

Chair Bill Johnson
Opening Statement – Subcommittee on Environment, Manufacturing, and
Critical Materials:
“Clean Power Plan 2.0: EPA’s Effort to Jeopardize Reliable and Affordable
Energy for States”
November 14, 2023
As prepared for delivery

Today we will continue the Subcommittee’s review of EPA’s proposed greenhouse gas standards for fossil power plants – what we refer to as the “Clean Power Plan 2.0.”

The Biden Administration and its allies at agencies like the EPA continue to endanger our energy and national security in their “rush to green” policies and proposals. These proposals, including several other EPA rulemakings, pose a very real threat to the affordability and reliability of our electric grid.

We continue to hear from states, utilities, and grid operators that the grid is facing reliability issues. The experts at NERC tell us that reliability crises are looming because of premature retirement of dispatchable resources.

In fact, here’s a headline from just last week. “*Two-thirds of North America could face power shortages this winter -NERC.*” This comes from their annual Winter Outlook report.

The Clean Power Plan 2.0 proposal looks only to make things worse. It directly targets the dispatchable coal *and natural gas* resources that produce 60 percent of our nation’s electricity.

These are the resources that reliability experts say that the grid needs more, not less of. Yet “less of” appears to be the likely outcome of EPA’s proposals.

In early June we took testimony from stakeholders representing the fossil energy power sector. The witnesses raised troubling questions about feasibility, costs, and impacts of this proposal.

They pointed to the sheer technical and practical infeasibility of these proposed performance standards.

This was especially problematic for the existing fleet of coal and gas generators—given the time frames required.

The commercial viability of compliance technologies such as CCS or hydrogen co-firing is optimistic at best.

While these nascent technologies could be part of our energy future, none of them has yet been adequately demonstrated in sustained large, commercial power plant operations.

Yet the proposal would direct states to require new and existing power plants to implement carbon capture and sequestration, gas and hydrogen co-firing, or even the replacement of natural gas with hydrogen.

There is also not enough pipeline infrastructure in place today that can transport CO₂ at the scale envisioned in this proposal. Proposed pipelines continue to have permits rejected by states and have been delayed and canceled as a result.

Very little commercial hydrogen generation exists today; none has been adequately demonstrated in commercial operation or in co-firing at the levels EPA seeks, nor do we have an extensive hydrogen pipeline network.

What is particularly troubling is that EPA just assumes this expensive, infeasible infrastructure will be built on their timeline!

Power plants and states will have to comply within 10 years or less, or shut down fossil generation. It does make me wonder if that may be the feature, not a bug, within this proposal.

Today we will hear important state perspectives on this. And I thank our witnesses, some of which traveled a great distance to be here with us.

We will hear from a witness who has been working at ground zero for installing carbon capture and from an expert on the implementation of Clean Air Act rules, as well as on the impacts on electricity reliability and rates.

We will hear about the feasibility of the standards, about state authorities and responsibilities under the Clean Air Act, about what happens if the standards can't be met, about the costs and potential impacts to the reliability of our energy systems.

Again, thank you to our panel for making the trip. Your perspectives will help us better understand the implications of this proposal.

So far, evidence has been mounting that EPA proposed something that it knew or should have known was not able to be implemented and would lead to the shutdown of baseload, dispatchable fossil generation.

It's as if EPA seeks unworkable standards for coal and gas just as a pretense for the real goal – which is to shift the nation's energy mix to Administration's favored wind and solar technologies.

Not only does this violate what Congress directed of EPA in the Clean Air Act, it undermines the states' own authorities for their electricity resources and rates, as recognized under the Federal Power Act.

Its even being reported in the news now as I mentioned. The American people are fearful of the power going out. And rightfully so! If this proposed rule moves forward in anything like its current form, it will take us another step closer to that reality.

Today we will advance the record on the potential impacts to state energy systems if this Clean Power Plan 2.0 proposal goes forward.

I will now recognize the Ranking Member of the Subcommittee, Mr. Tonko, for his opening remarks.