Diversified Reporting Services, Inc.

RPTS GONZALEZ

HIF318180

CLEAN POWER PLAN 2.0: EPA'S EFFORT TO JEOPARDIZE RELIABLE AND AFFORDABLE ENERGY FOR STATES

TUESDAY, NOVEMBER 14, 2023

House of Representatives,

Subcommittee on Environment, Manufacturing,

and Critical Materials,

Committee on Energy and Commerce,

Washington, D.C.

The Subcommittee met, pursuant to call, at 10:31 a.m., Room 2322, Rayburn House Office Building, Hon. Bill Johnson [Chairman of the Subcommittee], presiding.

Present: Representatives Johnson, Carter, Palmer, Crenshaw, Joyce, Weber, Allen, Balderson, Fulcher, Pfluger, Miller-Meeks, Obernolte, Rodgers (ex-officio); Tonko, DeGette, Schakowsky, Sarbanes, Ruiz, Peters, Barragan, and Pallone (ex-officio).

Staff Present: Kate Arey, Digital Director; Sarah Burke, Deputy Staff Director; David Burns, Professional Staff

Member; Nick Crocker, Senior Advisor and Director of Coalitions; Sydney Greene, Director of Operations; Nate Hodson, Staff Director; Tara Hupman, Chief Counsel; Daniel Kelly, Press Assistant; Sean Kelly, Press Secretary; Peter Kielty, General Counsel; Emily King, Member Services Director; Elise Krekorian, Professional Staff Member; Drew Lingle, Professional Staff Member; Mary Martin, Chief Counsel; Brandon Mooney, Deputy Chief Counsel; Kaitlyn Peterson, Clerk; Karli Plucker, Director of Operations (shared staff); Olivia Shields, Communications Director; Peter Spencer, Senior Professional Staff Member; Michael Taggart, Policy Director; Dray Thorne, Director of Information Technology; Tiffany Guarascio, Minority Staff Director; Anthony Gutierrez, Minority Professional Staff Member; Caitlin Haberman, Minority Staff Director, Environment, Manufacturing and Critical Minerals; Kylea Rogers, Minority Policy Analyst; Andrew Souvall, Minority Director of Communications, Outreach, and Member Services, and Rebecca Tomilchik, Minority Junior Professional Staff Member.

*Mr. Johnson. The subcommittee will come to order.

The chair now recognizes himself for five minutes for an opening statement.

Today we will continue the subcommittee's review of EPA's proposed greenhouse gas standards for fossil power plants, which -- 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 include several other EPA rulemakings – along with 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 is a headline from just last week: "Two-thirds of North America Could Face Power Shortages this Winter,'' that is according to NERC. And I have this winter report here that we will be entering into the record.

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 of, not less. 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 -- 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 timeframes 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 the EPA seeks, nor do we have an extensive hydrogen pipeline network.

What is particularly troubling is that the 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 that that may actually be the goal, not an unintended consequence of this proposal.

Today we will hear important state perspectives on this issue, 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. It is really important. Your perspectives will help us better understand the implications of this proposal. So far, evidence has been mounting that the 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 is as if the 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 the Administration's favored wind and solar technologies. Not only does this violate what Congress directed of the EPA in the Clean Air Act, it undermines the state's own authorities for their electricity resources and rates as recognized under the Federal Power Act. It is 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 negative impacts to state energy systems if this Clean Power Plan 2.0 proposal goes forward.

[The prepared statement of Mr. Johnson follows:]

**********COMMITTEE INSERT**********

*Mr. Johnson. I will now recognize the ranking member of the subcommittee, Mr. Tonko, for his opening remarks.

*Mr. Tonko. Thank you, Mr. Chair. Section 111 of the Clean Air Act is an important tool to address major sources of air pollution. And today there are no Federal limits on climate pollution from the power sector.

Today's hearing, much like every hearing examining potential regulation of the power sector during my time on this committee, will raise speculative threats of widespread blackouts if the proposed rule is allowed to move forward. We have heard nearly identical recycled talking points from regulated entities and opponents of addressing climate pollution whenever EPA has proposed power plant regulations, and in those previous cases those fears were unfounded.

Consider the Obama Administration's Clean Power Plan, which targeted a 32 percent emission reduction from 2005 levels by the year 2030. That goal was exceeded a decade early, before the rule would have even taken effect, without causing systematic reliability issues. And that is because the management of our electricity system is dynamic.

Industry, states, and grid operators will step up to meet the requirements of this proposal while ensuring reliability is not compromised. And in fact, the added certainty provided to regulated entities through this rule will allow them to make better-informed, long-term plans for

how to best manage their assets and make future investment decisions.

I should also note that EPA's proposal is extremely targeted. The rule has divided generating units into numerous subcategories, taking into account units' size, retirement plans, and capacity factors. With this approach EPA has sought to cover the largest long-term sources of pollution while ensuring that smaller existing gas units, which may have a role to play in grid balancing, are able to continue to operate.

According to the Energy Information Administration, there are some 3,295 existing gas-fired combustion turbines, representing 432 gigawatts of capacity. Under EPA's proposal, units smaller than 300 megawatts will not be covered, meaning 94 percent of existing gas plants will not have to do anything under this rule. They will be able to continue to be part of our increasingly pollution-free electricity mix for many years to come, providing dispatchable, on-demand capacity during times of peak load or unavailability of carbon-free resources.

And the notion that we are moving to a cleaner electricity mix is not some fantasy cooked up by EPA employees. It is an accurate reflection of industry trends, which include the impending retirement of many coal-fired generating units, the mass deployment of renewables, and the

greater use of grid modernization technologies. These trends were already underway, and will be bolstered by the incentives included in the Inflation Reduction Act, the Bipartisan Infrastructure Law, and state policies. These new Federal incentives will enable the clean energy transition as well as compliance with EPA's proposal to be accomplished much more cost effectively.

I am also very proud that this subcommittee, in the IRA, provided EPA with $5 billion for Climate Pollution Reduction Grants, which are available to states to support the development and the implementation of climate plans. This indeed is a hallmark of the one-two combination of the IRA's incentives and EPA's complementary regulatory strategy, and that is to provide states with the resources and time to find the most effective pathways to reduce pollution, while allowing for flexibility to account for each state's unique circumstances.

Finally, we must remember why EPA is pursuing this proposal. Unmitigated climate change poses a tremendous threat to America's health, America's economy, and America's critical infrastructure. Today one of the greatest threats to electricity reliability is from increasingly common and increasingly severe extreme weather events. Extreme weather strains our grid infrastructure, and it is something we should be working to address. But failure to adequately

address climate pollution, including from the power plants covered by EPA's proposed rule, will exacerbate the climate crisis, resulting in even more extreme weather and greater costs to Americans.

So I do hope we can work together on efforts to harden our grid infrastructure and enhance reliability, for example by requiring more interregional grid connections by building our transmission infrastructure.

Mr. Chair, I have the utmost confidence that, once standards have been set, the brilliant minds at our nation's states, grid operators, and utilities will rise to the challenge to achieve those standards while maintaining reliability and allowing Americans to experience the $85 billion of benefits that are estimated to be provided by this important public health proposal.

[The prepared statement of Mr. Tonko follows:]

**********COMMITTEE INSERT**********

*Mr. Tonko. With that, I thank you and I yield back.

*Mr. Johnson. The gentleman yields back. The chair now recognizes the chair of the full committee, Chair Rodgers, for five minutes for her opening statement.

*The Chair. Energy is foundational to everything that we do. It powers our economy and our security. It is why America is leading in lifting people out of poverty and raising the standard of living. America's ability to harness energy through innovation and deploy it through entrepreneurship has transformed the human condition.

We have achieved this while being a leader in emissions reductions and maintaining some of the highest environmental and labor standards in the world, and we have done this while delivering reliable and affordable energy across every state and community. We should be celebrating our accomplishments with solutions that expand on this country's remarkable legacy of innovation. We have been blessed with an abundance of natural resources that people and businesses rely on every day.

Rather than enacting policies that will undermine our essential energy systems and shut down these key resources, we should be taking steps to build on America's energy leadership and legacy. The reality is more and more Americans today face threats of blackouts as a result of rush-to-green policies destabilizing our grid.

In California baseload and firm --

[Audio malfunction.]

*The Chair. There is power. All right, there is power. Did it come back? No. Okay, thank you buddy. You are welcome. All right. Very good.

In California, baseload and firm generation sources were driven out or shuttered by the state in exchange for less reliable, weather-dependent electricity. As a result, California has had to import a significant amount of hydroelectric power from Washington State to support its grid when sources like wind and solar can't produce enough energy to meet demand.

In Texas, an over-reliance on weather-dependent resources has limited the state's capacity to endure severe weather. Last winter several southern state utilities were unable to get the power resources they needed from neighboring states during a severe cold event, forcing blackouts during the holidays.

NERC continues to warn that more than half the nation is at an elevated risk of forced blackouts. At a recent Energy and Commerce hearing, grid operators confirmed this, warning that accelerated retirements of baseload generation without adequate replacements will only increase the threat of these life-threatening blackouts. Rushing to dismantle our nation's electricity generation will harm people's lives and

well-being.

The EPA's recent proposals like the Clean Power Plan 2.0 will force states to change fundamentally how they generate electricity and raise costs across the board. This will cause lasting damage to energy reliability and accessibility. This is a continuation of the Obama Administration's Clean Power Plan, which sought to use obscure provisions in the Clean Air Act to restructure the American power sector by shutting down coal-fired power plants and shifting electricity generation to other, less reliable sources.

Furthermore, these policies go well beyond EPA's congressionally-mandated authority, and potentially violate the recent Supreme Court decision in West Virginia versus EPA, where the court ruled EPA's effort to circumvent Congress and restructure the U.S. power sector through the Clean Air Act were unconstitutional. The Supreme Court's ruling made clear that the EPA's actions would transform the nation's electricity system on a scale that only Congress had the authority to direct. Yet this ruling has not stopped the EPA's assault on our grid, and I am concerned about the additional abuses of power by the Administration in an attempt to exceed the authority delegated to the EPA by Congress.

We have a lot of questions about how the EPA's Clean Power Plan 2.0 proposal could harm our way of life.

In June we heard from the electric sector. Today we hear from the states who will have to implement these rules, limiting their ability to get reliable, affordable energy to ensure families, communities, and businesses thrive. What can they say about the practicality of these rules for their communities and their own authorities over their electric systems and electric generation matters?

In order to ensure the American people have access to affordable, reliable energy to keep them safe, fed, and warm, it is vital that we, the committee of jurisdiction, understand and take actions to address EPA's proposals and what they mean for the nation's electricity systems as well as America's energy leadership. That is our goal today.

I thank the witnesses for being here. I look forward to an important discussion.

[The prepared statement of The Chair follows:]

**********COMMITTEE INSERT**********

*The Chair. I now yield to Representative Armstrong from North Dakota to introduce one of our witnesses.

*Mr. Armstrong. Thank you, Madam Chair.

Dave Glatt has more than 35 years experience in environmental protection, including his work implementing the Safe Drinking Water Act and acting as the state manager of the EPA Superfund project. But it really was his role as the chief environmental health section of the North Dakota Department of Health during the Bakken shale boom that put him on the front lines of a massive energy development in the state of North Dakota. In fact, he was so good at it we created an entire new agency called the Department of Environmental Quality, of which Governor Burgum appointed him director of in 2019.

Nobody knows more about energy production and the state's roles than Dave Glatt. And there are a lot of people in government that like to take credit for a lot of things, particularly when you have had the successes we have had in North Dakota. He has never sought recognition or sought credit. He has, however, the biggest reasons and one of the biggest reasons in government why North Dakota has been a success story for the last 10 years. So I appreciate the opportunity to introduce him.

*Mr. Johnson. I thank the gentleman for yielding back. Does the gentlelady yield? The gentlelady is finished?

*The Chair. I yield back.

*Mr. Johnson. Okay, the gentlelady yields back. The chair now recognizes the ranking member of the full committee, Mr. Pallone, for five minutes for an opening statement.

*Mr. Pallone. Thank you, Mr. Chairman.

Today we are once again discussing the EPA's recently proposed carbon pollution standards for fossil fuel power plants. At the first hearing on this topic on June -- or in June, I made it clear that this long-overdue proposal is critical to protecting the health of our communities from dangerous air pollution, fighting the worsening climate crisis, and delivering clean, affordable, and reliable energy to American families.

