EPA and Its Biden Administration Critics

Documents show that agencies say a new energy rule won't work, but EPA ignores them.

By The WSJ Editorial Board

Feb. 21,2024 6:28 pm ET



The Environmental Protection Agency headquarters in Washington. Photo: XXSTRINGERXX xxxxx/REUTERS

The Biden Administration is aware of the costs, consequences and illegality of its anti-fossil-fuel policies but chooses to disregard them. That's the evidence from comments that Republicans on the House Oversight Committee obtained from an interagency White House review of the Environmental Protection Agency's proposed fossil-fuel power plant rule.

EPA last May proposed a rule that would force fossil-fuel generators to use carbon capture and green hydrogen to reduce CO2 emissions. We've told you about the problems with these embryonic technologies ("An EPA Death Sentence for Fossil-Fuel Power Plants," May 11, 2023). It turns out that federal agencies agree with us.

The committee asked EPA for "all documents and communications between EPA and the White House regarding changes" to the rule before it was proposed, as well as between EPA, the White House, and other federal agencies. Emails and calendar invitations suggest various federal agencies provided critical feedback. They included the Office of Information and Regulatory Affairs, the Federal Energy Regulatory Commission, the Energy Department, National Climate Advisor Ali Zaidi, the Justice Department and the White House general counsel.

The comments show that experts and lawyers at other agencies raised serious concerns about the rule. Section 111 of the Clean Air Act says the EPA can regulate pollutants from power plants only through the "best system of emission reduction" that is "adequately demonstrated." Green hydrogen and carbon capture don't meet either criterion.

As one commenter noted, "hydrogen combustion has not been adequately demonstrated nation-wide for utility scale power generation." Blending hydrogen into natural gas also results in "significant increases in NOx emissions" that "would offset some of the benefits of reduced CO2 emissions." Meantime, another EPA rule is forcing power plants to reduce NOx.

The same commenter stressed that "there are issues regarding the integrity of hydrogen supply and whether a consistent and reliable marketplace for hydrogen will emerge" and "a specific compliance date is not appropriate." EPA's proposed rule nonetheless sets hard-and-fast deadlines.

Another hurdle, the comment noted, "is overcoming the physics of hydrogen's steep energy penalty." It takes three to five megawatts of power to separate one megawatt of hydrogen-equivalent fuel for energy production. This energy could be "better used directly serving load and maintaining grid reliability." No doubt.

Carbon-capture technology is no more ready for prime time. One commenter said EPA has issued permits for only two wells to store CO2 underground. The permitting time for both was about three years, though "the entire permitting process can take up to six years including time for geologic investigation."

"Currently there are 31 permit applications pending approval," the comment added. "This long lead time for permit approval is one limiting factor in the availability of storage capacity, making any regulation requiring CCS infeasible until areas for storage and pipelines to transport the captured carbon can be developed at an industrial scale."

Capturing CO2 from fossil-fuel combustion, like producing hydrogen, also requires loads of energy. Another comment noted the technology uses about "20-25% of the electricity generated by the unit, resulting in less power available to the grid" and "will adversely impact available reserve margins, exacerbating grid reliability projections by diverting up to one-fifth of the energy output to power" the technology.

Power shortages are becoming more common as government force-feeds green energy onto the grid while coal and nuclear plants close. EPA's rule would curtail power from reliable gas-generators at the same time as the agency's EV mandate ramps up and increases electricity demand. Does the EPA's left hand know what its other left hand is doing?

There are other challenges with carbon storage, as another commenter noted. Power plants would have to be located relatively close to storage sites, which restricts its adoption in much of the country. The commenter also expressed concern that carbon capture hasn't met the legal threshold for being considered a "best system of emission reduction" since "it has not been adequately demonstrated." The technology also remains "prohibitively expensive" even with Inflation Reduction Act subsidies.

EPA knows these technologies aren't close to being feasible or cost-effective. But it plans to mandate them anyway to force fossil-fuel plants to shut down. They'll worry about the consequences later.

Copyright ©2024 Dow Jones & Company, Inc. All Rights Reserved. 87990cbe856818d5eddac44c7b1cdeb8