

United States Senate

WASHINGTON, DC 20510-2309

May 28, 2014

The Honorable Barack Obama
President of the United States
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear President Obama:

As you know, the Clean Air Act requires the Environmental Protection Agency (EPA) to regulate air emissions, including greenhouse gases (GHG), from various sources. Among these sources are more than 500 coal-fired power plants (CFPPs) that supply about 40 percent of the nation's electricity, but are also large sources of GHG emissions. While section 111(d) of the Clean Air Act requires regulating existing CFPPs, it also allows for the EPA to give states flexibility on how to implement regulations. As your Administration works to create GHG performance standards for existing CFPPs, I respectfully request that these regulations allow CFPP compliance through improved energy efficiency and renewable energy expansion, and that you consider flexible implementation and accountability at the regional level.

Many emission reduction opportunities exist at the point of the end user of energy. Recent analysis by the American Council for an Energy-Efficient Economy shows that investments in energy efficiency, through retrofits and other mechanisms, can reduce U.S. energy consumption by up to 60 percent by 2050. It is therefore imperative that the EPA regulations allow states the flexibility to count improved energy efficiency by end users toward compliance. Without such flexibility, the cost of compliance on electricity providers and consumers could be higher, without any additional environmental gains.

Reducing GHG emissions through renewable generation is an additional tool that could be utilized for effective 111(d) implementation. GHGs released from power plants can be negated, on a net basis, by increasing renewable generation. Existing programs for clean renewable generation (including biomass), as well as the flexibility for new programs, should be allowed. These programs would provide additional flexibility in meeting 111(d) requirements while still decreasing net GHG emissions.

Furthermore, any regulations under 111(d) should allow sufficient flexibility for the regional utilities that already serve customers. Many utilities operate power generation, transmission, and distribution systems spanning multiple states. Rather than encouraging a patchwork of different regulations for each state within the region, the EPA should allow compliance through existing networks at the regional level. This flexibility will achieve the goals of the Clean Air Act without putting an undue burden on utilities.

Providing for flexibility in the implementation of 111(d) will create local jobs in retrofitting and energy efficiency technologies; the renewable sector; and other areas of the economy. Flexibility will also help protect ratepayers from unnecessary increases in the cost of electricity while simultaneously fulfilling the goals of the Clean Air Act.

Thank you for your attention to this important matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Al Franken", with a long horizontal flourish extending to the right.

Al Franken
United States Senator