The EPA's proposal is in line with the statutory requirements of the Clean Air Act, and builds on the historic climate investment Democrats delivered last year with the Inflation Reduction Act. The EPA action is necessary. The past 12 months have been the hottest ever recorded, and the findings from the fifth National Climate Assessment, which were released today, underscore the need for urgent action to combat the threat of climate change. The action is needed to protect our communities from the devastating impacts of the climate crisis, while also growing our economy as we fight to lead the way in the clean energy transition.

The power sector is the second-largest source of climate pollution in the United States, yet power plants are currently allowed to emit unlimited carbon pollution into the atmosphere. This poses extreme risk to public health and the environment, especially for already overburdened communities. Congress explicitly gave EPA the authority to protect Americans from this harmful pollution, and it is meeting that obligation with this action.

The EPA's proposal will finally set necessary mission limits and guidelines for carbon pollution from new and existing fossil fuel power plants, and the rule would avoid up to 617 million metric tons of carbon dioxide through 2042, roughly equivalent to the annual emissions of half of the cars on our nation's roadways. And communities are projected to see up to $85 billion in net climate and health-related benefits.

Unfortunately, committee Republicans choose to ignore these significant benefits. They simply do not fit into their polluters-over-people agenda. They have made it clear that they will oppose any attempt by the EPA to control dangerous pollution from power plants, and will be pushing old and tired claims that are simply not true.

And while it -- when it comes to reliability, the last few years have shown us that a widespread over-reliance on fossil fuels has left the power grid vulnerable, not common-

sense EPA rules. In reality, extreme weather events driven by the climate crisis, coupled with unreliable fossil fuel infrastructure, have left communities in the dark, doubting -- I mean I should say doubling down on unchecked fossil fueled power plants will only make the situation worse.

And cleaning up existing power sources, as proposed by the EPA's rule, and deploying clean energy solutions will help boost flexibility and resiliency of the electricity system. We don't have to choose between ensuring reliability and cutting pollution. We can and must do both, and EPA's proposal gives states broad flexibility to make the best choices for their unique circumstances to comply with the standards.

It is also important to recognize that EPA's proposal doesn't exist in a vacuum. The Bipartisan Infrastructure Law and the Inflation Reduction Act included critical investments to upgrade our nation's power infrastructure, strengthen the grid, and cut power sector pollution with clean energy tax credits.

The truth is the market, bolstered by these key Federal investments, is already driving changes in the power sector that states and utilities must plan for. And EPA's proposed proposal merely builds on this existing momentum.

And some states are doing their part, as well. I am pleased Maryland's Secretary of the Environment, Serena

McIlwain, is here to explain how states like Maryland are cutting climate pollution from the power sector, while ensuring reliability and affordability for their communities.

[The prepared statement of Mr. Pallone follows:]

**********COMMITTEE INSERT**********

*Mr. Johnson. And speaking of Maryland, I wanted to say to my colleagues this is our first hearing since Representative Sarbanes announced that he will be retiring at the end of this Congress. I am not happy with that, but what can I do?

He has been a long-time friend of mine and a long-time champion for the people of Maryland on this committee. So it is fitting that we are going to be hearing a lot about Maryland today, because for 17 years in Congress John has been fighting to protect the environment and to clean up the Chesapeake Bay. He has also fought for more affordable, higher-quality health care not only for the people of Maryland, but for all Americans. John was also our Democratic leader on the For the People Act to bring more accountability and transparency to government. So his voice will be missed here, but he is going to be here for another year, so I don't want to act like he is already gone.

But I would like to yield -- I wanted to yield to him if, I could. I know there is only 30 seconds left.

*Mr. Sarbanes. Well, thank you very much for your kind words, Representative Pallone.

I really just want to welcome Serena McIlwain, who is the secretary of the environment for the State of Maryland. We will be hearing from her shortly as a witness, but we are so pleased that she has come back to the Maryland area to

serve with our new governor, Wes Moore. She has been a senior executive for numerous agencies in the executive branch such as the EPA, the Department of Energy. She is doing a terrific job leading the Maryland Department of the Environment, looking out for the Chesapeake Bay.

So we wanted to welcome her here today, and I look very much to her -- forward to her testimony, we get that opportunity.

I yield back, thank you.

*Mr. Pallone. And I yield back as well, Mr. Chairman.

*Mr. Johnson. Thank you. The gentlemen yield back.

Votes have been called. I apologize to our witnesses. We will reconvene the committee. We will stand in recess. We will reconvene 10 minutes after the last vote is called.

[Recess.]

*Mr. Johnson. The subcommittee will return to order.

I thank our witnesses for your indulgence -- thank you -- while we went to vote.

Our witnesses for today, Mr. David Glatt, the director for North Dakota's Department of Environmental Quality; Ms. Michelle Walker Owenby, director for the Division of Air Pollution Control at the Tennessee Department of Environment and Conservation; secretary of the environment for the State of Maryland and -- Secretary Serena McIlwain.

I saw an "and'' there, I thought you had another title

as well.

And Mr. Chris Parker, director for the Division of Public Utilities at the Utah Department of Commerce.

Panelists, witnesses, thank you so very much for being here.

Mr. Glatt, you are now recognized for five minutes for your statement.

STATEMENT OF L. DAVID GLATT, DIRECTOR, NORTH DAKOTA DEPARTMENT OF ENVIRONMENTAL QUALITY; MICHELLE WALKER OWENBY, DIRECTOR, DIVISION OF AIR POLLUTION CONTROL, TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION; SERENA MCILWAIN, SECRETARY OF THE ENVIRONMENT, STATE OF MARYLAND; AND CHRIS PARKER, DIRECTOR, UTAH DEPARTMENT OF COMMERCE DIVISION OF PUBLIC UTILITIES

STATEMENT OF L. DAVID GLATT

*Mr. Glatt. Well, thank you, Chairman Johnson and Ranking Member Tonko and members of the subcommittee. Thank you for the opportunity to testify here today. My name is Dave Glatt. I am the director of the North Dakota Department of Environmental Quality. The department is the primary environmental protection agency in North Dakota.

The U.S. Environmental Protection Agency's proposed rules to limit greenhouse gas emissions from new and existing generating units require stringent and unproven carbon dioxide emissions controls at coal-fired electric-generating units to be implemented in unrealistic timeframes.

The proposed Clean Power Plan, if finalized, would usurp the authority and discretion of North Dakota and its respective agencies responsible for implementing environmental and energy policy to maintain and enhance the

economic and general welfare of North Dakota.

As a little background, the department has primacy for upholding the Clean Air Act, Clean Water Act, Safe Drinking Water Act, and RCRA programs at the state level. Through the department's consistent implementation of applicable science and the law, North Dakota citizens enjoy some of the cleanest air, water, and land in the nation. Historically, North Dakota has actively and financially supported the development and demonstration of clean coal technologies, including carbon capture and sequestration. North Dakota also has a unique geology ideal for safe and permanent geologic storage of CO2. North Dakota was the first state to receive primacy under the Safe Drinking Water Act for the class 6 injection wells, which are necessary for long-term storage of CO2 captured from industrial and energy-related sources.

It should be no secret that North Dakota is among the leaders in CCS technology development, not only in policy but also in practice.

Concerns with the EPA's proposed Clean Power Plan.

First of all, we start out with state engagement. As a knowledge leader in CCS, EPA did not engage the department in a collaborative and cooperative process to gather accurate information during the rule development process. EPA's approach has ignored its publicly-stated goals of meaningful engagement with states working through the construct of

cooperative federalism. EPA and the Clean Power Plan 2.0 proposal is promoting yet another circumvention of the state-Federal cooperative federalism partnership that Congress called for in the Clean Air Act.

In relation to the technology, there is tremendous promise for CCS resulting from North Dakota's significant state-private investments in developing and implementing technologies aimed at successfully capturing and geologically storing carbon emissions. The department is in the final stages of the air quality permitting process, proposing to build one of the world's largest full-scale CCS facilities at a coal-fired EGO to be -- EGU to be located in North Dakota. Given that this is the first potential CCS project of such significant magnitude and has yet to be constructed, CCS has not yet been adequately demonstrated, contrary to EPA claims.

This reality is further confirmed by the U.S. Department of Energy, which is currently considering EGU CCS as a demonstration project. With this evidence we again state that current CCS technology does not yet meet the statutory requirements of the Clean Air Act's section 111(a) for technology that has been adequately demonstrated, and is therefore not ready for widespread application.

As it relates to infrastructure, industry-wide CCS implementation will also require establishing ancillary infrastructure such as pipelines and underground storage

capacity, which have long timeframes to develop for proper geologic CO2 transport and sequestration. The accelerated compliance timeline of five years proposed by EPA is unrealistic and cannot be met. A more realistic timeframe for CCS deployment and related infrastructure and equipment has been demonstrated to be more than 10 years. That is assuming that the technology has been adequately demonstrated.

In addition, infrastructure, which includes pipeline siding, environmental impact evaluations, local approval, permitting, and construction may take more than 15 years to complete.

Social impacts. We are concerned that the proposed Clean Power Plan will increase costs, disproportionately impacting low-income citizens, directly contradicting the Biden Administration's environmental justice priorities. Given the rural nature of North Dakota and the region, pricing low-income citizens out of an affordable and reliable energy supply could create a social justice issue with devastating impacts.

The Federal enforceable retirement dates proposed by EPA dictate and arbitrarily set the remaining useful life of North Dakota EGUs without consideration of each of the EGU's unique characteristics. This is in direct contrast to the Clean Air Act 111(d), which specifies a process that

considers the remaining useful life, given each physical -- unit's physical characteristics.

In conclusion, North Dakota is in a unique position as a leader among the states for demonstration and ongoing development of CCS not only in policy, but also in practice, while protecting the environment. Due to its many faults, lack of a complete impact evaluation, and unknown adverse consequences not easily reversed if implemented, EPA must withdraw the proposed Clean Power Plan and evaluate a further path forward by first engaging directly with states, including North Dakota and the regulated sources, to gather appropriate data and develop potential practical alternatives with a sound legal and scientific foundation.

The department is confident that this process would result in a regulation based on science and the law, achievable, and protects the environment while maintaining reliable and affordable electricity and gas services.

Thank you again for the opportunity to provide comment.

[The prepared statement of Mr. Glatt follows:]

**********COMMITTEE INSERT**********

*Mr. Johnson. Thank you, Mr. Glatt.

Ms. Owenby, you are now recognized for five minutes.

STATEMENT OF MICHELLE WALKER OWENBY

*Ms. Owenby. Good morning, Chairman Johnson, Ranking Member Tonko, and members of the committee. I am Michelle Owenby, director of the division of air pollution control for the Tennessee Department of Environment and Conservation. Thank you for the opportunity to appear before you to discuss EPA's most recent proposal seeking to regulate greenhouse gas emissions from fossil fuel-fired electric generating units.

EPA's proposal essentially requires new and large existing fossil fuel stationary combustion turbines, as well as modified and existing coal-fired boilers, to adopt or convert their fuel sources to 96 percent low-GHG hydrogen, or to implement carbon capture and storage CCS with a 90 percent capture efficiency. The compliance dates for affected units is as early as 2030 for some coal-fired EGUs, but ranges predominantly between 2032 and 2038.

Section 111 requires NSPS emission guidelines to reflect the application of technology that has been adequately demonstrated. EPA's best system of emission reduction, known as BSER, must be based on technology that exists not in theory, but in fact. While reasonable extrapolation may be acceptable, EPA may not disregard the lack of current availability. Courts have cautioned that EPA cannot base its determination upon mere speculation or conjecture. EPA's

proposed application of low-GHG hydrogen has not been adequately demonstrated, nor does it represent a reasonable extrapolation of what would be needed and available when necessary for compliance.

The critical issue with EPA's BSER is that it relies on the projected availability of low-GHG hydrogen that does not currently exist. The simple fact is there is no production of low-GHG hydrogen in the United States today. EPA's production projections are for a type of hydrogen that is not equivalent to its standard for low-GHG hydrogen. EPA uses the Department of Energy estimate for clean hydrogen of 4 kilograms of CO2 equivalent per kilogram of hydrogen, and concedes that DoE estimates are not based on production of low-GHG hydrogen, which is less than 0.45 kilograms of CO2 equivalent per kilogram of hydrogen. EPA does not project how much low-GHG hydrogen will be available in the future.

EPA's BSER is also flawed because EPA's estimate of the power sector's hydrogen needs is understated. EPA's projected hydrogen use -- based on its modeling of what the power sector would look like in 2030 and 2040. EPA did not consider the power sector as it currently exists. Tennessee estimates that future hydrogen needs could be over three times as much as DoE's mass base estimate to cover the source population today. While utilities including the Tennessee Valley Authority have announced intentions to retire coal

units and gas turbines may retire, utilities are facing projections of low demand growth, not flat demand, and certainly not decline.

