment determination, and as noted the Supreme Court refused all challenges to it. Power plants, being responsible for 40 percent of the nation's CO₂ pollution, are the most significant contributor to that greenhouse gas air pollution. The endangerment determination, coupled with information on the scale of power plant carbon pollution, fully supports the setting of Section 111 standards.

Second, let me address the question of categories and subcategories. Section 111(b) authorizes EPA to define the industrial category to be covered by standards, and EPA asks for comment on several options. While NRDC supports the current proposal to set standards for three specific subcategories, we believe EPA should define the overall category broadly to reflect the full scope and character of the nation's electricity generating system. This means that in addition to including the coal- and gas-fired units covered by the current proposal, the category also should encompass *all of the greenhouse-gas emitting facilities that contribute electricity to the grid, or that generate electricity for use in facilities that otherwise would have taken electricity from the grid.*

Within this electricity system category, there is room for EPA to establish appropriate subcategories. Thus, while we supported the original April 2012 proposal with a single standard for coal- and gas-fired, NRDC also supports the current proposal with separate “best system of emission reduction” (BSER) determinations for subcategories consisting of fossil-fuel-fired utility boilers and IGCC units and natural gas combined cycle (NGCC) units. My colleagues David Hawkins and Ben Longstreth will speak in more detail about the appropriate standards for these subcategories. We think it would make the most logical sense to define Subpart TTTT to reflect the broad system-wide category described above, to complete the setting of proposed standards for these subcategories, and then to establish a schedule for developing standards for other appropriate subcategories within that Subpart.

NRDC believes EPA should reconsider the proposed exemption of new units that are intended to provide less than one-third of their potential electricity output to the grid. This exemption is described as mainly (but not exclusively) covering new simple-cycle natural gas units intended for peaking purposes, but the one-third exemption will also cover units that run more often than traditional peakers. Substantial numbers of simple-cycle units are being constructed, and they need to be promptly covered by appropriate carbon pollution standards. While EPA should not delay completing the rulemaking for the pending proposed standards, the agency needs to narrow the proposed exemption and establish appropriate standards for these plants without delay.

In conclusion, NRDC commends EPA for issuing this proposal. We will comment further in other testimony today and in writing on additional issues that I have not covered. And we urge you to keep moving forward to implement the President’s charge to curb the dangerous carbon pollution from both new and existing power plants.