

**STATEMENT OF MICHELLE BLOODWORTH AT  
EPA'S PUBLIC HEARING ON THE PROPOSED CLEAN POWER PLAN 2.0**

**June 14, 2023**

Good afternoon. My name is Michelle Bloodworth, and I am President and CEO of America's Power which advocates for coal electricity and its supply chain.

Let me start by expressing our disappointment that EPA is extending the comment deadline on its proposed Clean Power Plan 2.0 by only 15 days. This means that EPA is allowing the public less than three months to analyze and comment on a complicated proposal with profound consequences that the Agency has spent at least two years developing.

Coal plants provide affordable baseload electricity, secure fuel supplies, essential reliability services, other reliability attributes, and they contribute to energy diversity. However, EPA rules are forcing coal retirements and increasing the risk of electricity shortages and other reliability problems.

EPA has been implementing a revised CCR Rule; finalized an Ozone Transport Rule; and proposed revised Effluent Limitations Guidelines, revised Mercury and Air Toxics Standards, and the Clean Power Plan (CPP) 2.0. We estimate that these EPA rules collectively will cause coal retirements to rise sharply during 2026-2032 and exacerbate the risk of grid reliability problems.

Today, the nation's coal fleet totals approximately 188,000 MW and provides approximately 20 percent of the nation's electricity. EPA projects that the coal fleet will total less than 60,000 MW by 2030 because of CPP 2.0, the Inflation Reduction Act, and a handful of other EPA rules. EPA's projections, which we believe understate future coal retirements, show that the nation's coal fleet will be dangerously small by 2030, if not earlier.

CPP 2.0 is intended to replace EPA's 2015 Clean Power Plan which was rejected by the U.S. Supreme Court as an overreach. CPP 2.0 is also an overreach because it would re-engineer the nation's power grid, just as the original CPP attempted to do. The proposal would have an unprecedented impact on the coal fleet, which must comply with the proposal by January 1, 2030. This means the owners of the coal fleet would have less than three years to come into compliance because states have two years (until mid-2026) to submit plans to EPA after the rule is finalized, and the agency has one year (until mid-2027) to approve or disapprove state plans. Compliance could entail co-firing with 40 percent natural gas or installation of carbon capture and storage. However, CCS takes nine years or more to install, can cost \$1 billion for an

average coal plant, and reduces the efficiency of a coal plant by roughly 20 percent. The ridiculously tight compliance deadline and the enormous cost of compliance simply mean more premature coal retirements and greater odds of electricity shortages, which NERC and grid operators have been warning about for the past three years. Because of CPP 2.0, we estimate that more than 100,000 MW of coal nationwide are at risk of even earlier retirement than is reflected in retirement projections by EPA. Considering the accredited capacity of different electricity resources, replacing 100,000 MW of coal-fired generation would require the addition of more than 500,000 MW of wind or at least 200,000 MW of solar. Moreover, wind and solar are unable to provide the same reliability attributes as coal and other baseload electricity resources.

EPA's modeling concluded that CPP 2.0 would not cause any resource adequacy problems. In other words, there would be adequate generating capacity in the future to replace the coal retirements caused by CPP 2.0 and other EPA rules. However, EPA's model is designed to *never* project resource inadequacy because the model simply adds enough replacement capacity to offset the retiring capacity, regardless of whether this new replacement capacity would actually be built in the real world and would provide the same reliability attributes as the coal fleet such as fuel security. In addition to the unconvincing resource adequacy analysis, EPA has done no analysis that we are aware of to show the grid would be reliable with massive coal retirements.

CPP 2.0 is intended to help decarbonize the U.S electric grid and presumably reduce the effects of climate change. However, the proposal would reduce global greenhouse gas emissions by only one-tenth of one percent (0.1 percent). Currently, China has announced or has under development almost 366,000 MW of coal-fired generating capacity. This means that the entire U.S. coal fleet (188,000 MW), which EPA and the administration are attempting to eliminate, is only half the size of the new coal-fired generating capacity that China is adding to its already enormous coal fleet.

In closing, we urge EPA to analyze the reliability impacts of its rules and develop reasonable rules that do not cause more coal retirements or contribute to reliability problems.

Thank you for the opportunity to speak today.

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