While utilities are diversifying their generation mix with non-fossil generation sources, doing so on the time constraints proposed at the same time electricity demand is rising because of the return to and growth in U.S. manufacturing, electrification of the transportation sector and in some areas population growth seems particularly aggressive and risky.

To support the application of CCS, the proposal offers examples of carbon capture systems, but none have met EPA's requirements. The only CCS system currently in use at a coal-fired utility never exceeded 65 percent CO2 capture, and often had poor control efficiency ranging from 0 to 25 percent. Tennessee is not aware of any work in carbon capture for simple cycle or combined cycle plant -- natural gas plants.

Today's transport and storage of CO2 is limited in scale, and the expansion of that system to a national, industry-wide scale is orders of magnitude more difficult. Transport of CO2 will require unprecedented expansion of the pipeline system over the next 20 years. EPA assumes that states, utilities, and pipeline owners can achieve the required expansion, but the reality of pipeline construction

is likely to be far more challenging. Siting issues, landowner rights, impacts on disadvantaged communities, and eminent domain are already controversial issues with respect to pipelines, but the siting of CO2 pipelines is not currently regulated by any Federal agency, and there is no Federal eminent domain for CO2 pipelines.

Finally, EPA's assertions around the availability of storage is likely overstated. Our initial assessment indicates Tennessee's viable sequestration potential is limited to one type of geologic storage unit, deep saline formations, and is confined to one area of the state, middle Tennessee. And the state is projected to have only 8 years of storage capacity based on 2010 emission rates.

Also, confirmation and characterization of sequestration sites is likely to require several years of work, time that is not included in EPA's compliance timeframe.

I appreciate the opportunity to appear before the committee. Thank you for the interest you have shown in this topic, and I look forward to answering your questions.

[The prepared statement of Ms. Owenby follows:]

**********COMMITTEE INSERT**********

*Mr. Duncan. [Presiding] The chair will now recognize Secretary McIlwain for five minutes.

STATEMENT OF SERENA MCILWAIN

*Ms. McIlwain. Thank you. Good morning, Chair Johnson, Ranking Member Tonko, and Representative Sarbanes, and members of the committee.

My name is Serena McIlwain, and I am the secretary of the Maryland department of the environment. We call it MDE also. Thank you for inviting me here today to discuss this really important proposed rule by the Environmental Protection Agency.

We are all working so very hard to tackle this critical issue of climate change, and timing couldn't be better right now, it is really critical. Federal limits on power plants across the country are much needed as Maryland, and like many other states in the country, we are experiencing worsening impacts every single day.

And I would just like to start by saying that I think it is apparent that EPA really took its time this time with the new proposed rule. It is easy to see that it differs significantly from its predecessors, which was the Clean Power Plan, which, as we all know, faced rejection from the Supreme Court, and the Affordable Clean Energy Rule. The current proposal is definitely a step in the right direction.

The reason I feel that this new rule is important and an improvement is because it now features the much-needed

flexibility for power plants so that both oil and gas plants have options. There is built-in consideration for retirement and the leeway needed for those who are planning to construct new facilities, as well.

The new rule has a well-balanced combination of regulations, and is reflective of an effort to address the shortcomings of the previous proposed rule. We know that this is an extremely complex issue. We really need to make sure that states can implement the regulations in a way that maintains grid reliability and utilizes different strategies, technologies, and measures that work best for their particular region. It is so important that we do not default to a one size fits all.

Maryland is a unique state. We need the opportunity to adjust as needed, and ensure that we can implement the rule in a way that works for Maryland. With the proposed the proposed changes to the rule, we are able to implement it based on our particular state's situation and the number of power plants, the units that are in Maryland, which is -- I am sure all states would like to have that flexibility, as well. So I am really happy to see the changes that have been made. I believe we are now on the right track, but like I said, Maryland is a special state.

We participate in the Regional Greenhouse Gas Initiative that is also referred to as RGGI, and we are already capping

coal. We urge -- we did urge EPA to build in flexibility into the proposed rule that considers that kind of a program, cap and invest program. RGGI is a central component of Maryland's greenhouse gas reduction strategy. Maryland and the other member states have reduced our power plant carbon pollution faster, really, than the rest of the country, while growing our economies and raising billions of dollars for clean energy investments.

Having clear regulations requiring carbon pollution reduction at power plants provides regulatory certainty and a goal for everyone to plan for the future. We have had RGGI for about 15 years, and EPA's proposal is not structured as a carbon cap the way our program is, but it would expand those similar benefits nationwide. The RGGI states have prepared our collective comments to U.S. EPA, and we have submitted them respectfully. And our comments do emphasize that our interest is in utilizing the existing program that we have within our state implementation plan.

So again, thank you for the opportunity to testify. I appreciate the attention to detail and the effort to make sure that refining this rule is a collaborative effort. We have to work together in order to make sure that this rule benefits all states, and this updated rule is a major step in the right direction for achieving a reasonable approach for addressing to CO2 pollution while we still are maintaining

grid reliability and affordable electricity.

I look forward to the rest of the conversation. Thank you.

[The prepared statement of Ms. McIlwain follows:]

**********COMMITTEE INSERT**********

*Mr. Duncan. I thank the gentlelady, and I now recognize Mr. Parker for five minutes.

STATEMENT OF CHRIS PARKER

*Mr. Parker. Thank you, Chair, Ranking member Mr. Tonko. My name is Chris Parker. I am the director of the Utah Division of Public Utilities, which advocates the public interest in utility regulation.

While environmental regulators like these beside me can provide more sophisticated testimony about EPA's proposal, I hope providing a utility regulator's perspective can give the subcommittee a fuller picture of the challenges the EPA's proposal would place on an already strained electrical grid.

For electrical utilities and regulators, our current moment calls for great care. In utility regulation we speak often of prudence, and a utility has an ongoing duty to act prudently. Given warnings about our resource adequacy challenges that our grid faces, regulators like the EPA must consider how to apply the prudent standard to themselves.

The North American Electric Reliability Corporation and the Western Electricity Coordinating Council have both recently identified increasing risks of unreliability due to the increase of variable resources and early retirements of large resources that provide firm, high-quality power. Into this period of increased risk the EPA's proposed greenhouse gas rule would inject additional cost and uncertainty.

While Federal reliability monitors urge caution in

retiring existing generation, the Federal environmental regulator proposes a policy that will shutter many of those needed plants. This proposal does this by assuming the availability and affordability of unproven technologies, and judging against -- existing facilities against those standards. If the rules are adopted, consumers will pay more for a less reliable system.

Given increasing signs of trouble in the grid, regulators should help stabilize the system, not exacerbate its problems. As noted, reliability organizations have recognized this. About the Western Interconnect WEC has said resource adequacy risks increase over the next decade. After 2025 each subregion shows an increase in demand at risk due to retirements throughout the next decade.

In addition, the planning reserve margin indicator continues to increase. This is primarily due to increasing variability from the addition of large amounts of variable energy resources and increasing demand variability with record levels of peak demand. WEC is warning that a system risk -- that system risk is increasing because of large generator retirements driven by policy and increased amounts of variable resources. We are a hopeful people, but we should heed these warnings. Instead, the EPA has chosen to adopt a best system of emission reduction based on subsidized technologies that have not -- that have been deployed only at

experimental scales. Contrary to law, this establishes a standard that has not been adequately demonstrated.

One of the key hurdles to the reliability of the bulk electrical system is the inability of entities to construct additional resources on reasonable timelines and at reasonable costs. While the Federal EPA makes aggressive demands, other agencies' processes results make satisfying the EPA virtually impossible. We see this when NEPA and other processes result in decade-plus lead times for transmission assets across Federal land, which predominates in Utah. We see this in Nuclear Regulatory Commission processes that barely move faster than the radioactive material decays.

The EPA's proposal requires time -- compliance on timelines that cannot be met. Supply chains remain strained for many commodities and electrical -- that the electrical utilities rely on. Substation equipment lead times have become years long in many instances. Uncertainty about international supplies of critical minerals also calls into question the ability to construct enough resources fast enough to maintain a reliable system.

Replacing a 500 megawatt coal or gas plant will require far more than 500 megawatts of wind, solar, or battery power because of their capacity differences. Furthermore, it will not be enough merely to build new transmission lines to serve

the scattered wind and solar projects. Additional facilities will be needed for supporting voltage frequency -- or voltage and frequency regulation in order to maintain a stable grid. These resources are easily provided by large spinning resources and generators.

Even if it can all be built in time, rate increases would be punishing for consumers. As this committee knows, reasonable energy prices allow efficient economies that help maximize the public good. While being asked to build large amounts of new resources or spend billions upgrading existing facilities, ratepayers will also be left with years of undepreciated plant balances to pay for. The more remaining life and existing plant has, the more expensive it will be to close.

No matter how well intentioned the EPA may be, its proposed rules are imprudent and jeopardize bulk electrical system reliability.

Thank you, Mr. Chair.

[The prepared statement of Mr. Parker follows:]

**********COMMITTEE INSERT**********

*Mr. Johnson. [Presiding] The gentleman yields back. We will now begin our questioning, and I recognize myself for five minutes.

You know, I was encouraged that, as many of you know, FERC held its reliability conference last week. This has been a topic of a few of our hearings this year, in this subcommittee and Chairman Duncan's Energy Subcommittee. But it was encouraging that at least some of the major stakeholders and regulators were finally in the same room. That is a start. But still, we saw some troubling testimony.

For example, MISO and PJM said that retirements of dispatchable generation are happening so quickly now that they are worried about the system having enough generation resources to provide reliable electricity. And oh, by the way, winter is here.

And the EPA Deputy Assistant Administrator Joe Goffman was asked how much of an effect this rule, this Clean Power Plan 2.0 we are discussing today, will have on retirements. His response was, "modest.''

Mr. Glatt, as North Dakota's state environment director, you are responsible for implementing EPA standards. It is my understanding that some in North Dakota have been trying to implement carbon capture and storage for many years, with minimal success. But with these new EPA rules, if power plants can't comply with this proposal, they must shut down.

Do you agree with the statement I just mentioned, that the proposal, as it stands according to senior officials in the EPA, will have "modest'' impacts on retirements?

*Mr. Glatt. Mr. Chairman and members of the committee, first of all, North Dakota is a regional energy export. If you want to take a pizza, slice it into seven equal parts, we take one of those for the state, the rest of it goes out of the state.

By shutting down the power plants -- and this plan would do that if they don't have alternatives such as carbon capture -- the plants would have no alternative but to shut down. I am concerned about the widespread impacts this would have, especially in a state like North Dakota and the region, which is at times kind of cold in the winter. And without adequate electricity, affordable electricity, this would have -- it would have devastating impacts.

*Mr. Johnson. Okay. If you have to implement these standards, if this rule were to were to become final and published, about how much of your state's electric power generation would be at risk of retiring, and would this threaten reliability?

*Mr. Glatt. It would be the vast majority of the state's generation capacity, and most of that comes from coal right now, and it would devastate the reliability in North Dakota.

*Mr. Johnson. Okay. Mr. Parker, as you have described, the Utah Division of Public Utilities advocates for the public interest. One consideration of this proposal that I think gets forgotten is the cost to ratepayers, the Americans who have to pay their electric bills each and every month. Compliance with this proposal will require new equipment, new resources, and keeping reliable resources at lower output levels. Can you talk about the impact this rule would have on rates and ratepayers?

*Mr. Parker. Yes. Thank you, Mr. Chair.

You know, for -- we closed a coal plant for a variety of reasons in Utah in the mid-teens. It was closed about three or four years early, and there were many millions of dollars in undepreciated plant balances yet to be paid. Those had to be amortized on ratepayer bills and continuing rates, even after the facility stopped providing power.

*Mr. Johnson. So it is not just the increase in electric cost that will result from taking this dispatchable energy offline. There is a -- the cost of shutting those down that hasn't been paid for yet, right?

*Mr. Parker. Sure.

*Mr. Johnson. Yes.

*Mr. Parker. A utility that has amortized plant lives over, say, 40 years and has to shut a plant down after 30 has 10 years worth of investment still to recover from

ratepayers. If you have to add a bunch of different types of resources and additional transmission assets in order to serve those facilities, you are going to be paying for high capital costs, new resources, and the old resources. You will get some low marginal cost energy that comes from it, and that has value, but it will cost a lot.

