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December 1, 2014

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Via: A-and-R-Docket@epa.gov

Attn: Docket ID No. EPA-HQ-OAR-2013-0602

Comments on Proposed Rule, Carbon Pollution Emission Guidelines for Existing Stationary Sources: Electric Utility Generating Units, June 18, 2014, 79 Fed. Reg. 34830

The BlueGreen Alliance, as a partnership of 10 of America's largest labor unions and 5 national environmental groups representing more than 15 million members and supporters working toward a cleaner, fairer and more competitive American economy, submits the attached comments in response to the EPA's recent Federal Register Notice of Proposed Rulemaking - Carbon Pollution Emission Guidelines for Existing Stationary Sources: Electric Utility Generating Units.

The BlueGreen Alliance was founded in 2006 with the recognition that we can no longer be forced to choose between good jobs and a clean environment; that now, we can and must have both. This drives our belief that climate change can and must be addressed in a way that creates and maintains quality jobs and provides economic opportunity.

Climate change is one of the greatest challenges of our generation. It is a threat to our environment and to our economy, and it is imperative that we take action to address it. Proposals to address climate change should also work to ensure that the transition to a clean energy economy fosters an improved quality of life for all Americans. Specifically, efforts to reduce carbon emissions should go hand in hand with efforts to increase the number and quality of family-supporting jobs where workers can exercise their basic rights. The EPA's final rule should help create the conditions for a sustainable economy and environment in order to enrich the lives of individuals, families and communities.

































We support the EPA's authority to limit carbon pollution from power plants. We note that this proposed rule permits each state to craft a compliance plan that can be tailored to the specifics of its local and regional economy; which in turn can create opportunities to sustain and grow jobs, encourage investment, and jumpstart new technologies.

As a broad coalition of labor and environmental groups, we believe there is still further opportunity for EPA to get the details of the final rule correct and to provide states the tools they need to achieve this outcome.

It is important to note that EPA has provided for state flexibility to plan for and comply with the rule. The final rule must reflect this need for flexibility in state implementation of the rule as well as facilitate system reliability and energy security.

These first-ever proposed limits on existing power plant carbon emissions are a step forward in reducing the carbon pollution that fuels climate change. And they will send a forceful message to other nations around the globe that, when it comes to combating climate change, the United States leads by example. While the U.S. should lead, however, it is also imperative that other countries, such as China, are held accountable for their own emissions.

The final rule should offer states and regions maximum flexibility for compliance, within their emissions targets. Each state should have the opportunity to determine for itself which carbon reduction mechanisms make the most sense for its citizens, its workers and its economy, or for states to band together to submit regional implementation plans. As a result, the final rule must permit each state to focus on ensuring power reliability, fostering community stability, and encouraging economic growth—all while reducing carbon dioxide pollution.

Ultimately, success of the rule depends on every state having the tools and flexibility necessary to optimize compliance, jobs and community benefits together. We believe that these constructive paths forward can be found.

Meanwhile, boosting end-use energy efficiency, including through mechanisms which facilitate adoption of industrial efficiency measures, such as combined heat and power or waste heat recovery systems, can reduce demand for electricity, further cutting emissions. And manufacturing and installing equipment to improve efficiency can create and maintain jobs for workers in factories and on construction sites.

A state whose power comes principally from gas plants may institute diversification incentives, so that renewables supply more of the state's energy mix. Renewable energy, in the form of wind, solar, and other carbon neutral energy sources, can provide a critical piece of the energy puzzle for many states.

In recent years, both renewable energy and energy efficiency deployment has grown at an accelerated rate. Increased efficiency investments by utilities and by commercial and industrial

facilities have yielded significant energy savings, along with jobs in the manufacturing and installation of efficiency technologies. Similarly solar and wind deployment, including at utility scale, is growing rapidly and an integrated approach can enhance the growth of domestic manufacturing and good jobs in this sector. Allowing states to include renewable and efficiency technology in plans to achieve implementation targets can contribute to both job creation and clean power. In addition, a focus on measures to secure and enhance system reliability across states and regions, including to upgrades to the grid, is critical to sound implementation and a source of economic growth.

