



July 6, 2017

U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, DC 20004

Comments of the American Coalition for Clean Coal Electricity in Response to EPA's Proposed Postponement of Certain Compliance Dates for the Effluent Limitations Guidelines and Standards for the Steam Electric Power Generating Point Source Category, 82 Fed. Reg. 26,017 (June 6, 2017); Docket ID No. EPA-HQ-OW-2009-0819

Submitted to Regulations.gov, Docket ID No. EPA-HQ-OW-2009-0819

The American Coalition for Clean Coal Electricity (ACCCE) appreciates the opportunity to submit comments in support of EPA's proposal to postpone the compliance deadlines for the steam electric effluent limitations guidelines ("ELG rule").ⁱ ACCCE is a national organization whose mission is to advocate on behalf of the coal fleet.ⁱⁱ

Coal Fleet The coal fleet is one of the nation's principal sources of baseload electricity, providing 30% of electricity generated last year. Baseload electricity sources, like the coal fleet, are the foundation of the electricity grid because they can be counted on 24/7. In addition, the coal fleet is essential to maintaining a resilient grid, that is, the ability of the electricity system to recover quickly from extreme disturbances.

Unfortunately, EPA regulations have been a major factor in the retirement, so far, of 454 coal-fired electric generating units in 37 states representing a total of nearly 76,000 megawatts (MW) of electric generating capacity.ⁱⁱⁱ These EPA-caused retirements comprise almost one quarter of the U.S. coal fleet. DOE is studying factors that are causing the retirement of baseload power plants because these retirements could impact grid reliability and resilience. We commend EPA for reviewing regulations, such as the ELG rule, that could cause the retirement of even more coal-fired electric generating units and, thus, have serious consequences for U.S. energy policy.

ELG Rule The current ELG rule is also a threat to the coal fleet. If it remains as is, the ELG rule, in combination with the coal combustion residuals rule (CCR), is projected to cost electricity generators hundreds of millions to billions of dollars and is already causing coal-fired power plant retirements. For example, Santee Cooper in South Carolina estimates the cost of the two rules to exceed \$700 million for just two coal-fired plants; and Northern Indiana Public Service Company projects the total cost for the ELG and CCR rules to be as much as \$830 million and be a major driver in the retirement of four coal-fired electric generating units.^{iv}

On the other hand, the ELG rule would have minimal water quality benefits. According to EPA's analysis of the rule, its projected cost, \$470 million to \$480 million per year, exceeds its projected water quality benefits of \$150 million to \$180 million per year. In addition, EPA projected human health benefits of only \$11 million to \$17 million per year.^v

In light of these costs and benefits, it is appropriate for EPA to have granted petitions for reconsideration of the ELG rule filed by the Utility Water Act Group (UWAG) and the Small Business Administration and to postpone certain compliance dates in the ELG rule during that reconsideration.

The earliest compliance date for the ELG rule is November 1, 2018. UWAG stated in its April 13 Supplemental Information supporting its petition the urgency of extending ELG rule deadlines because compliance with the ELG rule "... requires substantial time to come into compliance for multiple waste streams. Detailed studies and planning, followed by large capital expenditures and subsequent installation and testing, are time-consuming."^{vi} EPA also notes that "companies ... are reaching the point at which they will be committing funds, incurring costs, or commencing construction to install technologies."^{vii}

Based on discussions with ACCCE members who must comply with the CCR rule, we agree with the assessment by UWAG and EPA, and we support EPA's proposal to postpone the ELG compliance dates. Postponement of the ELG compliance deadlines while EPA reconsiders the rule means that fewer coal-fired electric generating units face the threat of imminent retirement. In the meantime, while EPA's reconsideration is ongoing, the existing steam electric ELGs will remain in place, ensuring that water quality is protected.

CCR Rule In addition, ACCCE wishes to point out that EPA should also postpone the deadlines for complying with the CCR rule. Because the ELG

and CCR rules address related waste streams, power plant owners are making decisions based on both rules. Therefore, we urge EPA to grant the pending Utility Solid Waste Activities Group (USWAG) petition for reconsideration of the CCR rule and postpone the CCR rule's deadlines so compliance timeframes for both rules can be coordinated.

Conclusion ACCCE wholeheartedly supports EPA's proposal to postpone the ELG compliance deadlines. We also want to thank EPA for continuing to take reasonable steps, such as this proposal, which will prevent unnecessary economic impacts and threats to electric grid reliability, while still protecting the environment.

Sincerely,

/s/

Paul Bailey
President and Chief Executive Officer

ⁱ 82 Fed. Reg. 26,017 (June 6, 2017).

ⁱⁱ ACCCE's members include electricity generators, coal producers, railroads, barge lines, and equipment suppliers.

ⁱⁱⁱ ACCCE, *Retirement of Coal-Fired Electric Generating Units as of June 17, 2017*.

^{iv} South Carolina Public Service Authority, *\$52,400,000 Santee Cooper: Revenue Obligations, 2016 Tax-Exempt Refunding Series C*, October 6, 2016, page 44. NIPSCO, *Northern Indiana Public Service Company 2016 Integrated Resource Plan*, November 1, 2016, Appendix A, Exhibit 3 (page 405 of pdf).

^v EPA, *Benefit and Cost Analysis for the Effluent Limitations Guidelines and Standards for the Steam Electric Power Generating Point Source Category*, September 2015.

^{vi} *The Utility Water Act Group's Supplemental Information In Support Of Its Petition For Rulemaking to Reconsider And Administratively Stay The Effluent Limitations Guidelines And Standards For The Steam Electric Generating Point Source Category; Final Rule*, 80 Fed. Reg. 67,838-903 (Nov. 3, 2015), April 13, 2017.

^{vii} 82 Fed. Reg. 26,018 (June 6, 2017).