*Mr. Johnson. Okay. Mr. Glatt, this morning our full committee Chair Rodgers, Oversight Subcommittee Chair Griffith, and I sent a letter to the EPA highlighting our concerns with the speculative assumptions and clear inaccuracies about carbon capture and carbon pipelines, more specifically. We are going to examine how the EPA put this proposal together and whether EPA did all the necessary work to put forward a workable proposal.

But just real quickly in yes or no, if you could -- and we might come back to you again later for a deeper dive -- but Mr. Glatt and Ms. Owenby, based on what you have seen, do you think the EPA did sufficient analysis before putting this rule forward?

*Mr. Glatt. Mr. Chairman, no.

*Mr. Johnson. Okay. Ms. Owenby?

*Ms. Owenby. No.

*Mr. Johnson. Okay, thank you. With that I yield back, and the chair now goes to ranking Member Tonko for five minutes.

*Mr. Tonko. Thank you, Mr. Chair.

Secretary McIlwain, I was pleased that you mentioned RGGI in your testimony. I was personally involved with RGGI as it was being established during my time in my home state of New York, working with state government. And if every state had a carbon management program like RGGI, then there would be less of a need for Federal regulations. But as I said before, the overwhelming majority of major sources of power plant pollution have no limit on carbon emissions.

So Secretary McIlwain, can you share a little more about whether RGGI has been a success for Maryland and other states cooperating in that program, and perhaps cite the results in terms of emissions reductions?

*Ms. McIlwain. Yes, thank you. RGGI has been --

*Mr. Johnson. Could you -- yes -- turn your microphone on? Thank you.

*Ms. McIlwain. Thank you. RGGI has been extremely successful in Maryland, as I mentioned. We have raised with RGGI, total from all states, $7 billion for investments across, really, across the region. Maryland was able -- I think we got about $1.3 billion that we used to invest in Maryland. So it has been very successful.

We have reduced carbon pollution by 56 percent since the program started, and that is way more than the nation, really, when you think about the combined time that we have

been a part of RGGI.

*Mr. Tonko. We thank you for that. And do you have any major concerns about reliability as the electricity mix has changed in your state, in Maryland, and other RGGI states in response to RGGI's requirements?

*Ms. McIlwain. I don't have any issues with reliability at all because there is flexibility that is built into the program. So we are able to look at it from a global perspective, and make sure that we have the right mix of power, electricity. So we haven't had any problems with that.

*Mr. Tonko. And how has Maryland been encouraged to build on the success of RGGI and pursue even more ambitious emissions reduction targets?

*Ms. McIlwain. Maryland is a very aggressive state. We have the new Climate Solutions Now Act, and in that Act we have a goal to reduce greenhouse emissions by 60 percent by 2031. That is aggressive. So that pushes us even more to make sure that we are doing everything we can to continue to be bold and ensure that we are reducing pollution.

*Mr. Tonko. And how has Maryland been encouraged to build on the success of RGGI and pursue even more ambitious emissions reduction targets?

*Ms. McIlwain. Yes. Well, our governor, Governor Wes Moore, he is -- he has a goal, a big, bold goal, as well,

which is 100 percent clean energy by 2035. So we are being pushed even more to do things like RGGI and other technology -- using other technologies and other programs so that we continue to be the leader in reducing pollution.

*Mr. Tonko. Sure, I thank you for that, and I also want to mention the revenues raised by RGGI. Can you discuss how those revenues have been used to benefit Marylanders?

You mentioned quite a few, you know, billions of dollars that have been realized. And how have they been used to benefit Marylanders?

*Ms. McIlwain. Yes, a lot of the money we use from RGGI is used for low-income households and families. I think 50 -- I think we have had -- maybe 35 percent is used for low-income Marylanders, and we use that money to offset their utility costs. A lot of the money is used for energy efficiency to upgrade appliances and things of that nature, and we also use a portion of the money for renewables like solar energy and other renewable-type programs.

*Mr. Tonko. So those investments then are able to support low-income households and improve reliability by supporting those new clean energy resources and energy efficiency programs.

*Ms. McIlwain. Yes.

*Mr. Tonko. And on the Federal level EPA and DoE and Treasury and other agencies have significant incentives

available to states and utilities to support clean energy deployment and grid management.

So Secretary, just like -- just how does RGGI – do the RGGI revenues being reinvested help support cost-effective compliance and reduce reliability pressures?

Can you speculate on whether states and regulated entities could tap into those IRA and Bipartisan Infrastructure Law resources to support the regulatory requirements established by EPA?

*Ms. McIlwain. Yes, I will say that the IRA is changing the game. There is so much money that is available for the clean energy transition, and it is making clean energy much less expensive. So we -- before the IRA some of these things that we are doing was not -- didn't seem like it was possible. But because of the funding, energy is, like I said, less expensive, it is more affordable, and the Federal dollars matched with state dollars just makes the whole transition able to -- you know, to really be a reality.

*Mr. Tonko. Well, I appreciate your responses.

And with that, Mr. Chair, I yield back.

*Mr. Johnson. The gentleman yields back. The chair now recognizes the chair of the full committee, Mrs. Rodgers, for five minutes.

*The Chair. The reliable, affordable delivery of electric power is vital for public health and safety, and

that is why Congress has been careful to preserve state rights under the Federal Power Act so that control over electricity generation resides with the states. And it is why EPA is not and should not be in control of the nation's electricity systems.

Unfortunately, we continue to see a push for the closure of electric generation that is essential for people to have power when they need it most. The Obama Administration tried to use the Clean Air Act to circumvent Congress and force retirements and transform generation. Notably, these proposed standards did not withstand legal challenge. Now it looks like the Biden Administration is attempting the same thing. It is trying to use the Clean Air Act to force certain and unreliable types of generation on the grid, and at a pace that is dangerous to the public.

Mrs. Owenby, as Tennessee's state air director you are responsible for implementing EPA's standards. From your analysis, EPA's compliance strategies have not been adequately demonstrated and wouldn't work for Tennessee. You say that none of this meets the requirements of the Clean Air Act. Is that right?

*Ms. Owenby. Yes, thank you for the question. Yes. I don't believe, and based on our analysis, you know, the technologies that EPA has utilized for BSER in this particular proposal are just not adequately demonstrated, and

that is a hallmark of a requirement of the Clean Air Act for this section.

*The Chair. Thank you. If you had to implement these standards, what would the risk be to existing reliable generation in your state?

*Ms. Owenby. So I think -- I am not a reliability expert, I am an air regulator, but we work closely with the Tennessee Valley Authority, and they operate the largest public power system in the country. They submitted comments on this rule, and I think they essentially get at the point when they talk about reliability.

They say, you know, you are going to have a choice. And if you -- you either have to choose. Are we going to invest -- for these facilities that are large, that are greater than 300 megawatts, are we going to invest in unreliable technology that we don't think has been adequately demonstrated, or are we going to limit our units and their capacity factors?

And I think TVA's point is you are going to see a significant and very damaging limitation in capacity factors for units that are needed. They are needed for peak time periods and other critical time periods on the grid.

*The Chair. Thank you.

Mr. Parker, would you speak from Utah's perspective? What would the risk be to existing reliable generation in

your state?

*Mr. Parker. Yes, thank you. You know, one answer to that question is it is really hard to know.

The EPA has been very unpredictable in approving state plans and what they will accept and what they won't accept. But I can imagine that a significant portion of our large coal plants would retire or be forced to retire or significantly throttle down capacity factors. And some of our gas plants may also be subject to it.

Our state, our utility, PacifiCorp that predominantly serves Utah, just yesterday sued the EPA for inaction on its regional haze plan. The state submitted its plan well over a year ago and under law it is supposed to have been acted upon. It still has not been acted upon by the EPA. So it is a little hard to know.

*The Chair. Okay, thank you.

Ms. Owenby and Mr. Glatt, you both suggest the proposals undermine the role of states implementing the Clean Air Act. Did EPA meaningfully consult with you with -- when they were developing the standards?

Ms. Owenby?

*Ms. Owenby. EPA, on this particular proposal, they made an attempt. They did do some outreach with states through our national air associations that we have, and they did put forth a power strategy.

I think our issue with EPA's engagement is that states were treated like stakeholders, any stakeholder. And we consider ourselves co-Federal -- or co-regulators under the Federal act. And so I think we are looking for a deeper level of engagement that can get at some of these concerns that we are testifying about.

*The Chair. Okay, thank you.

Mr. Glatt?

*Mr. Glatt. No, EPA did not. They have reached out –

*Mr. Johnson. Mr. Glatt, I hate to interrupt. Would you pull your microphone up and point it directly at your -- there you go, thank you.

*Mr. Glatt. I will use my outdoor voice, my farmyard voice.

[Laughter.]

*Mr. Glatt. No, they did not. And what -- they did just recently reach out after they proposed the rules. And now they are asking for how can they make it better. I really think they should have did that before they proposed the rules.

*The Chair. Do you want to talk about the -- Mr. Parker, would you just talk in the time left on the impact of trying to deploy nuclear?

*Mr. Parker. Yes. You know, we had an announcement just last week in Utah. Our municipal providers had been

pursuing a nuclear project in partnership with Idaho National Lab. That has been canceled as the expense and timelines have grown for it. Our major utility, Rocky Mountain Power, which is a PacifiCorp affiliate, is exploring nuclear. It is also uncertain when they will have the fuel or the time to get it done.

*The Chair. Okay. Thank you. Thank you all for being here.

I yield back.

*Mr. Johnson. The gentlelady yields back. The chair now recognizes the gentlelady from Illinois, Ms. Schakowsky, for five minutes.

*Ms. Schakowsky. Thank you, Mr. Chairman. You know, the title of this hearing today says that the -- that access to power and the cost is going to be going up because of the Biden Administration's green gas emission program. But the reality is that between 2012 and 2022 coal power production has actually decreased by half. And over the same period we really haven't seen a great increase in electric costs.

And thanks to great leaders that that we have, like Secretary McIlwain – yes, I got that right -- what we are seeing is that clean -- in addition to the clean energy tax decrease that was because of the Inflation Reduction Act, we are actually seeing opportunities to make sure that we are providing the service and at a even more reasonable cost.

So if I could ask you, Madam Secretary, how has your plan -- planning made Maryland and -- so successful in being able to not only reduce emissions, but also to lower the consumer costs?

*Ms. McIlwain. Thank you for that. I would say that RGGI has provided regulatory consistency. And when you have that kind of consistency around clean energy, it does give the grid managers a clear path so that they can use that to inform in their planning. And that is why it is really important that you have a program that is set up like RGGI is set up. It gives them, you know, time to do what they can to ensure that there is a reliable grid, that the electricity is reliable, because, again, all those flexibilities are necessary.

And so that is how we have been able to use RGGI to make sure that we are balancing across the board.

*Ms. Schakowsky. So let me ask you this. What about your power plant? What about your power plants have you found to be the most successful in cutting costs for consumers?

*Ms. McIlwain. I am sorry, can you repeat that?

*Ms. Schakowsky. What are the most important things that you have done in your plan to reduce the cost for consumers?

*Ms. McIlwain. Well, what we have done, we -- with RGGI

we are -- we get a lot of money from RGGI, as I said before, $1.3 billion of it has come to Maryland. We use a lot of the funding to offset the utility costs for low-income Marylanders. So that is one way. We make sure we have a large portion of the money supporting those communities and families.

We also use the funding to help drive investments in renewable energy. So that is -- those are just some of the examples.

*Ms. Schakowsky. I also just wanted to highlight -- and you may want to say anything -- some things more about that -- we are worried about vulnerable communities. And it sounds like -- have you been able to do it through the State of Maryland in order to assure that these communities are getting the power that they need, and -- or has it all been from Federal support?

*Ms. McIlwain. Well, the money has come from the RGGI money, which is the invest part of the cap and invest program. So it is -- we do get some Federal funding, but for the most part Maryland is investing in Marylanders. So we are taking the money from RGGI to ensure that the environmental justice communities are not left behind, so we have control and ensuring that we are pushing enough funding there in that area.

*Ms. Schakowsky. Thank you.

And I yield back.

*Mr. Johnson. The gentlelady yields back. The chair now recognizes the gentleman from Georgia, Mr. Carter, for five minutes.

*Mr. Carter. Well, thank you very much, Mr. Chairman, and thank all of you for being here. Obviously, a very important hearing, something that we are very interested in in this committee.

