Comments regarding:

Docket Number: EPA-HQ-QAR-2013-0602 (for the Clean Power Plan for Existing Sources)

Docket Number: EPA-HQ-QAR-2013-0630 (for the Carbon Pollution Standard for Modified Sources)
Thank you for holding these public hearings and for the opportunity to speak today.

My name is Rodney J. Russell and I am the President for the Atlanta Chapter for the American Association of Blacks in Energy. Today, I am representing our chapter. AABE is a national association of energy professionals founded and dedicated to ensure that African Americans and other minorities has a voice in the development of energy policy and related environmental issues.

While we are still in the process of analyzing the rule and the many technical support documents, AABE has some significant concerns about EPA’s proposed clean power plan. We recognize that there is no simple solution for addressing the Climate Change issue with regard to Greenhouse Gas (GHG) emissions. However, we believe any approach must be balance, fair and take into consideration the impact to communities, economic development, health, jobs and the price of electricity.

This proposed rule is very likely to significantly increase electric power costs across the country. It will do so, in part, by changing the way our nation’s electric generation resources are utilized to meet demand. Currently, generating units are dispatched based primarily on economics to ensure that the most cost-effective generating units are dispatched first. This rule appears to largely eliminate economic dispatch in favor of environmental dispatch, without regard to cost.

For example, to develop the state-specific goals, EPA assumes that utilities will shift generation from coal-units to natural gas units, and EPA assumes natural gas units across the country will run at a 70% capacity factor or more. EPA must understand that if those natural gas units were the most cost-effective, they would already be running at higher levels. EPA also assumes that
generation will be shifted to renewable energy – wind, solar, and possibly biomass. While AABE supports renewable energy, it must be cost-effective.

Because it eliminates the focus on cost of energy resources, EPA’s proposed carbon plan will, not only increase electricity prices, but also the price of natural gas. Natural gas is also used by industry, in transportation, and to heat our homes. Basic principles of supply and demand tell us that increased demand for natural gas in the electric sector will increase gas prices. Increasing the cost of electricity and natural gas will increase the costs of goods and services across the county and will drive more industry and manufacturing jobs overseas.

The bottom line? Higher electric bills, higher heating bills, more expensive goods and services, and fewer jobs.

All of these have a disproportionate impact on those who are least able to manage those impacts. That is, our small business owners and families and individuals who are on a fixed income or low income.

We need to make progress on our climate change goals and commitments, but we must find solutions that minimize the risk of cost increases and do not heap the costs on those least able to bear them.

We support a holistic approach to meet the rising demand of electricity. In 2012, electricity accounted for 32 percent of the Total Greenhouse Gas emissions by economic sector. Industry and Transportation, combined, accounted for 48% of the Total Greenhouse Gas emissions by economic sector. By focusing on electricity only, the ruling ignores other contributors to GHG emissions.
While it's not a silver bullet, broad deployment of energy efficiency measures will be important
to reduce the impact of rising utility bills. AABE strongly supports energy efficiency and serves
as a resource on this issue for energy consumers, especially in underserved communities. But
we can't do it alone. Energy efficiency measures and education must be made available to small
businesses and low and fixed income families and individuals because they are the ones that will
benefit the most from the energy savings.

We recognize that there is no simple solution for reducing GHG emissions. We believe the best
strategy will strike a balance between cost-effective emission reductions and economic growth
and prosperity for all Americans. This proposal does not strike that balance.

Thank you for the opportunity to provide comments.

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1 Source: EPA
2 Source: EPA