November 16, 2015

The Honorable Ed Whitfield
Chairman
Subcommittee on Energy and Power
House Energy and Commerce Committee
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Whitfield:

On behalf of the American Foundry Society (AFS), we strongly support the two resolutions (H.J. Res. 71 and H.J. Res. 72[1]) of disapproval you recently introduced under the Congressional Review Act (CRA) aimed at stopping the harmful new power plant regulations for new and existing plants finalized by the U.S. Environmental Protection Agency (EPA) in August.

The resolutions would provide protection to consumers and energy intensive industries, including U.S. foundries, from these overreaching regulations which drastically reconfigure our nation's electric power. Both EPA rules would dramatically increase the cost of electricity, limit energy choices, and potentially put some U.S. foundries and other companies across the country out of business. In fact, EPA's power plant rule puts the affordability of electricity for U.S. foundries at serious risk. The leading states for metalcasting production in the U.S. are heavily dependent on coal for electricity production. In addition, these new EPA regulations put U.S. metalcasters at a disadvantage against competitors in other nations that generally have higher rates of greenhouse gas emissions, and many of which benefit from subsidized energy costs.

In a recent study conducted by NERA Economic Consulting on the impacts of the final Clean Power Plan, they estimate that the lower 48 states will have higher electricity prices because of the Clean Power Plan. In as many as 40 states, electricity prices on average will increase by double digits and 28 states are projected to see peak-year electricity price increases of more than 20 percent.

AFS is the major trade and technical association for the North American metalcasting industry. The association is comprised of more than 7,500 individual members representing over 3,000 metalcasting firms, including foundries, suppliers and customers. Metal castings are the foundation

[1] H.J. Res. 71, regarding "Standards of Performance for Greenhouse Gas Emissions from New, Modified, and Reconstructed Stationary Sources: Electric Utility Generating Units" (NSPS CRA), and H.J. Res. 72, regarding "Carbon Pollution Emission Guidelines for Existing Stationary Sources: Electric Utility Generating Units" (ESPS CRA).

for all other manufacturing. In fact, 90 percent of all manufactured goods incorporate engineered castings into their makeup. The heating and melting of metals is a highly energy-intensive process. Castings, made from iron, steel and aluminum, have thousands of applications and are used by key sectors of our economy, such as automotive, national defense, agricultural, construction, mining, railroad, oil and gas, and waterworks. Our industry is dominated by small businesses, with over 80 percent of U.S. metalcasters employing fewer than 100 workers.

Twenty-seven states and a large number of business and industry associations, including AFS, have already sought to stop this rule through the appropriate legal avenues due to the harm this rule poses to the availability of affordable and reliable electricity. The resolutions of disapproval would ensure that the nation is able to avert the irreversible damage to our nation's economic competitiveness that will otherwise follow from the EPA's full implementation of its regulations for new and existing power plants.

For these reasons, AFS strongly supports H.J. Res. 71 and H.J. Res. 72. Furthermore, AFS applauds your leadership on these important issues and looks forward to working with you as these two resolutions advance through Congress.

Sincerely,

[redacted]

Jerry Call
CEO
American Foundry Society