You know, as we have discussed many times before in this committee, this administration's EPA is doing everything it can to force through a premature energy transition. Nearly 60 percent of our nation's energy comes from natural gas and coal, yet EPA's proposed Clean Power Plan 2.0 rule will require this generation source to use carbon capture and hydrogen technologies that not only simply are not economical or operational yet, but increase the cost to provide power to customers. This is something we are very concerned with. This is something I am very concerned with in my district and in my state, in my home state of Georgia.

You know, I had the opportunity to travel to Europe with the Conservative Climate Caucus. And one of the things that I discovered in Europe is that they have made the error of allowing their policies to come before their innovation, and that is something we need to learn as a very important lesson. We need to learn here in America that we can't let

that happen. Yet we are seeing it happen, primarily through the rulings of the EPA. If we do that, we allow our -- or we sacrifice, I should say, our energy security and our reliability.

Ms. Owenby, I want to ask you. According to FERC Commissioner Mark Christie, the U.S. is already not building enough pipelines to transport sufficient amounts of gas to maintain steady and reliable supply of electricity without the additional regulatory burden on power plants. With the CCUS requirements of this rule, what is going to happen to the cost and reliability of energy in states like Tennessee or Georgia that don't have the associated infrastructure to pump out CO2?

*Ms. Owenby. Thank you for the question. I think Tennessee's issue will be twofold.

One, we have got units that are in places where we don't necessarily have appropriate storage for carbon capture and sequestration. So we will have a storage issue, which means then we have a transport issue, right? We have got to get that that CO2 somewhere.

And as I said in my comments, there is just not a pipeline that is adequate, and there is not an infrastructure for that pipeline. You know, when we look at our natural gas pipeline, it is regulated by FERC, there has been a lot of congressional actions that have allowed those pipelines, as

hard as they are to build, to have somewhat of a streamlining, if you may. That reality doesn't exist in the CO2 world. You don't have a Federal agency that is in charge of siting those pipelines, and you don't have Federal eminent domain.

*Mr. Carter. Well, let me ask you this. In the scenario in which you described, what is going to be the impact on cost, and what is going to be the impact on -- to the customer, and what is going to be the impact on reliability?

*Ms. Owenby. So I think in the reality where you are looking at either investing in those technologies that will be incredibly expensive and trying to put in that infrastructure, if that is what the utilities choose to do, or you look at limiting the capacity factor, you know, either way you are looking at raising costs to energy -- to our consumers.

And in Tennessee we have got 8 distressed counties and 27 at-risk counties. EPA's CEJST tool, which helps us identify disadvantaged communities, shows that we have 46 percent census tracks -- 46 percent of our census tracks are disadvantaged communities.

*Mr. Carter. Right.

*Ms. Owenby. And so for us, we -- you know, we have our large metro areas, but we have a big rural state.

*Mr. Carter. Sure, sure. Same thing in Georgia. I say it all the time. There are two Georgias, there is Atlanta and everywhere else.

*Ms. Owenby. Exactly.

*Mr. Carter. And everywhere else is going to suffer, I am going to tell you.

*Ms. Owenby. Exactly.

*Mr. Carter. Well, Mr. Glatt, let me ask you. Do you think the proposed carbon rule is harmful or helpful to the deployment of CCS?

*Mr. Glatt. It would be harmful because it would limit innovation. Why would any industry invest in innovation moving forward if they don't have a future?

*Mr. Carter. So if they are not going to invest in that, where do you think they are going to invest?

*Mr. Glatt. Good question.

*Mr. Carter. Yes, exactly. And where are we going to get power from?

Well, let me ask you this, Mr. Glatt, how would the U.S.'s ability to be competitive and power our economy, how is it going to impact that?

*Mr. Glatt. In many ways. You know, energy is not only used for residential, but it is used in our state for agriculture. And so, by having unreliable energy, expensive energy, it is going to impact everything across the board

throughout the economy.

*Mr. Carter. Absolutely, and it is going to impact the ability to attract businesses, as well. You know, for 11 years in a row the State of Georgia has been the number-one state in the nation to do business. One of the reasons why is because of our low energy costs and our availability of energy. If that goes away, then we are not going to be able to attract businesses like we have been.

So thank you all again for being here, I appreciate it.

And I yield back.

*Mr. Johnson. The gentleman yields back. The chair now recognizes the ranking member of the full committee, Mr. Pallone, for five minutes of questions.

*Mr. Pallone. Thank you, Mr. Chairman.

EPA's proposed power plant rule is long overdue, and I believe it is critical to protecting the health of our communities from dangerous air pollution, fighting the worsening climate crisis, and delivering clean, affordable, and reliable energy. But while EPA's proposal is undoubtedly important, the power sector is already shifting to cleaner generation, thanks to economic factors and targeted investments. The reality is that, even without a power plant rule, states and the power industry have to prepare for a rapidly decarbonizing grid.

So I wanted to ask the Secretary McIlwain, how has the

shift to a cleaner power sector materialized in Maryland, if you will?

*Ms. McIlwain. The shift has been incredible in Maryland. I have spoken to you many times before about RGGI, but it is really important to just continue to emphasize that when we are -- when we have a program like we have in RGGI, and we are capping pollution, and at the same time we are using funding from that program to invest in Maryland, invest in clean energy, invest in residents who have been left behind for far too long, the program works, and it has been instrumental in Maryland.

*Mr. Pallone. All right. Now, the State of Maryland is taking climate change seriously by following the science and setting the most ambitious climate goals of any state, frankly. Meaningful climate action and the transition to clean power is already underway in your state.

So listening to my Republican colleagues, one would have to assume that Maryland is faced with frequent blackouts because of your climate policies. Is that the case?

*Ms. McIlwain. That is not the case at all. We are not faced with frequent blackouts. We have a very solid program with RGGI. We have reduced carbon pollution faster than any other -- really, all the states combined through RGGI. So no, the program has been successful, and we have not had those problems, even though we do have a cap program in terms

of capping the power plants and pollution.

*Mr. Pallone. All right. Based on your experience, do you agree that states can reduce pollution from the power sector while maintaining reliability and keeping energy costs down?

*Ms. McIlwain. Absolutely.

*Mr. Pallone. Well, contrary to the rhetoric from my Republican colleagues, we don't have to choose, in my opinion, between cutting pollution from the power sector and maintaining reliability and affordability. I think that is a false choice.

So states like Maryland -- and I would add my own state of New Jersey, too -- have rejected this narrative and are moving forward with efforts to clean up the power sector while keeping the lights on and cost down. And I think that EPA's proposed power plant rule complements these efforts by Maryland, New Jersey, and, you know, other states that have been so progressive.

So I just wanted to thank you for joining us today to share your state's perspective on EPA's proposal and demonstrating that we can deliver a clean future without sacrificing reliability or affordability. Thank you.

*Mr. Johnson. The gentleman yields back. The chair now recognizes the gentleman from Texas, Mr. Crenshaw, for five minutes.

Sorry about that. Mr. Allen for five minutes.

*Mr. Allen. Okay, thank you, Mr. Chairman, and it is an important hearing, and we are hearing a lot of information about, you know, where each state is dealing with these issues.

As Mr. Carter said, he and I both are from Georgia. It seems that Georgia is growing rapidly. The business community is moving to Georgia rapidly because of our abundant supply of energy and the fact that it is efficient, and it will be there because of Southern Company and Georgia Power, and all of our EMCs working together to make sure that this happens.

As I mentioned in the June hearing, my district is predominantly rural, and these rural communities rely on affordable and reliable energy. I have been increasingly concerned with proposals coming out of EPA aimed at shutting down reliable generation, and proposing unworkable standards for states to comply with. During our first hearing on Clean Power Plant 2.0 proposal, I mentioned that though some of EPA's proposals will never be implemented, these proposals will send a signal that future costs will rise due to increased compliance cost.

In other words, I come from the business world. Any time you introduce uncertainty, you also introduce uncertainty on capital requirements, investment. Now,

understanding that, you know, the ratepayers are the ones that are obviously investing in RGGI and those things, but again, the businesses are all moving to Georgia.

So Mr. Glatt, Mr. Parker, and Ms. Owenby, can you all discuss the burden of states to deal with these compliance requirements across the -- across all the rules that the EPA has presented, and what it is going to do to our power producers?

We will start with you, Mr. Glatt.

*Mr. Glatt. Well, there is numerous proposed rules that are directed at power generation, and our concern is we spend an inordinate amount of time reviewing those rules. EPA has not evaluated how each of those interact, and how they are additive or subtractive. And so that is extremely taking -- difficult and taking a lot of our time.

I will say that without the regulation we find a lot more innovation. So innovation over regulation. If the Federal Government is picking winners and losers, that is wrong. They should be more of a partner with us, and how do we move innovation forward. And I would like to see them back off on some of these regulations, because right now the only ones that are winning from that are the attorneys.

*Mr. Allen. Okay. Ms. Owenby?

*Ms. Owenby. Thank you. I couldn't have said it better. I think Mr. Glatt is right. I think the

intersection of how these rules interplay when they apply at the same facilities is really critically important. And that is what we do at the state level after rules get finalized, is we have to figure out how do these things overlap, and how do we write plans that make sense and that the regulated entities can comply with.

In this particular scenario, you know, we are struggling to see how to write a plan that can be complied with without the potential for impact. And so that is where we are struggling.

Tennessee is also booming for business.

*Mr. Allen. Right.

*Ms. Owenby. And has been on a significant growth trajectory. And it is a frequent conversation when we work with our economic and community development department of where will the power be, and will the power be there when we talk to new companies.

*Mr. Allen. Right.

*Ms. Owenby. So I think that is at top of mind when we think about how we are going to put a plan together. Will it not only comply with EPA's rules, but also preserve the right for Tennessee to grow?

*Mr. Allen. Yes, that is not a bad problem to have, by the way.

Mr. Parker, how about you?

*Mr. Parker. Sure. Since I don't do environmental regulation, I will speak to the utility planning side of that question.

And our utilities file what is called an integrated resource plan. And one of the jobs of that plan is to evaluate all proven technologies, essentially, and see what makes the lowest cost portfolio. In that planning process these days our largest utility includes a carbon cost, despite the fact we have no carbon tax or other regulation in the state that impairs carbon.

So their planning process is assuming a cost of regulation, and they model it at different levels to see its sensitivity. But that cost impairs all of those plants and makes it look like a market decision when it is really a regulatory decision.

*Mr. Allen. Right. In other words, those costs, those carbon costs, are going to be passed along to your ratepayers.

*Mr. Parker. Sure, you bet.

*Mr. Allen. The ratepayers. And, of course, we know the situation currently in the country with inflation and folks, I mean, living paycheck to paycheck. How are they going to pay their utility bills when you add this carbon tax to it?

I am out of time. I yield back. Thank you.

*Mr. Johnson. The gentleman yields back. The chair now recognizes the gentleman from Maryland, Mr. Sarbanes, for five minutes.

*Mr. Sarbanes. Thank you very much, Mr. Chairman. Thanks to the panel for your testimony today. I want to again thank Secretary McIlwain for her being here today, for the great work she is doing for Maryland as leader of our environmental efforts.

And I am also proud that you live in my district, the 3rd district, which is terrific. So just again, thank you for your work on behalf of our environment, the health of all Marylanders, and the good work that we are trying to do.

Like MDE's statewide mission, EPA's mission, as you know, is to protect human health and the environment at the national scale. And this proposed power plant standards rule would do just that, as we have been hearing, by setting reasonable pollution limits on power plants to protect the well-being of communities across the country.

The move to cleaner while still reliable and affordable energy is one that has been underway in states like Maryland for many years already. I mean, we have been working at this for a long time. And under Maryland's Climate Solutions Now Act, our state is committed to reaching the goal of net zero greenhouse gas emissions, as you have indicated, by 2045, which, by the way, is one of the strongest commitments to

reduce air pollution in the nation. And so we like to think Maryland's work is a barometer that we can learn from and apply broadly as we consider national goals and guidelines. It is a good laboratory.

I was curious if you could speak to -- when you look at the things that are happening in Maryland, the initiatives that you think are particularly critical, which of these stand out maybe as ones that can be applicable for other states that you view as models that can be broadly applied?

*Ms. McIlwain. Yes. So as I -- I have to just always continue to go back to the RGGI program, the cap and invest program that we have in Maryland. It works. It has been extremely successful.

As I stated earlier, we have been able to reduce pollution by 56 percent because of the program. I can't imagine if we didn't have it. So for all these years, we -- pollution is going down, and we are able to use the funding that we are getting from RGGI to fund communities who need it most. We have been able to ensure that not only the low-income families are receiving money to offset their bills, but just the entire energy mix is a -- has been really instrumental in how we are managing pollution in Maryland.

