

SUPPLEMENTAL STATEMENT OF
Mr. RAYMOND C. VENTRONE,
BUSINESS MANAGER-SECRETARY TREASURER,
LOCAL LODGE 154
THE INTERNATIONAL BROTHERHOOD OF BOILERMAKERS,
IRON SHIP BUILDERS, BLACKSMITHS, FORGERS & HELPERS,
IN RESPONSE TO ADDITIONAL QUESTIONS SUBMITTED BY

THE HONORABLE TIM MURPHY
THE HONORABLE RENE ELLMERS
ENERGY AND COMMERCE COMMITTEE,
UNITED STATES HOUSE OF REPRESENTATIVES

On Tuesday, October 29, 2013 I had the privilege of appearing in front of the House Energy and Commerce Committee – specifically, the subcommittee on Oversight and Investigations, chaired by the Honorable Tim Murphy (PA-18). The hearing sought to address: “EPA’s Regulatory Threat to Affordable, Reliable Energy: The Perspective of Coal Communities.”

I am submitting for the record answers to additional written questions by the Honorable Tim Murphy and the Honorable Rene Ellmers.

The Honorable Tim Murphy

Question 1: As you have had time to reflect on your hearing testimony, do you have anything you wish to clarify or elaborate relating to your testimony or in response to issue discussed at the hearing?

Answer 1: We have experienced job losses due to the shutdown of coal plants in response to the EPA’s new mercury rule and the lower price of natural gas. More than 50,000 megawatts of coal capacity will be shut down, which will represent the largest job loss in the history of the Clean Air Act. The recently proposed EPA rule on new power plants effectively closes the door on construction of new coal plants and already endangers our future as a highly skilled construction craft.

The arbitrary CO2 emission rate targets imposed on states will force a lot of additional plant closures and job losses. CO2 emissions from coal plants are down 23% from 2005 levels, and will be further reduced as more plants are shut down. U. S. coal generation is only 4% of global energy-related CO2 emissions, so every major reductions would not have any meaningful future impact on global climate.

Our job losses will accelerate in 2015 and 2016 when the mercury rule takes effect. We along with other unions involved in the maintenance, fuel supply, and operation of coal plants, will lose tens of thousand of high-paying, high-skilled jobs that will not be made up if more natural gas replaces coal. **We need Congress to pass bipartisan coal legislation that will take our country in the best practical direction for dealing with global warming.**

Question 2: Have you or anyone you know been able to attend one of EPA’s public listening sessions this Fall, during which EPA is attempting to solicit ideas and input from the public and stakeholders about “the best Clean Air Act approaches to reducing carbon pollution from existing power plants?” If yes, please specify the date and location of that session. If you will not be able to attend one of EPA’s ongoing public listening sessions, do you have any questions or feedback on this topic that you would like to take a moment now to share with EPA?

Answer 2: I am scheduled to participate in the Department of Environmental Protection listening session on Monday, December 16, 2013 in Harrisburg. My primary concern about EPA’s existing source guidelines for CO2 reduction is finding ways to avoid the loss of jobs at plants that have just invested billions in retrofit controls. We know that the

new rules effectively closed the door on the construction of new coal plants and already endanger our future as a highly-skilled construction craft.

The Honorable Rene Ellmers

Question 1: While the ash from coal combustion is a waste by-product, I know that it provides great benefit with concrete mix designs – supporting the development of higher strengths and better performance. My understanding is that despite the efforts of EPA to attempt to continue to permit such beneficial use of fly ash in their new ruling, the concrete industry remains concerned about liability risks associated with the handling and use of what will now be declared a hazardous material. Could you address these liability concerns and your personal perspective on the impact of this ruling on beneficial use of fly ash, if any?

Answer 1: I am submitting for the record our union’s statement in support of H.R. 2218, the Coal Residuals Reuse and Management Act of 2013. With respect to specific liability issues or concerns, I would defer your office to the utilities that operate coal-fired electric generating units (EGUs) and to the cement manufacturing industry, upon whom the liabilities would rest. The Boilermakers represent workers in both industries and have consistently expressed strong concerns that a hazardous or near-hazardous designation of fly ash would have negative consequences for our members in both sectors.

As you know, the EPA is considering 2 different options for regulating fly ash, and was recently ordered by U.S. District Court for the District of Columbia to submit a plan for finalizing its long-delayed coal combustion residual rulemaking process within 60 days. We remain hopeful that a more sensible approach to the handling and use of fly ash, such as H.R. 2218, can be passed by both the House and Senate in the near future.

Question 2: Many believe the impact of EPA regulation of CO2 through the CAA will have more significant negative impacts on rural communities. Rural consumers use more coal fired generation (in many cases natural gas pipelines are not nearby) and coal reserves are close, readily available, thus more economical to use. Rural utilities including electric cooperatives built those plants for the right reasons. Rural communities produce coal so jobs will be impacted, a previously cheaper source of fuel will be more difficult to use and more expensive. It’s a double whammy. Can you explain the residual effect this will have on agriculture, small business and the tax base (schools, local government services) of these local rural communities?

Answer 2: I am not an economist or a statistician and cannot offer empirical data with respect to the harmful effects the closure of coal-fired power plants have had, and will have, on rural communities. However, having worked in the utility sector in western Pennsylvania and other parts of Appalachia my entire adult life, I can offer some personal observations and perhaps some logical conclusions about the effects of these closures.

In many rural areas, power plants are one of, if not the only, major employer for the local residents. From the direct jobs at the plants and at the mines that supply the coal, to the local businesses that rely on these workers and their decent wages to help support the

local economy, the closure of these plants will inevitably have a negative effect, much as the closure of mills and manufacturing plants have had throughout the country over the past 30-40 years. And in many areas, these good-paying jobs are only being replaced by low-wage service jobs with little to no health or pension benefits, if anything at all.

While I have no direct knowledge of the impact on agriculture, the power plants themselves are typically major revenue contributors to both state and local governments in the form of sales and property taxes, licenses, and permit fees, for example. Add to this the job losses from a plant closure and the potentially higher cost of providing those communities with power not locally sited; the result must certainly be a diminished quality of life for many residents of these areas.

For more details on the direct impact on rural communities from the closure of power plants and mines, I strongly recommend you contact the United Mine Workers of America who can provide far more information on this topic.