A state can authorize carbon capture and storage mechanisms to reduce emissions from existing coal plants. This technology has been used successfully in a Department of Energy-sponsored project in Alabama, which captured more than 150,000 metric tons of carbon dioxide per year from a coal power plant. The Department of Energy is helping to fund construction on the largest carbon capture project in the world—the Petra Nova project in Texas—which is projected to capture 90 percent of the carbon dioxide emissions from one of the plant's generators. The BlueGreen Alliance urges the EPA to include in its final rule language permitting states to use carbon capture mechanisms as a compliance tool, with appropriate monitoring and verification. A state can facilitate the adoption of integrated coal gasification combined cycle technology, which again would reduce carbon emissions.

With adequate funding for oversight, a state can approve a carbon credit exchange, by which a facility that uses renewables or other tools to cut emissions below its target could sell its "surplus emission reductions" to another for use in meeting its own reduction goals. Such an exchange can also serve as a financing mechanism for technological upgrades and worker and community transition programs, either within a single state or on a regional basis and provides additional timeframe and technology flexibility.

The proposed rule acknowledges that the causes and potential impacts of climate change raise environmental justice issues, finding that some people, particularly the poor, elderly, and very young are most vulnerable to climate-related health effects. Climate change will have a disproportionate impact on disadvantaged and low-income communities, which already face disproportionate impacts from substandard air quality resulting in higher rates of respiratory illness, hospitalizations, and premature death. State implementation plans as well, as the federal implementation plan, should direct resources to the state's most impacted and disadvantaged communities to ensure activities taken pursuant to that authority will create emission reductions and mitigate direct health impacts in the state's most impacted and disadvantaged communities, while providing economic and health benefits to these communities.

Finally, while we believe that states can craft comprehensive implementation plans that result in net job creation across the country, it is imperative that the federal government and states provide direct support to workers and communities, extending to ancillary and support/supply-side sectors as well as the utility sector. We believe that every sector of the electric power industry has an important, positive role to play in achieving carbon reductions. But this transition, if not implemented correctly, has the potential to create significant disruption as well. A proper transition plan requires recognition

of adverse job and community impacts where they may occur, and an integrated program to specifically and directly address them. As part of this plan, we urge the Obama administration, Congress, and the states to ensure impacted workers have transition assistance. We cannot stress this point enough. EPA should signal to states and/or regions that it is important to build support to workers and communities within their Implementation Plans.

A proper transition means direct support for workers by providing wages, benefits, training, education and the recognition of basic workers' rights. It also means providing a community with resources to redevelop its economy and create high-paying jobs that can match or exceed those that may have been lost. The private sector, including utilities, and all levels of government must work in tandem with communities to make these transitions a success.

We need bold action to retool our nation. We need an ambitious agenda that combines a sound emission reduction strategy with a sound infrastructure, jobs, and community resiliency strategy. Stagnating wages and employment is a major issue in the U.S. and globally. We must combine our emission reduction goals with putting people to work at family- and community- supporting wages. The wealth of this nation, and indeed the global economy, has been built on the contribution of millions of workers in energy intensive industries. It is a false choice for workers to choose between a better environment and family supporting wages. We need national and global collaboration to develop and share best practices for a just transition for all workers, their families and the communities that depend on them. By putting people to work converting to a climate-safe economy we can accelerate our emission reduction goals. We can and must view the effects of climate change and economic inequality as two sides of the same coin.

We believe that, if well crafted, a rule can be realized by engagement with stakeholders to develop a plan that includes adequately funded, flexible implementation programs to meet the needs of workers and their industries as well as the communities and states in which they live.

We at the BlueGreen Alliance applaud the EPA for moving forward on addressing the threat of climate change.

Sincerely,

Kim Glas

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