So I don't know about other states who are not -- who are using cap programs or not, but I will say it is a program to be modeled behind. It works.

*Mr. Sarbanes. Terrific.

*Ms. McIlwain. And it doesn't -- and there is a balance to it. So you don't have to have one without the other. So capping pollution doesn't mean you have an unstable grid. It provides reliability.

*Mr. Sarbanes. Well, I certainly feel in Maryland that we have that reliability covered. And so I think what you are pointing to with RGGI, that is a model that ought to be considered other places. It is proven, it is tested. It is achieving, as you say, in a balanced way, all the goals that we want to see, and protecting the interests that we want to protect, for sure.

*Ms. McIlwain. It is -- for sure. And the IRA funding makes it even better. I mean, with that kind of historic investment in the clean transition, now is the time to start thinking about programs like that, and I feel that this rule pushes the nation toward that -- the kind of program that I am speaking about.

*Mr. Sarbanes. And does it, as you emphasized, with the kind of flexibility that can accommodate people that are different points along this very important trajectory that we are trying to encourage out there to get through this clean, green transition that we aspire to.

I just want to come back to something you sort of mentioned, but could you speak to how the efforts in

Maryland, these benefits that -- cleaner air, lower greenhouse gas emissions, and so forth -- are providing benefits to some of the low-income and communities of color that have historically, as we know, dealt with the worst impacts of such pollution -- so what does that look like in Maryland?

*Ms. McIlwain. Yes, so RGGI has been well studied for years. There has been independent studies that has estimated that RGGI has created billions -- I mean billions -- of dollars in improved health and economic benefits, as well.

So again, the program really works, and the benefits are enormous, and that is for the entire region who are in the RGGI community.

So yes, so this proposal likewise could create more benefits for public health, meaning the EPA rule. So it is just putting it on steroids is how I like to --

*Mr. Sarbanes. And it would reach every community.

*Ms. McIlwain. It would.

*Mr. Sarbanes. Thank you very much for your testimony.

*Ms. McIlwain. Thank you.

*Mr. Johnson. The gentleman yields back. The chair now recognizes the gentleman from Pennsylvania, the vice chair of our subcommittee, Dr. Joyce, for five minutes.

*Mr. Joyce. First I want to thank Chairman Johnson for holding today's hearing and for the witnesses for testifying

on a critical issue that has a potential to adversely affect all Americans' access to energy.

In October, in the Energy Subcommittee, we had witnesses from the regional transmission organizations, including PJM, which covers my constituents in Pennsylvania. They shared with us their concerns about how this rule could have serious consequences for grid reliability.

For example, PJM released a report earlier this year that contained dire warnings that nearly 40 gigawatts, 20 percent of the entire installed capacity of the region, is at risk of retirement by 2030. The PJM analysis states that more than half of those closures are due to -- and I am quoting -- "policy-driven retirements.'' Nearly all of these retirements are baseload resources -- coal, natural gas, and nuclear -- with almost all, 94 percent, of the proposed replacements coming in the form of renewables.

The North American Reliability Corporation, or NERC, raised similar concerns in its 2023 Risk Analysis Report, identifying energy policy as one of the top five threats to grid reliability, right alongside extreme weather and cyber and physical attacks from malign actors.

The Biden Administration's rush to retire fossil generation, especially in PJM in the coming years, is deeply worrying, given the lack of a firm 24/7 resource in line to replace them. Last year, right before Christmas, when an

Arctic storm hit the northeast, temperatures in my district fell below 0 degrees Fahrenheit on Christmas Eve. Water pipes froze across the state, including in my wife's medical practice, and the grid in our region became dangerously close to being overburdened. It is times like these when we need the dispatchable power capacity that fossil fuel provides.

To put it bluntly, we are not building natural gas power plants fast enough to replace the closing coal power plants, and I am gravely concerned about what just one severe winter could do to my constituents in Pennsylvania.

I was not surprised when all the RTO and ISO witnesses from our October hearings agreed that natural gas will remain an indispensable part of our nation's energy mix for decades to come. In fact, one witness called it the only practical solution. I was extremely disappointed, though, to learn in the same testimony that the EPA did not consult with these organizations in any meaningful way on the reliability impact of their 111 rule before it was released.

As the officials overseeing energy reliability and affordability in each of your states, did the EPA consult with you on the potential impact that it might have in your state?

Mr. Glatt?

*Mr. Glatt. No, it did not.

*Mr. Joyce. Mr. Parker?

*Mr. Parker. I can't speak to what they may have done with our department of environmental quality, but they didn't speak with us.

*Mr. Joyce. Ms. Owenby?

*Ms. Owenby. Yes. As I said to an earlier question, they did consult through our national air associations with state air agencies.

*Mr. Joyce. So Ms. Owenby, EPA's actions in proposing the CO2 and 111 rule will only serve to exacerbate current grid reliability challenges by essentially forcing the retirement of dispatchable resources and increasing our reliance on intermittent resources. Unfortunately, EPA's actions have come with little or no consultation with the FERC, the various RTOs, ISOs, and, as we have heard from several of you today, certainly not with state air regulators.

Can you speak of the need for robust dialogue between the Federal Government and your agencies in developing and implementing rulemaking, moving forward?

*Ms. Owenby. Thank you for the question. And yes, I think it has been a constant -- both of our national air associations and many state air directors have vocalized to EPA that -- not just on this particular rule, but on all of their rules that impact regulated sources within the states -- we want to see, particularly with a rule as critical as

this, really robust, pre-rule, you know, coordination, you know, in -- air directors that have been around longer than I have kind of refer to it as EPA used to workshop these ideas, they used to think through with states and with co-regulators how do we make something happen, and how do we do this in a positive way that we don't wait until we get to the rule proposal before we start really hashing it out?

So we would love --

*Mr. Joyce. I think your message is resonating here that robust collaboration pre-rule needs to occur.

Thank you again, Mr. Chairman, and I thank the witnesses for appearing today, and I yield.

*Mr. Johnson. The gentleman yields back. The chair now recognizes the gentleman from Alabama, Mr. Palmer, for five minutes.

*Mr. Palmer. Thank you, Mr. Chairman.

It really concerns me, the direction the EPA is going here. They are overstepping their jurisdictional bounds, legislating through administrative order without, I think, a real regard for the impact it is going to have on the American people. This mad rush to renewables, first of all, just from pure physics, is not going to work. We cannot replace the amount of power distribution displaced by shutting down these hydrocarbon facilities with renewables.

I have a report here from the American Experiments, a

think tank in Minneapolis, where they are looking at the Midcontinent Independent System Operator. And what it is showing is that it -- that if we go this route, and all of these regulations are put in place, the Midcontinent Independent Systems Operator cannot meet resource adequacy and reliability. Now, translated, that means there will be blackouts in one of the colder parts of the country.

Now, what we just saw in Europe last winter was -- and this has been widely reported -- that 68,000 people died from cold-related illnesses because they could not afford to keep their homes adequately heated, 68,000. Now, some of my Democrat colleagues might consider that collateral damage in their war on climate and their -- this concern about climate change. But that is more people than died from COVID in the same time period.

Do you have any concerns in that regard, Mr. Glatt?

*Mr. Glatt. Yes I do. Yes, the statement was made that it got down to zero degrees. It warms up to zero degrees in North Dakota sometimes, and that would be the high for the day. So without reliable energy, not being able to afford it even if it was there, there is concerns about the health impact and the safety impact for our residents.

*Mr. Palmer. Well, we know that according to The Lancet, the British medical journal, that 70 times more people die from cold-related illnesses than from heat.

So it is an even bigger problem.

And then some of the data that I am hearing from some of my colleagues about our lack of effort, or the lack of effort on cleaning up our air, it flies in the face of what EPA's data shows. I mean, we have made enormous reductions in emissions.

The other thing, though, about this report, Mr. Chairman -- I would like to enter this into the record -- is that it will cost the ratepayers just in the Midcontinent Independent System about $246 billion. That is about 7.7 billion per year. That is more than the projected benefit that the EPA says nationwide of 5.9 billion. That is 7.7 billion just for that group of states.

How do you respond to that, Mr. Glatt?

*Mr. Glatt. Tough to respond to that, you know. Is that the -- the cost, I think, is incalculable at times, just what the impacts are going to be. And that is my concern with rules like this, is that they have not looked at what is the impact, and the widespread impact.

*Mr. Palmer. Well, Mr. Parker, I made this comment that the physics don't work, and it is just a matter of fact that when you are talking about renewables you are talking about intermittent power. You don't have the ability to meet baseload without some redundant system to back it up. And

that adds to the cost.

I am just very, very concerned that we are heading down a really bad path in terms of how it is not only going to impact individuals, but also our economy, and even our national security at some point, because we have become 100 percent reliant on China for the materials that we need to operate these renewable systems. And it is -- to me, it is indefensible, what they are trying to do. How would you respond to that?

*Mr. Parker. Yes, Representative, thank you for the question. I think there are a lot of issues embedded in there. There is the bottom line resource adequacy question of keeping the lights on. There is also a power quality issue.

You know, we have in the Salt Lake City area a few refineries. A little spike in the power, a flaw in the frequency can damage their processes. It can create PM 2.5 emissions that make them violate their air quality permits just because they are getting poor quality power.

We have got irrigators in rural areas of the state who have already seen damage to equipment from variable sources, kind of fluctuating frequency on their system. That is in addition to any cost increases.

The power plant I mentioned earlier that we retired in the mid-teens, it required a number of significant

transmission system upgrades in the location where that plant was taken offline in order to maintain voltage and frequency on the transmission system across that area.

*Mr. Palmer. Mr. Chairman, in his -- regard to his quality of power, there are certain businesses that cannot operate because in a -- in an area that doesn't have the quality of power required to operate the businesses, and that could even include things like semiconductor production.

I would like to enter into the record this report from American Experiment.

*Mr. Johnson. Without objection, so ordered.

[The information follows:]

**********COMMITTEE INSERT**********

*Mr. Johnson. And the gentleman's time has expired. The chair now recognizes the gentleman from California, Mr. Ruiz, for five minutes.

*Mr. Ruiz. Thank you, Mr. Chairman.

My home state of California has made serious efforts to move away from reliance on fossil fuels as we look towards the future. And the Inflation Reduction Act and the Infrastructure Investment and Jobs Act have made much-needed investments in renewable energy development. This funding is essential to advancing renewable energy here at home to take steps forward to a cleaner future. However, if we do it at the expense of vulnerable communities, we will take steps backwards to a dirtier past. We cannot invest in production without enforcement of the Clean Air Act standard for healthy air. And to do this we must expand our energy grid and keep our air quality safe to breathe.

So EPA's proposal is fundamentally about protecting Americans from dangerous climate change driving pollution that endangers human health and the environment. And we know that the worst effects of climate change are disproportionately shouldered by low-income and minority communities, rural communities.

So, Secretary McIlwain, you, as secretary of environment for Maryland, your state has set the most ambitious net zero goals of all 50 states. Simultaneously, your state has also

put in place strong environmental justice standards. So how will these two concepts work hand in hand as you continue to clean up your power sector?

*Ms. McIlwain. Thank you.

So my priority is to help and ensure that Maryland -- we meet our climate goals. And as you said, they are the most aggressive in the country. And we plan to meet those goals. But we are going to do it by ensuring that we leave no Marylander behind. So there is not one without the other, as far as we are governing in Maryland.

So the proposed rule that we are talking about, it helps to reduce the greenhouse gas emissions and it improves air quality. Well, that is exactly what we need to ensure that the environmental justice communities are no longer continuing in this cycle of burdening, being overburdened by air pollution. So I think we are moving in the right direction.

And there is no -- there shouldn't be a if you do this then you can't do the other. We can do both.

*Mr. Ruiz. You know, the American Lung Association has -- have given all three of the counties in my district a failing grade for air particle pollution. We have the I-10 that runs from pretty much LA all the way to Phoenix across our country in eastern Riverside County. And so you see semis after semis after semis, and it has serious impacts on

the health of my constituents. I know, because I treated them in the emergency department for years. And that is why I am particularly passionate about supporting EPA's congressionally-granted authority to protect public health and the environment, including through pollution standards like the one we are discussing today.

And as a doctor, you know, I have seen the connection between a person's health and the environment where they live, and the very real effects of environmental injustices. And, you know, environmental justice is basically the notion that certain communities don't have a say in decisions where certain factories or certain Interstate 10s run through. And usually those high-polluting factories and interstates are placed in the middle of disenfranchised, rural, poor communities. And so the whole environmental justice movement is to understand that there is certain characteristics of populations that have been exposed to these types of pollutions, and now we are seeing that those that live near a high-polluted area have 10 years less of life expectancy, on average, than those that do not.

Secretary, why is it important to include environmental justice communities in plans to decarbonize the power sector?

*Ms. McIlwain. Yes, we have to listen to the voices of the communities that are affected the most. It is so important. And that is why one of the first things I did

when I started as secretary is I instituted listening tours for all the environmental justice communities. And I didn't just listen. We are taking those concerns, and we are using them to inform as we are regulating the industry. So it is important.

And again, I said it before, but there is no one without the other. Environmental justice is critical, and it is one of my top priorities.

*Mr. Ruiz. Thank you, I think that is very important. We often times dismiss history and all the recorded times where high-polluted substances are put in reservations, or they are put in rural poor communities, or put in communities that historically have been set aside. So thank you for that.

I yield back.

*Mr. Johnson. The gentleman yields back. The chair now recognizes the gentleman from Ohio, Mr. Balderson, for five minutes.

*Mr. Balderson. Thank you, Mr. Chairman, and thank you, panel, for all being here today. My first question is for Mr. Parker.

In your testimony you note, "We are a hopeful people, but we should heed these warnings.'' In response to concerns raised in NERC's long-term reliability assessment, something my colleague, Dr. Joyce, talked about, the PJM report, we

have talked about the issues this proposal will have on reliability, resource adequacy, and driving existing reliable generation off grid. And when you pair this proposal with the administration's efforts to push electrification across industries and corresponding increased demand on the grid, the consequences could be disastrous.

Can you discuss what these issues could actually mean to our constituents, and what are the repercussions if the EPA doesn't heed these warnings?

*Mr. Parker. Sure. Thank you, Representative.

You know, in Utah, as I have said, we are served primarily by PacifiCorp's Rocky Mountain Power affiliate, which does retail business in six states, Washington, Oregon, California, Idaho, Wyoming, and Utah. And we are already seeing through there -- in my testimony, the written testimony, there are a number of items from a WEC reliability assessment report that identifies shortcomings in the grid beginning as early as 2025, if things don't change.

To that, we can add, as you note, significant increases in demand due to a lot of data centers, onshoring of manufacturing processes that have been offshore. There is a lot of pressure -- electrification of the transportation sector that is increasing demand at the time WEC is warning that we are at risk. Those risk analyses are statistical exercises that identify what happens when you take one more

facility offline.

And we saw in 2022 in the West a very close call. And if we had lost one more significant facility on that day I think the West would have had blackouts that year. That would have affected businesses throughout the region, it would have cost folks a lot of money, and impacted health.

As I noted, the refineries in the Salt Lake area, when they have emissions because of power quality issues, that has a more direct and relevant effect on health than the carbon emissions that this rule is designed to regulate.

*Mr. Balderson. Okay, thank you very much. My next question is for Ms. Owenby and Mr. Glatt.

So, Ms. Owenby, I will -- ladies first. My understanding is Congress gave states a central role in implementing state statutory source standards like those being discussed today. A state knows its residents, its geographic, socioeconomic infrastructure, and other circumstances better than the Federal Government, and certainly better than the EPA. Can you speak to the central role states should play when implementing standards?

*Ms. Owenby. Sure, thank you. I think particularly with regard to the emission guidelines, where we have to put together plans, you know, we take that into consideration with all regulations that are applicable over that particular facility or the group of facilities. And we work with the

facilities, we do public engagement, and we try and understand how do we put together a plan that someone -- that the regulated entities can comply with within the time constraints that EPA has provided in the guidelines.

And I think in this particular rule there is a couple of things that are just really -- in addition to not adequately demonstrated technology, you are looking at they have given states the ability to look at remaining useful life. And they have said you can do trading programs and you can do averaging, but then if you look at remaining useful life for a facility, it can't be in the averaging and trading flexibility.

And so the give-and-take of what EPA has done, both under this rule and under the general revisions they did to subpart B which covers this particular -- these particular type of plans, it is just continuing to ratchet down the flexibility that states have when we do those plans and put those plans in place.

*Mr. Balderson. Okay. Mr. Glatt?

*Mr. Glatt. I will just kind of add on to that. You know, it is a big country, and there is a lot of different environments, culture, economies, all those type of things. States are in the best position to identify, working with the industries and their citizens, what is the best path forward.

I do think what is happening now is that states are

getting less and less input into the process, quite frankly. If we agree with everything EPA says, we are looked at as cooperative. If we object to it because it doesn't fit our paradigm in our state, we are not being part of the EPA team. And so the states play a lead role in how to implement these, and the states have shown that they can do it, and very well.

*Mr. Balderson. Agreed. Okay, I want to be conscious of my time.

I yield back, Mr. Chairman. Thank you all.

*Mr. Johnson. The gentleman yields back. The chair now recognizes the gentleman from Texas, Mr. Crenshaw, for five minutes.

*Mr. Crenshaw. Thank you, Mr. Chairman.

You know, I remind -- I have to remind my voters constantly that there is a lot of distractions ongoing right now around the world and things that they are worried about. But the EPA, whether it is trying to ban certain plastics that are commonly used by our constituents or trying to effectively ban half of America's refineries or effectively put offline a good portion of our baseload power sources, the EPA, more than any other agency under this administration, is going to affect your life negatively. People don't realize that.

You know, some might accuse bureaucrats of being lazy, but I don't think that is the case at EPA. They are not

lazy. They are activists. They are constantly thinking of new ways to screw with our energy system. And here we are again. And so I always start with a -- just some basic comments about cost versus benefit. You know, that is a key component philosophical underpinning of what the EPA is supposed to do: assess costs, assess benefits, and impose regulations accordingly that achieve the goal we all want to achieve, which is protecting our environment.

You know, it should be noted I have personally put forth and passed legislation like the LEADING Act, like our New Energy Frontiers, which prioritizes research and development into carbon capture technology. I mean, I am all about it. I am all about new nuclear plants and clean energy. But I am also all about my constituents having affordable energy so that they can survive, whether it is in the heat or in the cold. That has to be first and foremost in our minds because we look at the dangers of climate change.

People act like there is going to be tidal waves crashing over them like in the movies. Of course, that is not the case. And we can read the IPCC data, we can actually read the UN reports. We know what the risks are, and those risks are worth mitigating, but not at the cost of destroying ourselves in the process. That is always what these conversations are about.

You know, I mean, we look at benefits. If we went net

zero by 2050, do you know we would reduce global CO2 concentration by 2.2 percent? There is another piece of data out there that shows if we just stopped emitting carbon emissions completely in America right now, it might reduce the temperature temperature in 2100 by 0.8 degrees Fahrenheit. I mean, does that seem like a huge benefit to anybody? Does that seem like we are saving a bunch of -- of course not. And at what cost?

And we have real questions to answer to our constituents about whether their lights are going to turn on or not. These are real questions. We can't just blow past them with some hopeful assumptions that the EPA is making about what technologies might exist in just a few years. And so I suppose we should ask some of those questions.

Ms. -- sorry, I can't see the last name -- from Tennessee, could you speak for a minute about the feasibility of what -- of these technologies? Have you ever seen any of these technologies used effectively and efficiently and at scale that the EPA would require you to use?

*Ms. Owenby. No, no, I think EPA gave a couple of good examples in their proposal that demonstrate that they -- we haven't seen something that meets their standard. And they did not include the example out of Mississippi, which is a carbon capture system that was abandoned after a number of years of cost overruns and just being too expensive.

And so I think the reality is that, as Mr. Glatt said, carbon capture has potential, but there are a lot of questions, and it still is, in my opinion, in the demonstration phase.

*Mr. Crenshaw. I appreciate that. I will go to Ms. McIlwain from Maryland.

And because you seem more optimistic that these standards are easily achievable. So I would like to understand how. So 13 percent of -- I think that was right, maybe you could correct me, but I believe, from our data, 13 percent of Maryland's energy mix is from coal. And so you think within five years we can actually put technology on these coal plants that take 90 percent of the carbon out of the air? And where are we going to buy that technology?

*Ms. McIlwain. Well, it is all about the utility mix. Carbon is a piece of it. And yes, with careful planning, which is what we are doing in Maryland, we have to ensure that as the coal plants are retiring we have a plan, hopefully with clean energy. And that is where -

*Mr. Crenshaw. Okay, but the plan is to just retire them, even though you are going to -- you are absolutely going to have an increase in energy demand in Maryland, right? Your energy demand isn't going down over the next 10 years.

*Ms. McIlwain. No, but you have to have a different

source to take up for that lost energy. And in Maryland we are looking at clean energy like solar and wind. So we are looking at those things, and we are carefully planning those things so it doesn't just disappear and we are left without energy. That is not how it works.

*Mr. Crenshaw. That would be nice if it did work that way. Solar and wind in Maryland? We have all -- okay. I am out of time. We could talk about this all day.

Thank you, Chairman.

*Mr. Johnson. The gentleman yields back. The chair now recognizes the gentlelady from Iowa, Dr. Miller-Meeks, for five minutes.

*Mrs. Miller-Meeks. Thank you, Mr. Chair, and I thank our witnesses for being here, as well.

The Biden Administration's rush-to-green energy regulatory framework, and a refusal to acknowledge an any-of-the-above energy strategy that focuses on reducing emissions agnostic of source will ultimately lead to higher cost, no alternative market choices, and an unsustainable electric grid.

Look no further than the proposed greenhouse gas rules for carbon-based electric generating units. These rules remove the state's flexibility to keep electric generation facilities available as needed, and significantly impact the reliability of the nation's bulk electric grid. Not only

have state utility boards expressed concerns in comments regarding the impact of these rules, but in August the grid operators ERCOT, MISO, PJM, and SPP jointly filed comments indicating that their systems will need to rely even more on generation from critical reliability factors as more intermittent resources come online.

Mr. Chairman, I ask unanimous consent to insert into the record comments filed by the Iowa Utilities Board on how harmful these proposals would be to the state.

*Mr. Johnson. Without objection, so ordered.

[The information follows:]

**********COMMITTEE INSERT**********

*Mrs. Miller-Meeks. And what is remarkable about the Iowa Utility Board putting these forth and their negative comments is that Iowa is a net exporter of energy. Fifty percent of our energy is from renewables. Over 60 percent of our electricity is from wind.

The FERC commissioner Mark Christie said, "We are heading for a reliability sector crisis.'' EPA Administrator Regan, however, stated that, with the announcement of these proposals, a reliable electric power system is essential to our national security, continued economic growth, and the protection of public health. I did just want to read one segment from this letter, which states "It defies belief that in a mere two months between the EPA announcing its agreement to work with the DoE and the publication of the proposed rules, that the EPA duly consulted and considered the significant impact on the essential services of literally keeping the lights on.'' Maybe the EPA doesn't know what an essential service is.

The proposed rules are rushed. The record does not meaningful -- consider the impact of this truly essential service, and the EPA myopically pursues a narrow goal at the expense of jobs, life, and heat. More than five million people die every year globally due to the exposure of excessively hot or cold temperatures. Heat death is responsible for 1 percent of global fatalities, approximately

600,000, but cold kills 8 times as many people: 4.5 million annually.

A 2019 study from the National Bureau of Economic Research indicates -- estimates that the fracking revolution, by driving down natural gas prices, prevented or saved more than 11,000 American deaths in the winter per year from 2005 to 2011. And I greatly appreciate my colleagues on the other side of the aisle pointing that out, that during the Obama Administration, when coal-fired plants were taken off, we still had electricity. Why? Because we had natural gas substitutes. There is no magic source of electricity generation in the near future over the next five years.

Mr. Glatt, contrary to Administrator Regan's statement, can you discuss how these rules reduce reliability and harm public health of Americans?

*Mr. Glatt. Certainly. In North Dakota at any given time, over 50 percent of the energy generated is coal-fired power plants. Without that, there is a vacuum of energy to be provided. I don't know where that is coming from. And so that is a major concern for us. And in a short 5 years, when we are looking at 15, 20-year plans going out into the future, this is just not attainable.

*Mrs. Miller-Meeks. Ms. Owenby, are states provided enough flexibility to implement the proposal to meet the electric needs of their residents?

*Ms. Owenby. No.

*Mrs. Miller-Meeks. Thank you for your candor.

Mr. Parker, did the EPA engage with your state on the impacts these rules would have?

*Mr. Parker. As I said earlier, I am not sure of the level of their involvement with our department of environmental quality. I am sure it also participated in some of the association comments, but I am quite certain its suggestions were not adopted.

*Mrs. Miller-Meeks. Mr. Glatt?

*Mr. Glatt. Not adequately, no.

*Mrs. Miller-Meeks. Thank you very much.

It seems that the public health emergency will be the deaths that we experience when electricity prices go up and people can't afford to heat their homes in the winter time, and they don't have the money to move down south to warmer climates. So it is a public health crisis that we are engaging upon by not having affordable, reliable, secure energy. So people may die before they ever have a chance to get asthma.

Thank you so much. I yield back my time.

*Mr. Johnson. The gentlelady yields back. The chair now recognizes the gentlelady from California, Ms. Barragan, for five minutes.

*Ms. Barragan. Thank you, Chairman Johnson.

The EPA's new carbon pollution standards for power plants is important for U.S. efforts to fight the climate crisis and reduce air pollution. Many of the largest polluters in our communities are power plants that burn coal or gas, and they are disproportionately in low-income communities and communities of color.

Secretary McIlwain, thank you for joining us today and for your leadership previously at California EPA. As Maryland's grid becomes less reliant on decades old coal plants that will soon retire, a clean energy transition is underway. How is Maryland planning for these retirements, and how does the state plan to address grid reliability to keep power affordable and available for residents?

*Ms. McIlwain. Yes, so by -- I will say quickly by careful planning. So we are working with partner agencies like the Maryland Energy Administration, the Public Service Commission. We work together to make sure that we have a plan.

And so we realize that some sectors will come off the grid, will no longer provide electricity. In particular, the power plants, eventually. But we have a plan. We are making sure that, you know, we are modeling and seeing how we can start using renewable energy to be a part of that mix. So yes, we are definitely prepared, and we are making sure that we are planning for those retirements.

*Ms. Barragan. Thank you, Secretary. Maryland has several policies that complement the EPA power plant rule, including the renewable energy standard of 50 percent renewable energy sources by 2030. California has a similar target of 60 percent renewable energy by 2030. How do renewable energy standards help states to meet climate goals and the pollution reduction requirements of the EPA power plant rule?

*Ms. McIlwain. So they will be a part of helping Maryland reach our goal of 100 percent green energy by 2035. So we are -- renewable energy, it really does help to incentivize and guide the investments in clean energy. So it is all a part of a larger plan in Maryland. So that is how we plan to make sure we have that balance that is necessary.

*Ms. Barragan. Okay. There is a cost to inaction, Madam Secretary. And today the U.S. released its fifth national climate assessment, which finds that the effects of a rapidly warming climate are being felt across our communities through stronger floods, extreme heat, drought, and wildfires. How does the climate crisis, driven in part by power plant pollution, threaten Maryland's grid reliability and the quality of life for low-income communities and communities of color?

*Ms. McIlwain. Well, I think -- so the bottom line is when you have clean air, you have a better chance of not

having asthma and other respiratory issues that we find so prevalent in the environmental justice communities.

And so this clean energy transition is really critical, and that is why we are working really hard with communities, and we are making sure that everything we do takes into consideration the health benefits that we can -- that we are sure to realize as we are going through this transition.

*Ms. Barragan. Well, thank you. And I know that, you know, Democrats and President Biden have made record investments in clean energy through Inflation Reduction Act. And I think these are Federal investments that can help states like Maryland to meet their clean power targets, and also the requirements of the EPA power plant rule.

Given my time is running short here, I think that, you know, state governments are not powerless. They can lead the way, and they can set an example. And I want to thank you for doing that in Maryland. I am proud of California's leadership to address the climate crisis. And we are not sitting idle as the planet heats up or, worse, trying to block action. It is awesome to have another leader on the East Coast in Maryland to set up -- step up and to show that it can be done and we can have a cleaner grid, keep the lights on, and protect the health of our communities. Thank you.

And with that, I yield back.

*Mr. Johnson. The gentlelady yields back. The chair now recognizes the gentleman from Idaho, Mr. Fulcher, for five minutes.

*Mr. Fulcher. Thank you, Mr. Chairman, and thank you to the panel for your participation and for -- you probably already figured this out, but some of us had dueling committees. So it is not a rudeness when we jump in and out, okay? But thank you for your participation. And I have had a chance to go through your testimonies.

I want to start with a question for both Mr. Glatt and Ms. Owenby, and I will set it up this way. Hydro liquid natural gas, along with geothermal, make up a big portion of energy in my state. In fact, hydro alone is over half of the in-state usage. Liquid natural gas just got a pretty good boost in Idaho because the GTN Express pipeline was finally approved for an upgrade, and so we are looking forward to that. But LNG has lower emissions. It is a clean-burning fuel. Unlike solar and wind, these traditional sources of energy are the baseload. And that is the baseload reliable.

And I just want to ask both of you -- and I have a hint where Ms. Owenby is going to go with her response to Mrs. Miller-Meeks, but on a similar line I will start with Mr. Glatt.

Have you got sufficient flexibility under the EPA proposal to implement the rule in a way that would be

appropriate to your particular energy sources and your energy energy needs?

*Mr. Glatt. Generally speaking, no. I think it puts constraints on where we can move ahead. I will tell you that each of our co-ops that supply energy to their membership, they are looking at ways to diversify as much as possible. But this regulation would put constraints on how they could move forward.

*Mr. Fulcher. Thank you.

Ms. Owenby?

*Ms. Owenby. I would agree. I would say TVA, by the end of 2023, will have retired 35 of its 59 coal units since 2012, and plans to retire 24 remaining units at 4 coal plants by 2035. And I think their staggered approach and how they have done it over time has demonstrated that you can absolutely retire coal units and still maintain reliability, but they have done that by bringing on a lot of natural gas, and so they have replaced that power with power that is still providing them the capability to run the grid as they continue to bring on more intermittent sources like solar.

So we also have hydro in Tennessee, as well. But I think when we are looking for flexibility, I want to really focus on the timeline. You know, the timeline doesn't provide for flexibility. And I think when you think about the lead time -- and there have been so many good comments in

the docket that talk about the lead time -- for just thinking about what it takes to put some of these projects online if they were to even think about investing in some of these technologies at these plants, that those -- the time constraints provided by the rule eliminate a significant amount of flexibility.

*Mr. Fulcher. That is what it looks like to me, too, frankly. And I want to go to Mr. Parker.

I understand you are from Utah. Is that right?

*Mr. Parker. Yes, sir.

*Mr. Fulcher. So, Idaho, right next door. And I don't know which of us has grown the fastest, but I think it is fair to say that both of our states are exploding in terms of growth and population. And the demand with energy is only going to go one way, and it is going that way right now.

Your PUC, you are responsible -- have got responsibilities there. What happens to baseload reliability during this transition from our current mix of energy sources to the mandated picture under that EPA proposed rule?

*Mr. Parker. This is the big concern. And, you know, the EPA rule creates some strange incentives. We have a relatively inefficient gas peaker plant that is really old that can probably still run. We have pretty new natural gas generators that are pretty efficient that will struggle to comply with the rule. As those baseload sources come off, we

are going to be increasingly subject, if it is available, to market purchases during periods of high pricing. If it is not available, obviously, there is shortages on the system and we can't buy it.

We are exploring geothermal technology. We are studying that. It remains expensive. We are exploring nuclear. It remains expensive and lengthy to permit. By the timelines EPA proposes, the answer is I don't know. We have outages if these things have to close when they look like they may under EPA's rules.

*Mr. Fulcher. Yes, thank you. It is concerning to me, too. I am going to -- I have got just a little bit of time left here, so I need a quick response from Mr. Glatt and Ms. Owenby again.

But the greenhouse gas emission rules, to me, are very clear. They discriminate against liquid natural gas. They discriminate against coal. They are very biased towards solar and wind. With a brief response, in your view, Mr. Glatt, first, what is the risk to baseload reliability looking forward with this rule in place?

*Mr. Glatt. Very significant. Can't rely on wind and solar to fill in that vacuum.

*Mr. Fulcher. Ms. Owenby?

*Ms. Owenby. Well said. I think that when you were looking at what we think most likely will happen, you will be

looking at baseload and intermediate sources that will be taking significant capacity cuts, and that --

*Mr. Fulcher. Okay.

*Ms. Owenby. We don't know how to run the grid that way.

*Mr. Fulcher. Thank you. Thank you to the panel.

Mr. Chairman, I yield back.

*Mr. Johnson. The gentleman yields back. The chair now recognizes the gentlelady from Florida, Ms. Castor, for five minutes.

*Ms. Castor. Thank you, Mr. Chairman. Thank you to the witnesses.

This morning the administration released the fifth National Climate Assessment. This is the report that the Congress required decades ago -- it comes out about every five years -- where they ask all of the top scientists across the country and experts to help us understand the impacts of the warming planet, help us understand the economics, what is -- why costs are going up, the health impacts of burning fossil fuels. And what it says -- I have had one eye to it this morning -- we are -- we can anticipate due to burning greenhouse gases, or greenhouse gases in the atmosphere, an increase in oppressive hot days which will hurt farmers and our water supply; higher costs driven by health impacts of -- higher costs because dirty fossil fuels now are so volatile.

Now we are spending about $150 billion a year just to respond to climate-fueled catastrophes, and they anticipate that that cost is going to go up. And they said, as the planet warms from using fossil fuels, the cost and risk will grow. And it -- so it is up to us right now, at this moment in time, to make certain decisions about whether or not we can stand those rising costs and impacts on everyone, and that is why it is so important that the EPA move now to kind of help reduce carbon pollution from power plants. As of right now there is no limitation on the -- on carbon pollution from power plants.

And I have watched over the past 14 years or so as the EPA has worked with states and stakeholders to develop solutions, and now they are offering an updated rule to cut pollution and to really put -- give states all the flexibility that they need to determine -- because, as Secretary McIlwain said, the states are different. The way we generate electricity is different, and the flexibility afforded by the rules is critical to the reliability and security as -- especially as we ramp up cleaner, cheaper sources of energy.

For example, the proposed rules create subcategories for plants based on capacity factor and retirement date to ensure that the power plants are reliable and can serve their communities.

It is important to note, too, that states are provided with significant flexibility to determine the right compliance pathways and invest in the technologies that work best for their individual needs.

Secretary McIlwain, what technologies is Maryland investing in to replace the reliability provided by coal and other fossil fuels?

*Ms. McIlwain. So we are investing in a lot of technologies in Maryland. And again, we use a lot of -- we use the funding from, in some ways, from the Regional Greenhouse Gas Initiative, the RGGI. We are investing in solar. So most of the technologies that we are investing in is for renewable energies. So solar technology we are investing in, and there is just -- there is a lot more. But what comes to mind mostly for me is the solar energy. That is where --

*Ms. Castor. Yes, solar and wind –

*Ms. McIlwain. -- replacing –

*Ms. Castor. -- is so much cheaper now.

*Ms. McIlwain. It is now. It is getting cheaper because of the IRA and the funding that is available.

Again, and I have said it before, the historic amounts of funding that is now poured into the communities and into the industry is making this transition –

*Ms. Castor. And I will give you an example. In the

Sunshine State you would think we are really ramping up solar, but we have remained really tied to gas, and that has really socked it to consumers. Our electric bills from TECO, Tampa Electric, are up about $500 or more for family over -- just in the past year because gas has been so volatile.

But there is good news here. You know, we -- from the time that the Clean Power Plan was introduced years ago by President Obama, the power sector, even without the rule coming into effect, the power sector already exceeded the goals of the original Clean Power Plan. So now think about what will happen with lower-cost solar, wind, more focus on energy efficiency, gas replacing -- coal was responsible for a lot of those incremental reductions, but now we really have to jump much farther and faster to lower costs, to lower the impacts of the warming planet.

And I hope you all will dive into the fifth Climate Assessment, because it is the first assessment that not only talks about the impacts and the costs, but talks about the tools we are using to make this transition and do it in a secure way, in a reliable way that is fueled by American innovation.

So thank you, Mr. Chairman, and I will yield back.

*Mr. Johnson. The gentlelady yields back. Seeing no further members seeking to ask questions, I ask unanimous consent to insert into the record the documents included on

the staff hearing documents list.

Without objection, that will be the order.

[The information follows:]

**********COMMITTEE INSERT**********

*Mr. Johnson. I remind members that they have 10 business days to submit questions for the record, and I ask the witnesses to respond to the questions promptly.

Without objection, the subcommittee stands adjourned.

[Whereupon, at 1:07 p.m., the subcommittee was adjourned.]